

Date: December 02, 2020

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

Dear Sir / Madam,

Sub: Notice of the 14TH Annual General Meeting

We wish to inform you that the 14th Annual General Meeting of the Company will be held on Thursday, December 24, 2020 at 01.00 p.m., through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM").

In terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith a copy of the Notice of 14th Annual General Meeting of the Company.

We request you to take note of the above on your record and oblige.

Thanking you,

Yours faithfully,

For MT Educare Limited**Ravindra Mishra**
Company Secretary**Encl: As above**



TAKING INDIAN EDUCATION TO A NEW PEAK OF GLORY



MT Educare Limited
Annual Report 2019-20

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Corporate Information

BOARD OF DIRECTORS

Mr. Mahesh R. Shetty

Whole-time Director
(Resigned w.e.f April 13, 2020)

Mr. Himashu Mody

Chairman, Non-Independent,
Non-Executive Director
(Resigned w.e.f January 07, 2020)

Mr. Ajey Kumar

Executive Director
(Resigned w.e.f. September 26, 2019)

Dr. Manish Agarwal

Independent, Non-Executive Director
(w.e.f. June 5, 2018)

Dr. Sangeeta Pandit

Independent, Non-Executive Director
(Resigned w.e.f. October 01, 2019)

Mr. Debshankar Mukhopadhyay

Managing Director
(Resigned w.e.f. April 23, 2020)

Mr. Roshan Lal Kamboj

Independent, Non-Executive Director
(w.e.f. September 26, 2019)

Mr. Sanjeev Garg

Whole-Time Director
(from September 26, 2019 upto January
10, 2020)

Mr. Dattatraya Kelkar

Independent, Non-Executive Director
(w.e.f. December 30, 2019)

Mr. Nanette D'sa

Independent, Non-Executive Director
(w.e.f. March 31, 2020)

Mr. Arun Kumar Khetan

CEO & Executive Whole Time Director
(w.e.f. April 15, 2020 & April 23, 2020
respectively)

Mr. Surender Singh

Non-Independent, Non-Executive
Director
(w.e.f July 24, 2020)

BOARD COMMITTEES

Audit Committee

Mr. Roshan Lal Kamboj (Chairperson)
Dr. Manish Agarwal
Dr. Dattatraya Kelkar
Ms. Nanette D'sa

**Nomination and Remuneration
Committee**

Dr. Manish Agarwal (Chairman)
Mr. Roshan Lal Kamboj
Dr. Dattatraya Kelkar
Ms. Nanette D'sa

Stakeholders Relationship Committee

Mr. Roshan Lal Kamboj (Chairman)
Dr. Dattatraya Kelkar
Ms. Nanette D'sa

**Corporate Social Responsibility
Committee**

Dr. Manish Agarwal (Chairman)
Mr. Roshan Lal Kamboj
Dr. Dattatraya Kelkar
Ms. Nanette D'sa

KEY MANAGEMENT

Chief Financial Officer

Mr. Sandesh Naik
(upto November 14th, 2019)
Mr. Dinesh Bhutra
(from November 14th, 2019 to March
06th, 2020)
Mr. Sunil Jain
(w.e.f August 28th, 2020)

**Company Secretary & Compliance
Officer**

Mr. Mandar Chavan
(upto November 13th, 2019)
Mr. Ravindra Mishra
(w.e.f November 14th, 2019)

Bankers

Axis Bank Limited
Kotak Mahindra Bank Limited
ICICI Bank Limited
HDFC Bank Limited
IDFC First Bank Limited

STATUTORY AUDITORS

M/s. MSKA& Associates
Chartered Accountants
Mumbai

SECRETARIAL AUDITORS

M/s. R. Bhandari & 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
Phone No. 022 25937700/800
Email ID: info@mteducare.com
Website: www.mteducare.com

REGISTRAR & TRANSFER AGENT

Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West),
Mumbai - 400 083

Management Discussion and Analysis Report

Your Directors submit for your consideration the Management Discussion and Analysis Report on the working of the Company for the financial year ended 31st March, 2020.

Education Industry review

India has the world's largest population of about 500 million in the age bracket of 5–24 years, which provides a great opportunity for the education sector. The education sector in India was estimated at US\$ 91.7 billion in FY18 and is expected to reach US\$ 101.1 billion in FY19.

Number of colleges and universities in India reached 39,931 and 993, respectively, in FY19. India had 37.4 million students enrolled in higher education in FY19. Gross Enrolment Ratio in higher education reached 26.3 per cent in FY19.

The country has become the second largest market for E-learning after the US. The sector is expected to reach US\$ 1.96 billion by 2021 with around 9.5 million users.

The total amount of Foreign Direct Investment (FDI) inflow into the education sector in India stood at US\$ 3.24 billion from April 2000 to March 2020 according to the data released by Department for Promotion of Industry and Internal Trade (DPIIT).

The education and training sector in India witnessed some major investments and developments in the recent past. Some of them are:

- On September 4, 2020, Avanse Financial Services, launched a' education loan offer for children who plan to pursue their higher education, take up teacher training courses and teachers who aim for up-skilling courses.
- In September, GoLearn, India's first AI-powered English Language Teaching and Learning (ELTL) platform is launched to meet the growing demand for English teachers.
- On September 2, 2020, Indian Institute of Technology (IIT) Delhi established an independent "School of Artificial Intelligence (ScAI)" on its campus to offer post graduate and PhD courses. The new school also aims to become the one-stop center for industry participants or the Government for AI innovation/ funding/ collaborations.
- In September 2020, LinkedIn and National Skill Development Corporation (NSDC) partnered to provide free access to LinkedIn Learning resources to upskill young professionals in the country and create a future-ready digital workforce.
- Between January 2020 and August 2020, venture capital investors invested ~US\$ 1.19 billion across 36 deals, against the ~US\$ 409 million across 43 deals between January 2019 and August 2019.
- From January 2020 to September 2020, BYJU's was at the top in the edutech sector, with a raised capital of US\$

1.12 billion in four branches from investors including Silver Lake, Tiger Global, General Atlantic, Owl Ventures and DST Global.

Government Initiatives

Some of the other major initiatives taken by the Government are:

- In September 2020, to help the administration implement policies for human resource development, Jammu and Kashmir Lt Governor inaugurated the State Council of Education, Research and Training (SCERT) on the lines of NCERT.
- In September 2020, UGC issued new guidelines for distance learning courses. As per norms, no university whether central, state, private or deemed to be university, can offer its programmes by franchising agreements with private coaching institutions to admit learners and conduct courses through open and distance learning and online mode.
- To engage students at home amid the coronavirus pandemic through educational activities, an alternative academic calendar for students, parents and teachers for all Classes I–XII has been developed by the NCERT under the guidance of the Ministry of Education.
 - o Alternative Academic Calendar (AAC) for four weeks and the next eight weeks for primary and upper primary stages had been released.
- To ensure equal access to online/digital education, the Government of India has taken the following initiatives:
 - o Under the flagship Initiative, SWAYAM-Prabha, Ministry of Education is providing 34 educational TV channels, covering educational contents for schools and higher educational institutions.
 - o Extensive use of radio, community radio and CBSE Podcast – ShikshaVani.
 - o Special e-content for visually and hearing impaired was developed on Digitally Accessible Information System (DAISY) and in sign language on NIOS website/ YouTube.
- According to Union Budget 2020–21, Government allocated Rs 59,845 crore (US\$ 8.56 billion) for Department of School Education and Literacy.
- Revitalising Infrastructure and Systems in Education (RISE) by 2022 was announced in Union Budget 2020–21 with a proposed outlay of Rs 3,000 crore (US\$ 429.55 million).
- Under Union Budget 2020–21, Government proposed apprenticeship embedded degree/diploma courses by March 2021 in about 150 higher educational institutions.

Road Ahead

In 2030, it is estimated that India's higher education will:

- combine training methods that involve online learning and games, and is expected to grow 38 per cent in the next 2–4 years
- adopt transformative and innovative approaches in Higher education
- have an augmented Gross Enrolment Ratio (GER) of 50 per cent
- reduce state-wise, gender based and social disparity in GER to 5 per cent
- emerge as the single largest provider of global talent with one in four graduates in the world being a product of the Indian higher education system
- be among the top five countries in the world in terms of research output with an annual R&D spend of US\$ 140 billion
- have more than 20 universities among the global top 200 universities

Various Government initiatives are being adopted to boost the growth of distance education market besides focusing on new education techniques, such as E-learning and M-learning.

Education sector has seen a host of reform and improved financial outlays in recent years that could possibly transform the country into a knowledge haven. With human resource increasingly gaining significance in the overall development of the country, development of education infrastructure is expected to remain the key focus in the current decade. In this scenario, infrastructure investment in the education sector is likely to see a considerable increase in the current decade

The Government of India has taken several steps including opening of IIT's and IIM's in new locations as well as allocating educational grant for research scholars in most Government institutions. Furthermore, with online mode of education being used by several educational organisations, the higher education sector in India is set for major change and development in the years to come.

(Source: www.ibef.org)

THREATS AND OPPORTUNITIES

The long term shutdown of educational sector and other business operations to contain the Covid-19 menace, the resultant liquidity crunch along with the time and resources needed to return to normalcy of business operations, are threats that your Company shares with other business entities globally. Times of such adversity pose challenges to outperform and your Directors and Senior Management of the Company with

co-operation and dedication of its personnel at all levels stand committed to counter the threats with innovative strategies and over extending the reach of technological boundaries.

The Company is pro-actively identifying and pursuing opportunities by developing new key accounts and focusing on other available opportunities.

Company continues to put in place a comprehensive and robust enterprise-wide risk management structure, to enable all the businesses to recognize risks in advance based on the key initiatives by the business, so that appropriate and adequate mitigation plans can be worked out to ensure the goals are achieved. The risk management mechanism is an integral part of the Company's core process and involves recording, monitoring, independent testing and controlling of the internal functions of the enterprise by way of establishing Risk Control Matrix (RCM) to ensure process control, Business Risk Management (BRM) framework for business objectives, and Entity Level Control (ELC) for a comprehensive risk reporting. The rapid changes in technology across the globe have necessitated a dynamic change in the Company's business and delivery models. As risk-taking is an intrinsic part of all the businesses, it has been MT's constant endeavor to balance risk appetite in each line of business to ensure that each of the businesses generates high risk-adjusted returns, with the underlying objective of maximizing value for the shareholders.

MT has taken proactive steps to identify and prioritize the risks upfront, document them in consultation with the business groups and define the risk management framework. The Company has laid out internal controls over Financial Reporting to be followed by the Company. Such internal financial controls are adequate and operate effectively. At entity level, MT's risk management framework addresses all the significant risks of the businesses as envisaged by the management from time to time, based on the experience, the environment surrounding each business activity and future initiatives, to achieve the business group's objectives along with the relevant mitigation strategy. The mitigation strategy is simultaneously addressed by the respective business group for each of the identified risks while finalizing strategic and operational parameters of the business. The compliances and assurance of the risk mitigation strategies are addressed by the Internal Audit and Assurance Group. The Company has identified the major and significant risks into two broad categories, External Risks and Internal Risks, with mitigation strategies of each. The Company is well-diversified in terms of both its service offerings and geographic spread.

OUTLOOK

The world is still in throes of Covid-19. It will take considerable time for the economy to get on its feet and grow in strength. Under such a scenario, it would not be prudent to make any definitive forecast or commitment in respect of the Company's outlook for F.Y.2020-21.

RISK & CONCERNS

Your Company's Board of Directors have put in place adequate risk assessment and risk mitigation measures. The Executive Management has an appropriate framework that generates confidence of foreseeing and mitigating the risks, which every manufacturing company faces in the form of fluctuations in the supply and pricing of fuel, energy and essential raw material. However, no measures are adequate when confronted by force majeure event like Covid-19.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adopted global practices for evaluating and reporting on internal controls, based on its operational experience. It has also implemented one of the leading ERP solutions in its operations to integrate various facets of business operations, including Human Resources, Finance, Logistics, and Sales. This has enabled the Company to control and monitor its operations and strengthen the ability of internal controls to function most optimally. These procedures ensure that the transactions are properly authorized, validated and reported and that the assets of the Company are safe-guarded. Additionally, the Company has laid down policies, wherever required, the Company has desired internal control & mechanism in place & more has designated internal auditor from internal source to complete the audits as per a defined plan in place from time to time. The Statutory Auditors also verify the adequacy of the internal financial controls as well as compliances with the applicable laws and statutory regulations.

The Audit Committee of the Board with an Independent Director as its Chairman, meets quarterly and as & when required with the Management and Auditors to review the reports and to address the exceptions, if any.

FINANCIAL PERFORMANCE AND KEY FINANCIAL RATIOS

Consolidated Results

Income

The consolidated revenue for the year FY20 stood at Rs. 23,143 lakhs as against Rs. 24,935 Lakhs in FY19, decrease by 7.19% mainly on account of decline in enrolment in its coaching business thus affecting the revenue to that extent

Expenditure

Total expenditure stood Rs. 23,911 lakhs during the year under review this is in consistent with Last year Expenditure.

Operational Expenses

The Direct expenses mainly includes purchase of tablets/SD Cards which are issued to students as a part of course material and fees paid to visiting faculties. The direct expense for the year FY20 was Rs. 10,389 Lakhs as against Rs. 12,440 Lakhs in FY19, down on account of rent expenses recognition of operating lease as ROU assets and corresponding lease liability.

Employee Benefit Expenses

The employee benefit expense for the year FY20 stood at Rs.3,193 Lakhs as against Rs. 3,634 Lakhs in FY19, down by 12% on account of reduction in number of employees and controls on hiring as a cost saving measure.

Other Expenditure

Other expenses for the year FY20 stood at Rs. 3,638 lakhs as against Rs. 3,932 lakhs in FY 19 mainly on account of saving of Advertisement Expenses. Also, expenses have reduced on account of cost saving measures adopted by the company.

Finance Costs

Finance costs have increased due to IND-AS 116 for Interest expenses on Lease Liability by Rs. 697.15 lakhs i.e set off by reduction in borrowing cost by Rs. 271.06 Lakhs.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses increase due to IND-AS 116 amortisation of ROU Expenses for Rs 4,288Lakhs F. Y 20 as compared to Rs. 1,813 lakhs in FY19.

Profit After Tax

The profit/(loss) after tax is Rs. (4,593) lakhs for F. Y 2019 as compared to profit after tax for Rs. 912 Lakhs.

SOURCE OF FUNDS

Share Capital

The equity share capital remains same for Rs. 7222.81 Lakhs during the year under review.

Other Equity

Other equity decreased by Rs. 4,629 Lakhs from Rs 14,693Lakhs as on March 31, 2019 to Rs. 10,063 Lakhs as on March 31, 2020 largely on account of Net loss incurred during the year.

Non-Current Liabilities

Non current liabilities decreased by Rs. 1,246 Lakhs from Rs 11,073 Lakhs as on March 31, 2019 to Rs. 9,828 Lakhs as on March 31, 2020 largely on account of repayment of loans during the year.

Current Liabilities

Current liabilities increased by Rs. 3,165 Lakhs from Rs 12,368 Lakhs as on March 31, 2019 to Rs. 15,533 Lakhs as on March 31, 2020 largely on account of increase in lease liability as per IND-AS 116 and Business Creditors.

APPLICATION OF FUNDS

Non-Current Assets

Non-Current Assets increased by Rs 672 Lakhs from Rs 30,184 Lakhs as on March 31, 2019 to Rs 30,856 Lakhs as on March 31, 2020, mainly on account of increase in right to use assets as per IND-AS 116 and reduction in other financial Assets.

Current Assets

Current assets decreased by Rs 3,382 Lakhs from Rs 15,173 Lakhs as on March 31, 2019 to Rs 11,791 Lakhs as on March 31, 2020, mainly due to delay in recovery of loan receivable, the Company has made a provision as an Exceptional Item.

Standalone Results

Income

The revenue for the year FY20 stood at Rs. 16,802 lakhs as against Rs. 20,165 Lakhs in FY19, mainly on account of decline in enrolment in its coaching business thus affecting the revenue to that extent.

Total Expenditure

Total expenditure reduced by Rs. 864.45 lakhs in FY 20, during the year under review.

Operational Expenses

The Direct expenses mainly includes purchase of tablets/SD Cards which are issued to students as a part of course material and fees paid to visiting faculties. The direct expense for the year FY20 was Rs. 6,854 Lakhs as against Rs. 9,874 Lakhs in FY19, down on account of rent expenses recognition of operating lease as ROU assets and corresponding lease liability.

Employee Benefit Expenses

The employee benefit expense for the year FY20 stood at Rs

2,890 Lakhs as against Rs. 3,114 Lakhs in FY19, down by 7% on account of reduction in number of employees and controls on hiring as a cost saving measure.

Other Expenditure

Other expenses for the year FY20 stood at Rs. 2,939 lakhs as against Rs. 3,198 lakhs in FY 19 mainly on account of saving of Advertisement Expenses. Also, expenses have reduced on account of cost saving measures adopted by the company.

Finance Costs

Finance costs have increased due to IND-AS 116 for Interest expenses on Lease Liability by Rs. 349.45 lakhs i.e Interest on lease liability and further due set off by reduction in borrowing cost by Rs. 651 Lakhs.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses increase due to IND-AS 116 amortisation of ROU Expenses for Rs 3,722 Lakhs F. Y 20 as compared to Rs. 1,434 lakhs in FY19.

Profit After Tax

The profit/(loss) after tax is Rs. (5,230) lakhs for F. Y 2019 as compared to profit after tax for Rs. 730 Lakhs.

SOURCE OF FUNDS

Share Capital

The equity share capital remains same for Rs. 7222.81 Lakhs during the year under review.

Other Equity

Other equity decreased by Rs. 5,277 Lakhs from Rs 14,903 Lakhs as on March 31, 2019 to Rs. 9,626 Lakhs as on March 31, 2020 largely on account of Net loss incurred during the year.

Non-Current Liabilities

Non current liabilities increased by Rs. 2,446 Lakhs from Rs 5,435 Lakhs as on March 31, 2019 to Rs. 7,881 Lakhs as on March 31, 2020 largely on account of other financial liability on account of IND-AS 116 and redemption in Borrowings.

Current Liabilities

Current liabilities increased by Rs. 1,911 Lakhs from Rs 9,273 Lakhs as on March 31, 2019 to Rs. 11,184 Lakhs as on March 31, 2020 largely on account of increase in lease liability as per IND-AS 116 and Business Creditors.

APPLICATION OF FUNDS

Non-Current Assets

Non-Current Assets increased by Rs 4,309 Lakhs from Rs 19,581 Lakhs as on March 31, 2019 to Rs 23,891 Lakhs as on March 31, 2020, mainly on account of increase in right to use assets as per IND-AS 116 and reduction in other financial Assets.

Current Assets

Current assets decreased by Rs 5,230 Lakhs from Rs 17,253 Lakhs as on March 31, 2019 to Rs 12,023 Lakhs as on March 31, 2020, mainly due to delay in recovery of loan receivable, the Company has made an provision as an Exceptional Item.

HUMAN RESOURCES

Well educated, qualified and experienced personnel are the strength of the Company. The HRD policies place emphasis on

providing trainings and upgrading skills not only for keeping pace with the growth and development of the Company but also for providing opportunities of value addition to its personnel. Appropriate training programs, workshops and seminars are conducted and all efforts are made to provide an ambient and healthy work culture. As at 31st March 2020, the total number of employees on the roll of the Company stood at 610.

CAUTIONARY STATEMENT

Some statements in this Report are forward looking statements and are based on the optimism that the massive efforts of the Central Government, State Government and determination of the people of the Country would soon overcome the battle against Covid-19, and that the Country's and global economy both move once again towards sustainable growth. The Company's performance is based on these caveats and it is therefore cautioned that the actual results may differ from those set out or implied herein.

Directors' Report

To,
The Members of
MT Educare Limited

Your Directors take pleasure in presenting the Fourteenth Annual Report of the Company together with Audited Financial Statements for the year ended March 31, 2020. 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 2019-2020, your Directors confirm that:

- a) The Financial Statements of the Company - comprising of the Balance Sheet as at March 31, 2020 and the Statement of Profit & Loss for the year ended on that date, have been prepared on a going concern basis following applicable accounting standards and that no material departures have been made from the same;
- b) 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, 2020, and of the profit of the Company for the year ended on that date
- c) 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;
- d) 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
- e) 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, 2020 is summarized below:

Particulars	Standalone – Year ended		Consolidated – Year ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Revenue from Operations	14,668.23	18,200.31	20,516.47	22,856.12
Other Income	2,133.69	1,965.00	2,626.19	2,078.88
Total Income	16,801.92	20,165.31	23,142.66	24,935.00
Total Expenses	12,682.96	16,185.74	17,219.38	20,007.19
Operating Profit/Loss	4,118.96	3,979.57	5,923.28	4,927.81
Less: Finance Cost	1,981.50	1,632.05	2,403.24	1,977.15
Less: Depreciation	3,722.49	1,433.61	4,287.99	1,813.09
Profit/ (Loss) before Tax	(4,699.68)	913.91	(3,882.60)	1137.57
Tax expense	530.32	183.46	710.78	225.50
Profit/Loss after Tax	(5,230.00)	730.45	(4,593.38)	912.07
Less : Appropriations	0.00	0.00	0.00	0.00
Transferred to Debenture Redemption Reserve	0.00	0.00	0.00	0.00
Interim Equity Dividend	0.00	0.00	0.00	0.00
Tax on Interim Equity Dividend	0.00	0.00	0.00	0.00
Balance carried To Balance Sheet	(5,230.00)	730.45	(4,593.38)	912.07
Other comprehensive income carried to balance sheet	(46.74)	9.95	(35.89)	32.11

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 2019-20.

DIVIDEND

In order to conserve the resources for future growth of the Company, your Directors do not recommend dividend for the year under review.

BUSINESS OVERVIEW

Overall economic slowdown also impacted our business of the Company this year and due to uncertainty with the current situation, Management is unable to comment for the impact on business in the coming days, however the Management is still working with the objective of GREAT – Global Reach in Education and Training, and 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.

We further would like to highlight that 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 ₹14,668.23 Lakhs in FY20 compared to ₹18,200.31 Lakhs in FY19. Operating EBITDA stood at ₹4,118.96 Lakhs in FY20, compared to ₹3,979.57 Lakhs in FY19. PBT stood at ₹(4,699.68) Lakhs in FY20, compared to ₹913.91 Lakhs in FY19. PAT stood at ₹(5,230.00) Lakhs in FY20, compared to ₹730.45 Lakhs in FY19. Company has registered Consolidated Revenue of ₹ 20,516.47 Lakhs in FY20, compared to ₹22,856.12 Lakhs in FY19. Operating EBITDA stood at ₹5,923.28 Lakhs in FY20, compared to ₹4,927.81 Lakhs in FY19. PBT stood at Rs (3,882.60) Lakhs in FY20, compared to ₹1137.57 Lakhs in FY19. PAT stood at ₹(4,593.38) Lakhs in FY20, compared to ₹912.07 Lakhs in FY19.

SHARE CAPITAL

During the year under review, there have been no increase in the Share Capital of the Company and current paid up share capital of the Company is ₹72,22,80,540 comprising of 7,22,28,054 equity shares of Re. 10/- each.

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 7,38,450 options were granted on December 18, 2017. During the current financial year no options were vested.

The applicable disclosures as stipulated under the said Regulations as at March 31, 2020 are provided in note no. 35 of (Standalone) financial statement.

SUBSIDIARY COMPANY

As at March 31, 2020, your company had seven subsidiaries, namely, MT Education Services Pvt. Ltd., Lakshya Forum For Competitions Pvt. Ltd. (formerly known as Lakshya Educare Pvt Ltd), Chitale's Personalised Learning Pvt. Ltd., Sri Gayatri Educational Services Pvt. Ltd., Robomate Edutech Pvt. Ltd., Letspaper Technologies Pvt. Ltd and Labh Ventures India Pvt Ltd. 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 Indian Accounting Standard AS - 110 Consolidated Financial Statements read with Indian Accounting Standard AS - 28 Accounting for Investments in Associates, and Indian Accounting Standard - 111 Financial Reporting of 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 & 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 2019-20. A declaration to this effect signed by the Whole Time Director of the company is contained in this Annual Report. The Whole Time Director and Chief Financial Officer have certified to the Board with regard to the financial statements and other matters as required

under Regulation 17(B) 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 & 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 where of 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 & 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

As on April 01, 2019 the Corporate Social Responsibility Committee comprised of Dr. Manish Agarwal, Independent Director as Chairman, Dr. Sangeeta Pandit, Independent Director and Mr. Himanshu Mody, Non-executive Director as members of the Committee. Subsequently on w.e.f October 03, 2019 the Corporate Social Responsibility Committee was reconstituted by induction of Mr. Roshanlal Kamboj, Independent Director as Member, Dr. Manish Agarwal, Independent Director, as Chairman, Mr. Himanshu Mody, Non-executive Director as Member of the Committee. Further Ms. Sangeeta Pandit, Independent Director ceased to be the members of the Corporate Social Responsibility Committee w.e.f the closing hours of October 01, 2019.

Further w.e.f January 28, 2020 the Corporate Social Responsibility Committee was reconstituted by induction of Dr. Dattatraya Kelkar, Independent Director as Member, Dr. Manish Agarwal, Independent Director as Chairman and Mr. Roshanlal Kamboj, Independent Director as Members to the Committee. Further Mr. Himanshu Mody, Non-executive Director ceased to be the members of the Corporate Social Responsibility Committee w.e.f the closing hours of January 07, 2020.

Further w.e.f March 31, 2020 the Corporate Social Responsibility Committee was reconstituted by induction of Ms. Nanette D'sa, Independent Director as Member, Dr. Manish Agarwal,

Independent Director as Chairman, Dr. Dattatraya Kelkar, Mr. Roshanlal Kamboj, Independent Director as Members to the Committee.

As at March 31, 2020, in compliance with requirements of Section 135 read with Schedule VII of the Companies Act, 2013, the Corporate Social Responsibility Committee comprises of Dr. Manish Agarwal, Independent Director as Chairman, Dr. Dattatraya Kelkar, Independent Director, Mr. Roshanlal Kamboj, Independent Director and Ms. Nanette D'sa, Independent Director as members of the Committee.

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'), our aim is to help students to pursue a dignified life. We not only mentor and coach students according to the syllabus to attain 100% results, but also encourage and guide them towards quality education. We focus on Maths, Science and English although other subjects are also taken up as per the school requirements. We give monthly tests for assessment of what has been taught. Motivation and counselling lectures are conducted with regular doubt solving sessions to help the students improve their scores. Parent and teacher meeting is held to keep the parents in loop with the students' progress and help them support their child for better academic performance. Special batches for weak students are held separately for remedial lectures. Weak students are also helped with special lectures through Robomate+ App. Question Bank of every chapter of all subjects is given to students so that they can practice and improve their grades.

The Report on CSR Activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as Annexure 3 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

Based on recommendation of the Nomination and Remuneration Committee, the Board of Directors at the meeting held on September 26, 2019, had approved the appointment of Mr. Roshanlal Kamboj, as a Non-Executive Independent Director of the Company and Mr. Sanjeev Garg, as an Executive Whole Time Director and CEO of the Company. Further, Mr. Ajey Kumar resigned from Board of the Company w.e.f the closing hours of September 26, 2019.

Mr. Dinesh Bhutra and Mr. Ravindra Ashok Mishra was inducted as Chief Financial Officer and Company Secretary on the Board of the Company w.e.f November 14, 2019 and November 15, 2019 respectively. Further, Mr. Sandesh Naik and Mr. Mandar Chavan had resigned from the post of Chief Financial Officer and Company Secretary w.e.f 14th November, 2019 and 13th November, 2019 respectively. Further Mr. Dattatraya Kelkar was appointed as a Non-Executive Independent Director of the Company w.e.f 30th December, 2019.

Mr. Himanshu Mody and Mr. Sanjeev Garg had resigned from the post of Non-Executive Non-Independent Director and Whole Time Director as well as CEO of the Company w.e.f January 07, 2020 and January 10, 2020 respectively. Further Mr. Dinesh

Bhutra had resigned from the post of Chief Financial Officer of the Company w.e.f 06th March, 2020 and Ms. Nanette D'sawas appointed as a Non-Executive Independent Director of the Company w.e.f 31st March, 2020.

Your Board currently comprises of 6 Directors including 4 (Four) Non-Executive-Independent Directors, 2 (Two) 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 2019-2020, your Board met 6 (Six) times details of which are available in Corporate Governance Report annexed to this report.

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

Name of the KMP	Appointment / Resignation / No change	With effect from
Mr. Mahesh Shetty	No Change	August 19, 2006 (Resigned w.e.f April 13th, 2020)
Mr. Debshankar Mukhopadhyay	No Change	August 09, 2018 (Resigned w.e.f April 23rd, 2020)
Mr. Dinesh Bhutra	Appointed as Chief Financial Officer	November 14, 2019 (Resigned w.e.f March 06, 2020)
Mr. Ravindra Mishra	Appointed as Company Secretary	November 15, 2019
Mr. Sandesh Naik	Chief Financial Officer	Resigned as Chief Financial Officer November 14, 2019
Mr. Mandar Chavan	Resigned as Company Secretary	November 13, 2019

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 & 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

M/s. MSKA & Associates, Chartered Accountants, (Firm Registration No. 105047W), Statutory Auditors of the Company resigned from the office of Statutory Auditors of the Company, Your Board of Directors at their meeting held on September 25th, 2020 recommended appointment of M/s. MGB & Co. LLP, Chartered Accountants, Mumbai (Firm Registration No. 101169W/W-100035) to fill the Casual Vacancy, M/s. MGB & Co LLP, Chartered Accountants (Firm Registration No. 101169W/W-100035) were appointed as statutory auditors

of the company, w.e.f November 09th, 2020 to fill the casual vacancy caused by the resignation of Existing Auditor of the Company M/s MSKA & Associates to hold the office of the Statutory Auditor of the Company till the Conclusions of the 14th AGM. Accordingly, as per the said requirements of the Act, M/s. MGB & Co. LLP, Chartered Accountants (Firm Registration No. 101169W/W-100035) is proposed to be appointed as statutory auditors of the company, for a period of 5 years, commencing from the conclusion of 14th AGM till the conclusion of the 19th AGM. M/s. MGB & Co. LLP, Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act.

They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments, some of the Qualifications shared by Auditor is as under (Standalone as well as Consolidated):

Standalone:

- 1) *The Company has recognized net deferred tax assets of Rs. 7,791.25 Lakhs based on the estimate that sufficient taxable profits would be available in future years against which deferred tax asset can be utilized. In our opinion, due to the uncertainty over the estimated profits for the future years arising out of the outbreak of COVID-19 and the existence of unutilized tax losses available with the Company, it is highly uncertain that the Company would have sufficient taxable profits in future against which deferred tax asset can be utilized. Accordingly, we are unable to obtain sufficient appropriate audit evidence to corroborate Management's assessment of recognition of deferred tax assets as of March 31, 2020. Had the deferred tax asset not been recognized, the net the loss for the year ended March 31, 2020 and accumulated losses, would have been higher by Rs. 7,791.25 Lakhs.*

Reply: The management has made internal assessment and have projected Profit & Loss for next 5 years and are of view to have sufficient taxable profits to utilise the DTA.

- 2) *The Company has not complied with the provisions of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015 relating to the submission of the results for the quarter and year ended March 31, 2020 to Securities and Exchange Board of India (SEBI) within the stipulated time. Penalties on account of such non-compliances are presently not ascertainable and not provided for in the books*

of account. Consequently, we are unable to comment on the impact, if any, on the standalone financial statements.

Reply: The Company has duly informed about delay in declaring of results and made the payment asked by the exchange.

Consolidated:

- 1) *The Group has recognized net deferred tax assets of Rs. 8,154.54 Lakhs based on the estimate that sufficient taxable profits would be available in future years against which deferred tax asset can be utilized. In our opinion, due to uncertainty over the estimated profits for the future years arising out of the outbreak of COVID-19 and the existence of unutilized tax losses available with the Group, it is highly uncertain that the Group would have sufficient taxable profits in future against which deferred tax asset can be utilized. Accordingly, we are unable to obtain sufficient appropriate audit evidence to corroborate Management's assessment of recognition of deferred tax assets as of March 31, 2020. Had the deferred tax asset not been created, the net the loss for the year ended March 31, 2020 and accumulated losses would have been higher by Rs. 8,154.54 Lakhs.*

Reply: The management has made internal assessment and have projected Profit & Loss for next 5 years and are of view to have sufficient taxable profits to utilise the DTA.

- 2) *The Company has not complied with the provisions of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015 relating to the submission of the results for the quarter and year ended March 31, 2020 to Securities and Exchange Board of India (SEBI) within the stipulated time. Penalties on account of such non-compliances are presently not ascertainable and not provided for in the books of account. Consequently, we are unable to comment on the impact, if any, on the consolidated financial statements.*

Reply: The Company has duly informed about delay in declaring of results and made the payment asked by the exchange.

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 2020-21.

SECRETARIAL AUDITOR

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

The Company had already taken such steps to ensure the Compliance with related regulations and accordingly informed the Exchanges from time to time. The remarks/qualifications mentioned in the secretarial audit report is self-explanatory. The reports of Statutory Auditor, Secretarial Auditor forms 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. 5, 6 12 and 17 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. Prospects:

Prolonged lockdown of all business operations worldwide due to Covid-19 and its aftermath in the form of liquidity crunch, have impacted the economy severely, both domestically and internationally. The working of the Company for the fiscal year 2020-21 will be severely

constrained. Nevertheless, your Directors are reasonably optimistic of riding the tide by innovative strategies and proactive focus on opportunities.

vi. Deposits:

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

vii. 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 as Annexure -A.

viii. 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.

ix. 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.

x. 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.

xi. Disclosure requirement:

As per SEBI Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the integrated Management Discussion and Analysis including the Business Responsibility Report are attached, which forms part of this report.

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

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 no foreign Exchange earnings and outgoings during the year under review.

PARTICULARS OF EMPLOYEES

The information required under Section 197 (12) of the Companies Act, 2013 read with Companies (Amendment and remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors Report for the year ended March 31, 2020.

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. 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 14th Annual General Meeting and up to the date of the AGM between 11.00 a.m to 1.00 p.m. on all working days (except Saturday and Public Holidays).

None of the employee listed on 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

Arun Kumar Khetan
Whole-Time Director
DIN:02744522

Surender Singh
Non-Executive Director
DIN: 08206770

Place: Mumbai

Date: 25/11/2020

EXTRACT OF REMUNERATION POLICY

The Board has approved a policy for Remuneration for Director(s) and Employees of the Company which inter alia includes:

i) **Objective:**

This Policy aims to attract, retain and motivate the Members of the Board of Directors, Senior Managers viz: CEO, and other employees who are at one level below the Key Managerial Personnel or Functional Heads of the Company, by remunerating them reasonably and sufficiently so as to run the operations of the Company successfully. The Policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

ii) **Guiding Principles:**

The guiding principle of this Policy 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.

While designing the remuneration package, efforts are to be made to ensure that the remuneration matches the level in comparable companies, whilst also taking into consideration requisite competencies, qualifications, industry experience, efforts required and the scope of the work.

The Nomination and Remuneration Committee while considering a remuneration package shall ensure balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

The Nomination and Remuneration Committee believes that a successful remuneration policy must ensure that

a significant part of the remuneration package should be linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders

iii) Remuneration of Executive Members on the Board:

Any Executive Member(s) on the Board shall be paid remuneration which shall comprise of fixed monthly basic salary, perquisites such as House Rent Allowance or furnished / unfurnished housing accommodation in lieu thereof, car with or without chauffeur, telephone for office as well as personal use, reimbursement of medical expenses, leave travel allowance, club membership, stock options, statutory and non-statutory allowances such as education allowances, personal allowances, travel allowances, subscription allowances etc. as may be recommended by the Nomination and Remuneration Committee / Board of Directors and approved by the Members of the Company from time to time.

However, the overall remuneration of executive member(s) on the Board, where there are more than one, shall not exceed 10% of the net profit calculated in the manner provided under the Companies] Act, 2013 and Rules framed thereunder, and shall not exceed 5% in case there is only one executive member on the Board. In the event of loss or inadequacy of profit in any financial year during the currency of tenure of services of an executive member of the Board, the payment of remuneration shall be governed by the applicable limits prescribed under the Companies Act, 2013 and Rules framed thereunder, as amended from time to time, however such applicable limits will not apply to Executive Directors working in the capacity of Professional Directors, to that extent.

Executive Members of the Board including the Managing Director, if any, shall be employed under service contracts for a period not exceeding 5 (five) years at a time, on the terms & other conditions and remuneration as recommended by the Nomination and Remuneration Committee and approved by the Members of the Company at the General Meeting(s). Executive members of the Board shall not be eligible to receive any sitting fees for attending any meeting of the Board of Directors or Committee thereof.

iv) Remuneration of Non-Executive Members of the Board:

The remuneration payable to Non-Executive Directors will be decided by Nomination and Remuneration Committee and approved by the Board from time to time.

The Non-Executive members / Independent Directors of the Board shall be eligible for sitting fees for attending the meetings of the Board and/ or Committees thereof, excluding Stakeholders Relationship Committee and Finance Sub- committee and reimbursement of expenses for participation in the Board and other meetings.

The remuneration payable to the Non-Executive member(s) / Independent Directors of the Board shall be limited to a fixed amount of Commission each year, as may be determined and approved by the Board based on the time devoted, contribution made in the progress and guiding the Company for future growth. Aggregate of such sum shall not exceed 1% of net profit of the year on a stand-alone basis or such sum as may be prescribed by the Government from time to time, calculated in accordance with the provisions of the Companies Act, 2013 and relevant rules framed thereunder. The performance of the non-executive members of the Board shall be reviewed by the Board on an annual basis.

The Non-Executive Directors shall be eligible for ESOPs as per the ESOP Scheme of the Company as approved by the Nomination and Remuneration Committee from time to time.

Independent Directors of the Company shall not be entitled to any stock option issued or proposed to be issued by the Company.

v) Remuneration of Executive Management comprising of Senior Management & Key Managerial Personnel:

The Company believes that a combination of fixed and performance-linked pay to the Executive Management shall ensure that the company can attract and retain key employees. The performance-linked incentive based on Company performance and performance of the employee concerned each year shall be considered and approved by the Nomination & Compensation Committee, annually inter-alia for the Executive Management. Additionally subject to appropriate approval of shareholders, the Company may consider issuance of stock options to Senior Management.

The Nomination & Compensation Committee will from time to time consider proposals concerning the appointment and remuneration of the Key Managerial Personnel and ensure that the proposed remuneration is in line with industry standards in comparable companies. Such proposals then shall be submitted to the Board for approval. The remuneration of the members of the Executive Management may consist of the following components:

- Basic salary and Allowances
- Performance linked incentive / bonus
- Stock options
- Perquisites as per rules of the Company including Company car, telephone etc.

Executive Management shall not be eligible to receive any remuneration, including sitting fees, for directorships held in any of the Essel Group of Companies, whether listed or otherwise.

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, 2020

(₹ 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	-4.31	-1.62	-1.68
Total assets	3.27	2.00	81.62
Total Liabilities	6.58	2.62	82.30
Investments	---	---	---
Turnover	---	1.75	100.79
Profit before taxation	-0.54	-0.55	-0.83
Tax expense	---	---	---
Profit after taxation	-0.54	-0.55	-0.83
Proposed Dividend	0	0	0
% of shareholding	75%	100%	100%

(₹ in lakhs)

Name of the Subsidiary	Chitale's Personalised Learning Pvt. Ltd.	MT Education Services Pvt. Ltd.	Lakshya Forrum For Competitions Private Limited (formerly known as Lakshya Educare Pvt. Ltd.)	Labh Venture Pvt. Ltd.
Share capital	12.24	1.00	2.00	10.80
Reserves & surplus	-59.48	106.76	-92.13	1,355.15
Total assets	1,110.51	927.76	9,712.47	5,360.22
Total Liabilities	1,157.75	820.18	9,802.60	3,994.27
Investments	---	---	64.25	0.03
Turnover	742.88	266.00	6,899.59	713.22
Profit before taxation	69.03	15.74	314.23	252.16
Tax expense	18.52	4.03	94.73	70.07
Profit after taxation	50.51	11.71	219.50	182.09
Proposed Dividend	0	0	0	0
% of shareholding	100%	100%	100%	100%

Notes:

The Company does not have any Associate/Joint Venture.

For and on behalf of the Board

Place: Mumbai
Date: 25/11/2020

Arun Kumar Khetan
Whole-Time Director
DIN: 02744522

Surender Singh
Non-Executive Director
DIN: 08206770

Annexure 1

FORM NO. MGT – 9

EXTRACT OF ANNUAL RETURN

As on Financial year ended 31/03/2020

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, 2nd Floor, "FLYING COLORS", Pandit Din DayalUpadhyayMarg, 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, 2nd Floor, "FLYING COLORS", Pandit Din DayalUpadhyayMarg, L.B.S. Cross Road, Mulund (West), Mumbai - 400080.	U80301MH2010PTC199012	Subsidiary Company	100	Section 2(87)
2	Lakshya Forrum For Competitions Pvt. Ltd (Formerly known as Lakshya Educare Pvt. Ltd.) 220, 2nd Floor, "FLYING COLORS", Pandit Din DayalUpadhyayMarg, L.B.S. Cross Road, Mulund (West), Mumbai – 400080.	U80301MH2012PTC238011	Subsidiary Company	100	Section 2(87)

Sr. No	Name and Address of the Company	CIN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
3	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)
4	Sri Gayatri Educational Services Pvt. Ltd 220, 2nd Floor, "FLYING COLORS", Pandit Din Dayal Upadhyay Marg, L.B.S. Cross Road, Mulund (West), Mumbai – 400080.	U80904MH2014PTC255536	Subsidiary Company	75	Section 2(87)
5	Robomate EduTech Pvt. Ltd 220, 2nd Floor, "FLYING COLORS", Pandit Din Dayal Upadhyay Marg, L.B.S. Cross Road, Mulund (West), Mumbai – 400080.	U74999MH2016PTC286570	Subsidiary Company	100	Section 2(87)
6	Letspaper Technologies Pvt. Ltd. 220, 2nd Floor, "FLYING COLORS", Pandit Din Dayal Upadhyay Marg, L.B.S. Cross Road, Mulund (West), Mumbai – 400080.	U74999MH2016PTC289017	Subsidiary Company	100	Section 2(87)
7	Labh Ventures India Pvt. Ltd. Cedar tower No.4/3102, M. G. Link Road, Nahur, Bhandup (West), Mumbai – 400 078	U74999MH2015PTC262045	Subsidiary Company w.e.f September 1, 2018	100	Section 2(87)

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

1. Category wise Shareholding:

Sr. Category of No. Shareholders	Shareholding at the beginning of the year - 2019				Shareholding at the end of the year - 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Shareholding of Promoter and Promoter Group									
[1] Indian									
(a) Individuals / Hindu Undivided Family	17036803	0	17036803	'23.5875	13252453	0	13252453	'18.3481	'-5.2394
(b) Central Government / State Government(s)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c) Financial Institutions / Banks	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d) Any Other (Specify)	42701173	0	42701173	'59.1199	42701173	0	42701173	'59.1199	'0.0000
Bodies Corporate									
Sub Total (A)(1)	59737976	0	59737976	'82.7074	55953626	0	55953626	'77.4680	'-5.2394
[2] Foreign									
(a) Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(b) Government	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c) Institutions	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d) Foreign Portfolio Investor	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(e) Any Other (Specify)									
Sub Total (A)(2)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)	59737976	0	59737976	'82.7074	55953626	0	55953626	'77.4680	'-5.2394
(B) Public Shareholding									
[1] Institutions									
(a) Mutual Funds / UTI	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(b) Venture Capital Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c) Alternate Investment Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d) Foreign Venture Capital Investors	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(e) Foreign Portfolio Investor	72132	0	72132	'0.0999	0	0	0	'0.0000	'-0.0999
(f) Financial Institutions / Banks	272	0	272	'0.0004	230	0	230	'0.0003	'-0.0001
(g) Insurance Companies	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(h) Provident Funds/ Pension Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(i) Any Other (Specify)									
Sub Total (B)(1)	72404	0	72404	'0.1002	230	0	230	'0.0003	'-0.0999

Sr. Category of No. Shareholders	Shareholding at the beginning of the year - 2019			Shareholding at the end of the year - 2020			% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical		Total
[2] Central Government/ State Government(s)/President of India								
Sub Total (B)(2)	0	0	0	'0.0000	0	0	0	'0.0000
[3] Non-Institutions								
(a) Individuals								
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	4441500	29008	4470508	'6.1894	4962795	29008	4991803	'6.9112
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	5502580	10890	5513470	'7.6334	8237088	10890	8247978	'11.4194
(b) NBFCs registered with RBI	1696	0	1696	'0.0023	0	0	0	'0.0000
(d) Overseas Depositories(holding DRs) (balancing figure)	0	0	0	'0.0000	0	0	0	'0.0000
(c) Any Other (Specify)								
Foreign Nationals	594	0	594	'0.0008	594	0	594	'0.0008
Hindu Undivided Family	508659	0	508659	'0.7042	1302641	0	1302641	'1.8035
Non Resident Indians (Non Repat)	64587	0	64587	'0.0894	81816	0	81816	'0.1133
Non Resident Indians (Repat)	333302	0	333302	'0.4615	317352	0	317352	'0.4394
Foreign Portfolio Investor (Individual)	72100	0	72100	'0.0998	0	0	0	'0.0000
Clearing Member	347852	0	347852	'0.4816	28689	0	28689	'0.0397
Bodies Corporate	1104906	0	1104906	'1.5297	1303325	0	1303325	'1.8045
Sub Total (B)(3)	12377776	39898	12417674	'17.1923	16234300	39898	16274198	'22.5317
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	12450180	39898	12490078	'17.2926	16234530	39898	16274428	'22.5320
Total (A) + (B)	72188156	39898	72228054	'100.0000	72188156	39898	72228054	'100.0000
(C) Non Promoter - Non Public (C1) Shares Underlying DRs								
[1] Custodian/DR Holder (C2) Shares Held By Employee Trust	0	0	0	'0.0000	0	0	0	'0.0000
[2] Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	'0.0000	0	0	0	'0.0000
Total (A) + (B) + (C)	72188156	39898	72228054	'100.0000	72188156	39898	72228054	'100.0000

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			
		Nos. of Shares	% of total shares of the Company	% of shares pledged/encumbered to Capital	Nos. of Shares	% of total shares of the Company	% of shares pledged/encumbered to Capital	% change in shareholding during the year
1	Maresh R. Shetty	17036803	23.59	15.23	13252453	18.35	15.23	-5.24
2	Zee Learn Limited	42701173	59.12	-	42701173	59.12	30.00	0.00

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

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		No. of Shares Held	% of Total Shares of The Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of The Company
1	Zee Learn Ltd	42701173	59.1199			42701173	59.1199
	Transfer			17 May 2019	9921064	52622237	72.8557
	Transfer			07 Jun 2019	(9921064)	42701173	59.1199
	At the end of the year					42701173	59.1199
2	Maresh Raghu Shetty	17036803	23.5875			17036803	23.5875
	Transfer			17 May 2019	(5566936)	11469867	15.8801
	Transfer			24 May 2019	5565533	17035400	23.5856
	Transfer			09 Aug 2019	(6855533)	10179867	14.0941
	Transfer			23 Aug 2019	6855533	17035400	23.5856
	Transfer			14 Feb 2020	(5565533)	11469867	15.8801
	Transfer			28 Feb 2020	1782586	13252453	18.3481
At the end of the year			13252453	18.3481			

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

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		No. of Shares Held	% of Total Shares of The Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of The Company
1	Jamson Securities Pvt Ltd	0	0.0000			0	0.0000
	Transfer			21 Feb 2020	725000	725000	1.0038
	Transfer			06 Mar 2020	(5000)	720000	0.9968
	At The End Of The Year					720000	0.9968
2	Jagruti Shaunak Shah	0	0.0000			0	0.0000
	Transfer			21 Feb 2020	725000	725000	1.0038
	Transfer			06 Mar 2020	(5000)	720000	0.9968
	At The End Of The Year					720000	0.9968

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		No. of Shares Held	% of Total Shares of The Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of The Company
3	Jagdish Amritlal Shah	0	0.0000			0	0.0000
	Transfer			13 Sep 2019	2851	2851	0.0039
	Transfer			20 Sep 2019	11701	14552	0.0201
	Transfer			27 Sep 2019	1000	15552	0.0215
	Transfer			11 Oct 2019	1000	16552	0.0229
	Transfer			21 Feb 2020	725000	741552	1.0267
	Transfer			06 Mar 2020	(21552)	720000	0.9968
At The End Of The Year				720000	0.9968		
4	Shaunak Jagdish Shah	0	0.0000			0	0.0000
	Transfer			27 Sep 2019	1000	1000	0.0014
	Transfer			11 Oct 2019	1000	2000	0.0028
	Transfer			21 Feb 2020	725000	727000	1.0065
	Transfer			06 Mar 2020	(7000)	720000	0.9968
At The End Of The Year				720000	0.9968		
5	Lilavati Hirji Fooria	371138	0.5138			371138	0.5138
	At The End Of The Year						371138
6	Chandresh Hirji Fooria	243596	0.3373			243596	0.3373
	Transfer			21 Jun 2019	(2958)	240638	0.3332
	Transfer			05 Jul 2019	77655	318293	0.4407
	Transfer			09 Aug 2019	(244697)	73596	0.1019
	Transfer			16 Aug 2019	244697	318293	0.4407
At The End Of The Year				318293	0.4407		
7	Kirtan Maneklal Rupareliya Huf	84843	0.1175			84843	0.1175
	Transfer			05 Apr 2019	33001	117844	0.1632
	Transfer			12 Apr 2019	(26374)	91470	0.1266
	Transfer			19 Apr 2019	40417	131887	0.1826
	Transfer			26 Apr 2019	208447	340334	0.4712
	Transfer			10 May 2019	3577	343911	0.4761
	Transfer			17 May 2019	(5158)	338753	0.4690
	Transfer			24 May 2019	175000	513753	0.7113
	Transfer			07 Jun 2019	144	513897	0.7115
	Transfer			14 Jun 2019	25658	539555	0.7470
	Transfer			21 Jun 2019	8058	547613	0.7582
	Transfer			05 Jul 2019	(168554)	379059	0.5248
	Transfer			12 Jul 2019	(661)	378398	0.5239
	Transfer			15 Nov 2019	(25626)	352772	0.4884
	Transfer			22 Nov 2019	(21997)	330775	0.4580
	Transfer			29 Nov 2019	(18637)	312138	0.4322
	Transfer			03 Jan 2020	2400	314538	0.4355
At The End Of The Year				314538	0.4355		
8	Tejraj Tarachand Doshi (Huf)	0	0.0000			0	0.0000
	Transfer			10 May 2019	110000	110000	0.1523
	Transfer			17 May 2019	172000	282000	0.3904
At The End Of The Year					282000	0.3904	

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		No. of Shares Held	% of Total Shares of The Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of The Company
9	Nisha Ajay Patil	106000	0.1468			106000	0.1468
	Transfer			12 Jul 2019	10000	116000	0.1606
	Transfer			16 Aug 2019	30000	146000	0.2021
	Transfer			22 Nov 2019	4418	150418	0.2083
	Transfer			29 Nov 2019	24582	175000	0.2423
	Transfer			27 Dec 2019	20000	195000	0.2700
	Transfer			10 Jan 2020	5000	200000	0.2769
	Transfer			31 Jan 2020	30000	230000	0.3184
	Transfer			06 Mar 2020	20000	250000	0.3461
	Transfer			13 Mar 2020	20000	270000	0.3738
	At The End Of The Year				270000	0.3738	
10	Eesha Shrenik Kotecha	257192	0.3561			257192	0.3561
						257192	0.3561
11	Dheeraj Kumar Lohia	296219	0.4101			296219	0.4101
	Transfer			05 Apr 2019	(81463)	214756	0.2973
	Transfer	12 Apr 2019	(15613)	199143	0.2757		
	Transfer	26 Apr 2019	(1100)	198043	0.2742		
	Transfer	03 May 2019	(10978)	187065	0.2590		
	Transfer	10 May 2019	(69566)	117499	0.1627		
	Transfer	17 May 2019	(116124)	1375	0.0019		
	Transfer	16 Aug 2019	13625	15000	0.0208		
	Transfer	30 Aug 2019	(14610)	390	0.0005		
	Transfer	06 Sep 2019	10999	11389	0.0158		
	Transfer	13 Sep 2019	2600	13989	0.0194		
	Transfer	20 Sep 2019	32931	46920	0.0650		
	Transfer	27 Sep 2019	3010	49930	0.0691		
	Transfer	30 Sep 2019	3000	52930	0.0733		
	Transfer	18 Oct 2019	11446	64376	0.0891		
	Transfer	25 Oct 2019	10692	75068	0.1039		
	Transfer	08 Nov 2019	2503	77571	0.1074		
	Transfer	15 Nov 2019	60883	138454	0.1917		
	Transfer	22 Nov 2019	61870	200324	0.2773		
	Transfer	29 Nov 2019	27667	227991	0.3157		
	Transfer	06 Dec 2019	13000	240991	0.3337		
	Transfer	31 Dec 2019	13259	254250	0.3520		
	Transfer	31 Jan 2020	15000	269250	0.3728		
	Transfer	06 Mar 2020	(92485)	176765	0.2447		
	Transfer	13 Mar 2020	40000	216765	0.3001		
	At The End Of The Year				216765	0.3001	
12	Sujit Balachandran Koyott	225248	0.3119			225248	0.3119
	Transfer			09 Aug 2019	(193300)	31948	0.0442
	Transfer			16 Aug 2019	193300	225248	0.3119
	Transfer			27 Dec 2019	(31000)	194248	0.2689
	Transfer			31 Dec 2019	(48000)	146248	0.2025
	At The End Of The Year				146248	0.2025	

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		No. of Shares Held	% of Total Shares of The Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of The Company
13	Harish Vasu Shetty	631433	0.8742			631433	0.8742
	Transfer			12 Apr 2019	50000	681433	0.9434
	Transfer			19 Apr 2019	(200000)	481433	0.6665
	Transfer			26 Apr 2019	(200000)	281433	0.3896
	Transfer			03 May 2019	200000	481433	0.6665
	Transfer			10 May 2019	154000	635433	0.8798
	Transfer			17 May 2019	(23000)	612433	0.8479
	Transfer			24 May 2019	(331500)	280933	0.3890
	Transfer			31 May 2019	(18000)	262933	0.3640
	Transfer			07 Jun 2019	(14500)	248433	0.3440
	Transfer			14 Jun 2019	(3000)	245433	0.3398
	Transfer			21 Jun 2019	60000	305433	0.4229
	Transfer			29 Jun 2019	177048	482481	0.6680
	Transfer			05 Jul 2019	(208114)	274367	0.3799
	Transfer			12 Jul 2019	27065	301432	0.4173
	Transfer			19 Jul 2019	(59999)	241433	0.3343
	Transfer			26 Jul 2019	(145000)	96433	0.1335
	Transfer			16 Aug 2019	(1000)	95433	0.1321
	Transfer			23 Aug 2019	1000	96433	0.1335
	Transfer			13 Sep 2019	(40000)	56433	0.0781
	Transfer			18 Oct 2019	9932	66365	0.0919
Transfer	20 Mar 2020	(2200)	64165	0.0888			
	At The End Of The Year				64165	0.0888	
14	Vipul K Shah	215274	0.2980			215274	0.2980
	Transfer			29 Jun 2019	(180000)	35274	0.0488
	Transfer			05 Jul 2019	79692	114966	0.1592
	Transfer			12 Jul 2019	(79692)	35274	0.0488
	At The End Of The Year				35274	0.0488	
15	Naarayanan Iyer	198000	0.2741			198000	0.2741
	Transfer			05 Jul 2019	117	198117	0.2743
	Transfer			11 Oct 2019	(198000)	117	0.0002
	At The End Of The Year				117	0.0002	
16	Idbi Trusteeship Services Limited	222172	0.3076			222172	0.3076
	Transfer			10 May 2019	(9600)	212572	0.2943
	Transfer			29 Jun 2019	(97972)	114600	0.1587
	Transfer			12 Jul 2019	(94100)	20500	0.0284
	Transfer			20 Dec 2019	(10700)	9800	0.0136
	Transfer			10 Jan 2020	(9800)	0	0.0000
	At The End Of The Year				0	0.0000	
17	Saanvi Sachin Deshmukh	201788	0.2794			201788	0.2794
	Transfer			21 Jun 2019	(2000)	199788	0.2766
	Transfer			29 Jun 2019	(5310)	194478	0.2693
	Transfer			09 Aug 2019	(194478)	0	0.0000
	At The End Of The Year				0	0.0000	

Note: 1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 72228054 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

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	23.59	1,32,52,453	18.35
2	Dr. Manish Agarwal	-	-	-	-
3	Mr. Debshankar Mukhopadhyay	-	-	-	-
4	Mr. Roshanlal Kamboj	-	-	-	-
5	Dr Dattatraya Kelkar	-	-	-	-
6	Ms. Nanette D'sa	-	-	-	-
7	Mr. Dinesh Bhutra	-	-	-	-
8	Mr. Ravindra Mishra	-	-	-	-

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	7449.99	0.00	-	7449.99
ii. Interest due but not paid	16.64	0.00	-	16.64
iii. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	7466.63	0.00	-	7466.63
Change in indebtedness during the year				
Additions	-	-	-	-
Reductions	4217.09	-	-	4217.09
Net Change	-4217.09	-	-	-4217.09
Indebtedness at the end of the financial year				
i. Principal Amount	3232.90	0.00	-	3232.90
ii. Interest due but not paid	10.49	0.00	-	10.49
iii. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	3243.39	0.00	-	3243.39

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 (Whole-time Director)	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
	Total	152.87

B. Remuneration of Other Directors

Directors Name	Board Meetings	Committee Meetings	Total
Mr. Debshankar Mukhopadhyay	Nil	Nil	Nil
Dr. Manish Agarwal	60,000	90,000	1,50,000
Dr. Sangeeta Pandit	30,000	40,000	70,000
Mr. Roshanlal Kamboj	30,000	50,000	80,000
Dr. DattatrayaKelkar	10,000	20,000	30,000
Ms. Nanette D'sa	Nil	Nil	Nil
Total	1,30,000	2,00,000	3,30,000

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

Sr. No.	Particulars of Remuneration	KEY MANAGERIAL PERSONNEL (KMP)				Total Amount
		Mr. Sandesh Naik – Chief Financial Officer	Mr. Mandar Chavan Company Secretary (w.e.f. 9th August, 2018)	Mr. Dinesh Bhutra (W.e.f 14th November, 2019)	Mr. Ravindra Mishra(In Lakhs) (w.e.f 15th November, 2019)	
1	Gross Salary	3,055,352	595,484	769,954	366,959	4,787,749
	a. Salary as per provision contained in Section 17(1) of the Income Tax Act, 1961	-	-	-	-	-
	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	-	-	-	-	-
	Total	3,055,352	595,484	769,954	366,959	4,787,749

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 2

Secretarial Audit Report
FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2020

[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
220, 2nd Floor, "Flying Colors",
Pandit Din Dayal Upadhyay Marg,
L. B. S Cross Road, Mulund (West),
Mumbai – 400080.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MT EDUCARE LIMITED** (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 my 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 authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 ('Audit Period') 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investments, Overseas Direct Investments and External Commercial Borrowing; (Not Applicable during the audit period);
- (v) The following Regulations and Guidelines 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, 2018; (Not Applicable during the audit period)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not Applicable during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable 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 during the audit period)
 - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; (Not Applicable during the audit period)
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (SEBI LODR) and
 - (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (vi) There are no laws that are specifically applicable to the Company based on their sector/industry;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with stock exchanges;

During the Audit period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above except for the matter listed below.

1. The Company had not complied the provision of Section 149(1) of the Act read with Rule 3 of Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 17(1)(a) of SEBI (LODR), 2015 i.e. the Board of Directors had not appointed Woman Director on the Board for the period from 02/10/2019 to 30/03/2020, however subsequently it had been complied on 31/03/2020.
2. The Company had not complied the provision of Regulation 17(1)(c) of SEBI (LODR), 2015 i.e. the Board of Directors had comprised of five directors only instead of Six for the period from 07/01/2020 to 30/03/2020 however subsequently it had been complied on 31/03/2020.
3. The Company had not complied the provision of Regulation 38 of SEBI (LODR), 2015, since the Company had not maintained the minimum public shareholding more than 25% as on 31st March, 2020, however subsequently it has been complied on 29th October, 2020.
4. The Company had paid the fine levied of Rs.761,100/- vide NSE letter dated 11th December, 2019 and Rs.542,800/- vide NSE letter dated 20th January, 2020 for non-compliance of Regulation 38 of SEBI LODR (Compliance with requirement of Minimum Public Shareholding (MPS)).
5. Pursuant to Para 9 of Secretarial Standard-1, the Director Report had not included a statement on compliance of applicable Secretarial Standards.

I further report that:

- a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except for above instance.
- b. During the year, Mr. Roshan Lal Kamboj was appointed as an Additional Director, Non-Executive and Independent Director, w.e.f. 26th September, 2019. Further Mr. Sanjeev Garg was appointed as an Additional Director - Executive Director, w.e.f. 26th September, 2019 and Mr. Dattatraya Kelkar Ramchandrawas appointed as an Additional Director, Non-Executive and Independent Director w.e.f. 30th December, 2019. Further Ms. Nanette D'sawas appointed as an Additional Director, Non-Executive and Independent Director w.e.f. 31st March, 2020.
- c. During the year, there was change in designation of Mr. Deb Shankar Mukhopadhyay from Director to Managing Director of the Company w.e.f. 26th September, 2019 and change in Designation of Mr. Sanjeev Garg from Additional Director to Whole-Time Director of the Company w.e.f. 26th September, 2019.
- d. During the review, Mr. Ajey Kumar resigned as Director w.e.f. 26th September, 2019, Mrs. Sangeeta Pandit as Director w.e.f. 1st October, 2019, also Mr. Himanshu Mody as Director w.e.f. 7th January, 2020 and Mr. Sanjeev Garg as Whole-Time Director w.e.f. 10th January, 2020.

- e. During the Audit period under review Mr. MandarChavanresigned from the post of Company Secretary and Compliance Officer w.e.f. 13th November, 2019 and on his resignation, Mr. Ravindra Mishra was appointed as theCompany Secretary and Compliance officer w.e.f. 15th November, 2019.
- f. During the year, Mr. SandeshNaik resigned from Chief Financial Officer on 14th November, 2019 and on his resignation, Mr. Dinesh Bhutra was appointed as Chief Financial Officer w.e.f. 14th November, 2019.
- g. During the year, Mr. SanjeevGarg was appointed on 26th September, 2019 andsubsequently had resigned w.e.f. 10th January, 2020 as the Chief Executive Officer.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

All decisions at Board Meetings and Committee Meetings are carried out either unanimously or majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I 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.

For R. Bhandari & Co.
Company Secretaries

Raghunath Bhandari
Proprietor
FCS No. 8048
CP No. 15381

Date: 25th November, 2020

Place: Mumbai

This report is to be read with our letter which is annexed as Annexure A and forms an integral Part of the Report

Annexure A

To,
The Members,
MT EDUCARE LIMITED.
220, 2nd Floor, "Flying Colors",
Pandit Din Dayal Upadhyay Marg,
L. B. S Cross Road, Mulund (West),
Mumbai – 400 080.

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

1. Maintenance of Secretarial record of applicable laws 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 process 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 process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books 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, regulations, standards applicable to the Company is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For R. Bhandari & Co.
Company Secretaries

Raghunath Bhandari
Proprietor
FCS No. 8048
CP No. 15381

Date: 25th November, 2020
Place: Mumbai

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 arm's 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 2019-20.

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 not at arm's length basis during financial year 2019-20.

For and on behalf of the Board

Place: Mumbai
Date: 25/11/2020

Arun Kumar Khetan
Whole-Time Director
DIN: 02744522

Surender Singh
Non-Executive Director
DIN: 08206770

Annexure 3

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.) Dr. Manish Agarwal – Chairman
- b.) Mr. Roshanlal Kamboj – Member
- c.) Dr. Dattatraya Kelkar – Member
- d.) Ms. Nanette D'sa - Member

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

Financial year	Net Profit (Rupees in Lakhs)
2018-19	958.55
2017-18	(18,263.29)
2016-17	324.11
Average Profit of 3 years	(16,980.64)

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

The Company is not required to spend on CSR activities as the Average profit of three years preceding the current financial year is Nil.

5. Details of CSR spend for the financial year:

- a. Total amount spent for the financial year ₹ 10.01 Lakhs
- b. Amount unspent, if any: Rs. 13.85 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 projects is covered	Projects or Programmes (1) Local area or other (2) Specify the State and district where projects are programmes was undertaken	Amount Outlay (Budget) Project or Programmes Wise (Rupees in Lakhs)	Amount Spent on the project or programmes Sub-heads: (1) Direct expenditure on projects or programmes. (2) Overheads	Cumulative Expenditure Up to reporting period (Rupees in Lakhs)	Amount spent: Direct or through implementing agency
1	Imparting Education to Students in BMC School	Education	Mumbai, Maharashtra	0.68	Direct Expenditure	0.68	Implementing Agency - Global Education Trust
2	Rehabitation	Charity	Mumbai, Maharashtra	1.14	Direct Expenditure	1.14	Implementing Agency - Global Education Trust
3	Medical	Health	Mumbai, Maharashtra	0.34	Direct Expenditure	0.34	Implementing Agency - Global Education Trust

Sr. No.	CSR Project/ Activity identified	Sector in which the projects is covered	Projects or Programmes (1) Local area or other (2) Specify the State and district where projects are programmes was undertaken	Amount Outlay (Budget) Project or Programmes Wise (Rupees in Lakhs)	Amount Spent on the project or programmes Sub-heads: (1) Direct expenditure on projects or programmes. (2) Overheads	Cumulative Expenditure Up to reporting period (Rupees in Lakhs)	Amount spent: Direct or through implementing agency
4	Skill Development	Women Empower-	Mumbai, Maharashtra	6.43	Direct Expenditure	6.43	Implementing Agency - Global Education Trust
5	Old Age Homes, CRY, save the child AmchaGhar, etc.	Other CSFR Project	Mumbai, Maharashtra	1.42	Direct Expenditure	1.42	Implementing Agency - Global Education Trust
	TOTAL			10.01		10.01	

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 –

Due to lack of profit in FY 2019-20, Company is not required to spend on CSR activities. However company has carried forward amount of CSR of FY 2017-18 which is ₹ 40.72 Lakhs. Out of unspent amount of ₹ 40.72 Lakhs of FY 2017-18 Company has spent ₹ 16.86 Lakhs in FY 2018-19 and Rs. 10.01 Lakhs during the F. Y 2019-20. The Company shall make efforts to spend the balance unspent amount in upcoming financial year upon finding suitable CSR Projects in future.

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

Annexure 4

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	Whole-Time Director	-1.39:1
2*#	Mr. Ajey Kumar	Executive Director (upto 26.09.2019)	Nil
3*#	Mr. Himanshu Mody	Chairman, Non- Executive Director (w.e.f 05.06.2018 to 07.01.2020)	Nil
4	Dr. Manish Agarwal	Independent Director	-
5*	Dr. Sangeeta Pandit	Independent Director (upto October 01, 2019)	-
6#	Mr. Debshankar Mukhopadhyay	Executive Director	Nil
7*	Mr. Sanjeev Garg	Executive Director (w.e.f 26.09.2019 to 10.01.2020)	-
8**	Mr. Roshan Lal Kamboj	Independent Director (w.e.f 26.09.2019)	-
9**	Mr. Dattatraya Kelkar	Independent Director (w.e.f 30.12.2019)	-
10**	Ms. Nanette D'sa Ralph	Independent Director (w.e.f 31.03.2020)	-

* figures are not Comparable as the Directors were resigned during the year under review.

** figures are not Comparable as the Directors were appointed during the year under review.

#No remuneration was paid to Mr. Ajey Kumar, Mr. Debshankar Mukhopadhyay & Mr. Himanshu Mody during the year.

(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, Whole-Time Director	Nil
2\$	Mr. Sandesh Naik (upto November 14th, 2019)	Nil
3\$	Mr. Mandar Chavan (CS upto November 13th, 2019)	NA
4#	Mr. Dinesh Bhutra (w.e.f November 14th, 2019 upto March 06th, 2020)	NA
5#	Mr. Ravindra Mishra (w.e.f November 15th, 2019)	NA

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

14.57%

(iv) The number of permanent employees on the rolls of the Company

610 as on 31st March, 2020.

(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 18-19. During the year under review, there is no increase in the remuneration of the Whole-Time Director.

#Since Mr. Dinesh Bhutra and Mr. Ravindra Mishra was appointed as CFO and Company Secretary during the year under review, their remuneration cannot be compared on YOY basis.

\$ Mr. Sandesh Naik and Mr. Mandar Chavan has resigned during the year under review.

B. Particulars of Top 10 Employees whose remuneration exceeded ₹ 1.02 Crore per annum or ₹ 8.50 Lakhs per month during the FY 2019-20.

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	15,287,148.00	1988-11-24
Chandresh Fooria	Business Head	10,879,996.00	1990-04-01
Anish Thakkar	Business Head	10,299,988.00	2011-04-01

2. Employed part of the year and in receipt of remuneration aggregating ₹ 8.5 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.

3. Details of Remuneration of Top 10 Employees for the year 2019-20.

Sr. No.	Emp Name	Age	Designation	Qualification	Total Experience	Remuneration	Last Employment Name
1	Mahesh Shetty	56 Year(s) 6 Month(s)	Chairman & Managing Director		36 Year(s)	15,287,148.00	NA
2	Chandresh Fooria	48 Year(s) 5 Month(s)	Director	B.E.	28 Year(s)	10,879,996.00	NA
3	Anish Thakkar	48 Year(s) 9 Month(s)	Director	C.A.	28 Year(s)	10,299,988.00	NA
4	Rahul Mahurkar	45 Year(s)	Chief Technology Officer		19 Year(s)	6,624,127.00	NA
5	Shrenik Kotecha	38 Year(s) 7 Month(s)	Director		22 Year(s)	6,150,004.00	NA
6	Sujit Koyott	47 Year(s) 2 Month(s)	Director		27 Year(s)	5,380,837.00	NA
7	Dinesh Hinge	46 Year(s) 2 Month(s)	JVP-UVA	MBA	22 Year(s)	4,800,000.00	NA
8	Vipul Shah	45 Year(s) 10 Month(s)	Director		25 Year(s)	3,119,994.00	NA
9	Sandesh Sadanand Naik	40 Year(s) 6 Month(s)	Chief Finance Officer	C.A.	20 Year(s)	3,055,352.00	NA
10	Mahtab Khan	53 Year(s) 9 Month(s)	Head - CSR		30 Year(s)	2,400,000.00	NA

Report on Corporate Governance

The Directors present the Company's Report on Corporate Governance pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended for the year ended March 31, 2020.

Company's Governance Philosophy

Corporate Governance is essentially a system by which Companies are governed and controlled by the management under the direction and supervision of the Board in the best interest of all stakeholders. It is not mere compliance of laws, rules and regulations, but also the application of best management practices and adherence to the highest 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's philosophy on the Code of Governance is based on the belief that effective Corporate Governance practices constitute a strong foundation on which successful commercial enterprises are built to last. Good Corporate Governance is indispensable to resilient and vibrant capital markets and is, therefore, an important instrument of investor protection. Your Company lays great emphasis on a corporate culture of conscience, integrity, fairness, transparency, accountability and responsibility for efficient and ethical conduct of its business.

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 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 organization. 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 victimization. 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, 2020.

Arun Kumar Khetan

Whole Time Director

DIN: 02744522

Mumbai, November 25th, 2020

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.

During the year under review, Mr. Mandar Chavan, Company Secretary & Compliance Officer tendered his resignation w.e.f November 14, 2019.

Mr. Ravindra Mishra was appointed as Company Secretary and Compliance Officer for the purposes of Insider Trading Code, and Chief Investor Relations Officer for the purpose of Fair Disclosure policy and Key Managerial Personnel of the Company w.e.f November 14, 2019.

In line with the amendment to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Insider Trading Code and Policy for Fair Disclosure of Unpublished Price Sensitive Information was revised with effect from April 1, 2019. The revised code and Policy can be viewed on Company's website www.mteducare.com

Familiarization Program for Independent Directors

Independent Directors are familiarized 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, 2015 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. In the opinion of the Board, the Independent Directors fulfill

Particulars of Directors, their attendance at the Annual General Meeting and Board Meetings held during the financial year 2019-20 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, 2020 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 (Total 6 Meetings)	13th AGM held on September 26, 2019	Member	Chairman	Member	Chairman
Non-Executive Director						
###Mr. Himanshu Mody (Chairman)	4	Yes	-	-	-	-
Executive Director						
\$Mr. Mahesh Shetty	6	Yes	-	-	-	-
#Mr. Ajey Kumar	2	Yes	-	-	-	-
\$\$Mr. Debshankar Mukhopadhyay	6	Yes	-	-	-	-
####Mr. Sanjeev Garg	2	NA	-	-	-	-
Non- Executive Independent Director						
Dr. Manish Agarwal	6	Yes	1	-	-	-
##Dr. Sangeeta Pandit	3	Yes	NA	NA	NA	NA
**Mr. Roshanlal Kamboj	3	NA	2	-	2	2
***Dr. DattatrayaKelkar	1	NA	1	-	4	-
****Ms. Nanette D'sa	-	NA	2	-	4	1

Resigned w.e.f. September 26, 2019

Resigned w.e.f. October 01, 2019

Resigned w.e.f. January 07, 2020

Resigned w.e.f. January 10, 2020

* Appointed w.e.f. September 26, 20169

the conditions specified in the Listing Regulations and are Independent of the Management.

Composition of the Board as on March 31, 2020

Category of Directors	No. of Directors	% to total No. of Directors
Executive Director	2	33.33
Non-Executive Independent Directors	4	66.67
Total	6	100.00

The Company requires skill/expertise/competencies in the areas of Finance, Legal, Education, Content, Marketing/Sales, Technology and Business Specialization. Currently, the Board of the Company comprises of Directors with qualification/experience in all the above areas.

During the financial year under review, 6 (Six) meetings of the Board were held May 13, 2019, August 14, 2019, September 26, 2019, November 14, 2019, November 29, 2019 and February 12, 2020. 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.

** Appointed w.e.f. September 26, 2019

*** Appointed w.e.f. December 30, 2019

**** Appointed w.e.f. March 31, 2020 .

\$ Resigned w.e.f. April 13th, 2020.

\$\$ Resigned w.e.f. April 23rd, 2020.

The number of Directorship (s), Committee Membership(s) / Chairmanship (s) of all Directors is/are within the respective limits prescribed under the Companies Act, 2013 and the Listing Regulations.

Details of other Directorships of Directors in the Listed entities as at March 31, 2020 are as under

Sr. No.	Name of The Director	Directorship in Other Listed Entities	Category of Directorship
1	Mr. Mahesh Shetty	NA	NA
2	Mr. Debshankar Mukhopadhyay	NA	NA
3	Dr. Manish Agarwal	NA	NA
4	Mr. Roshanlal Kamboj	Zee Learn Limited	Independent Director
5	Dr. Dattatraya Kelkar	Zee Learn Limited	Independent Director
6	Ms. Nanette D'sa	Zee Learn Limited Vidli Restaurants Limited	Independent Director Independent Director

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.

Brief profile of Director of the Company proposed to be re-appointed at the ensuing Annual General Meeting

Name of the Director	Mr. Roshan Lal Kamboj	Dr. Dattatraya Kelkar	Ms. Nanette D'sa Ralph	Mr. Arun Kumar Khetan	Mr. Surender Singh
DIN	01076066	00118037	05261531	02744522	08206770
Date of Appointment as Director	26/09/2019	30/12/2019	30/12/2019	April 23, 2020	24/07/2020
Qualification	Graduate	Graduation	Masters in Marketing	Chartered Accountant	Post-Graduation
Expertise in specific functional Areas	Mr. Roshanlal Khamboj is a Commerce Graduate. He is an Industrialist and serves as a Whole time Director of Gold Laminates (India) Limited. Further, he is also a Partner and Producer in Roshan Lal and Ravi Raj creations. He is not associated or related to any of the directors of the Company.	Mr. Dattatraya R Kelkar is a Arts Graduate from Rajaram College. Coming from an HR Background and also served as a Director of real estate venture promoted by the Kirloskar Group. From last 33 years he has been engaged in his own business in the fields of real estate, manufacturing and trading. He is not associated or related to any of the directors of the Company.	Ms. Nanette D'Sa has approx. 3 decades of rich experience in Academics, Business, Marketing, Branding, Franchising and Licensing with leadership roles in organizations she has worked with including the Education sector. She has done her EDP from Northwestern University, USA and has a Masters in Marketing Management from NMIMS. She has been recognized	Mr. Arun Kumar Khetan has experience of over 3 decades in leading Manufacturing, Media, Education & Real-state Industries. Some of his key leadership stints included working with Lodha Group as a Consultant in Director's office, Sports Education Development India Limited & Physical Education & Sports Solutions Pvt Ltd as Chief Executive Officer (Consultant), New Age Knowledge Solutions Ltd as	Mr. Surender Singh, BA (Hon's) in Political Science and MA in History, is a Retired IPS with experience in all matters pertaining to Security management including cyber security and forensic; risk analysis; data analysis; intelligence; security audit; protection of intellectual property and people/ asset management. Apart from the education qualification mentioned above

Name of the Director	Mr. Roshan Lal Kamboj	Dr. Dattatraya Kelkar	Ms. Nanette D'sa Ralph	Mr. Arun Kumar Khetan	Mr. Surender Singh
DIN	01076066	00118037	05261531	02744522	08206770
Date of Appointment as Director	26/09/2019	30/12/2019	30/12/2019	April 23, 2020	24/07/2020
Qualification	Graduate	Graduation	Masters in Marketing	Chartered Accountant	Post-Graduation
			<p>as an Achiever for marketing, licensing and franchising with several awards and has been associated with international brands like Disney, Mattel, Star TV and leading Indian brands, Pre-schools with Brainworks (a Kangaroo Kids associated company) and Sanjeev Kapoor Restaurants.</p>	<p>CEO & Managing Director, Educomp Solution Limited as President (Education Projects), Zee Interactive Learning Systems as Chief Executive Officer, Zee Entertainment Enterprises Limited as Vice President Finance & Accounts and Ralliwolf Limited as General Manager Finance & Accounts.</p>	<p>and after graduating from the National Police Academy, Hyderabad, Mr. Singh had attended many courses / development programs including inter alia Course of Indian Revenue Services - Income tax, Basic course at Civil Defence & Fire Service, Management Development Program at Indian Institute of Public Administration, Overseas Command Course at Wakefield, UK; Major Case Management Course at Washington DC under the aegis of Federal Bureau of Investigation (FBI) etc.</p> <p>Mr. Surender Singh had an illustrious career of over three decades in Indian Police Services (IPS), including inter alia as</p> <ul style="list-style-type: none"> • Head/Joint Director/ Additional Director/Special Director of Intelligence Bureau; • First Secretary (Consular) in the High Commission of India at Dhaka-Bangladesh;

Name of the Director	Mr. Roshan Lal Kamboj	Dr. Dattatraya Kelkar	Ms. Nanette D'sa Ralph	Mr. Arun Kumar Khetan	Mr. Surender Singh
DIN	01076066	00118037	05261531	02744522	08206770
Date of Appointment as Director	26/09/2019	30/12/2019	30/12/2019	April 23, 2020	24/07/2020
Qualification	Graduate	Graduation	Masters in Marketing	Chartered Accountant	Post-Graduation
					<p>• Director General of CISF etc</p> <p>During his professional career, Mr. Singh was awarded India Police Medal for Meritorious Service (2001) and President's Police Medal for Distinguished Service (2007).</p> <p>Presently, Mr. Singh hold Directorship in Mobius Research and Knowledge Services India Private Limited. Mr. Singh does not hold any shares in the Company.</p>
No. of Equity Shares held in the Company as on May 13, 2019	Nil	Nil	Nil	Nil	Nil
Relationship with any other Director inter-se	None	None	None	None	None

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	6	2	1	1
Directors attendance				
Mr. Mahesh Shetty	NA	NA	NA	NA
Mr. Himanshu Mody###	4	2	NA	NA

	Audit Committee	Nomination & Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee
Mr. Ajey Kumar#	NA	NA	NA	NA
Mr. Debshankar Mukhopadhyay	NA	NA	1	NA
Dr. Manish Agarwal	6	2	NA	1
Dr. Sangeeta Pandit##	3	1	Nil	Nil
Mr. Roshanlal Kamboj*	3	1	1	1
####Mr. Sanjeev Garg**	NA	NA	NA	NA
Dr. DattatrayaKelkar***	1	NIL	1	1
Ms. Nanette D'sa****	Nil	Nil	Nil	Nil

#Resigned w.e.f. September 26, 2019

###Resigned w.e.f. January 07, 2020

* Appointed w.e.f. September 26, 2019

***Appointed w.e.f. December 30, 2019

Resigned w.e.f. October 01, 2019

####Resigned w.e.f. January 10, 2020

** Appointed w.e.f. September 26, 2019

****Appointed w.e.f. March 31, 2020

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

NIL denotes that the Director has not attended any meeting of such committee during the year.

Independent Directors Meeting and Board Evaluation Process

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 February 12, 2020 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 on April 01, 2019, the Audit Committee of the Board comprised of Dr. Sangeeta Pandit, Independent Director as Chairperson, Dr. Manish Agarwal, Independent Director and Mr. Himanshu Mody, Non-executive Director as Members of the Audit Committee. Subsequently on w.e.f. October 03, 2019 the Audit Committee was reconstituted by induction of Mr. Roshanlal Kamboj, Independent Director as Chairman, Dr. Manish Agarwal, Independent Director and Mr. Himanshu Mody, Non-executive Director as Members to the Committee. Further Ms. Sangeeta Pandit, Independent Director ceased to be the members of the Audit Committee w.e.f. the closing hours of October 01, 2019.

Further w.e.f. January 28, 2020 the Audit Committee was reconstituted by induction of Dr. DattatrayaKelkar, Independent Director as Member, Mr. Roshanlal Kamboj, Independent Director as Chairman and Dr. Manish Agarwal, Independent Director as Members to the Committee. Further Mr. Himanshu

Mody, Non-executive Director ceased to be the members of the Audit Committee w.e.f. the closing hours of January 07, 2020.

Further w.e.f. March 31, 2020 the Audit Committee was reconstituted by induction of Ms. Nanette D'sa, Independent Director as Member, Mr. Roshanlal Kamboj, Independent Director as Chairman, Dr. DattatrayaKelkar, and Dr. Manish Agarwal, Independent Director as Members to the Committee.

As at March 31, 2020, the Audit Committee of the Board comprises of Mr. Roshanlal Kamboj, Independent Director as Chairman, Dr. Manish Agarwal, Dr. DattatrayaKelkar and Ms. Nanette D'sa, Independent Director as Members of the Audit Committee. The Company Secretary of the Company acts as Secretary of Nomination & Remuneration Committee.

During the year under review, Six (6) meetings of the Audit Committee were held on May 13, 2019, July 17, 2019, August 14, 2019, November 14, 2019, November 29, 2019 and February 12, 2020.

The Chairperson of the Audit Committee was present at the 13th Annual General Meeting of the Company.

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:

- Review Company's financial reporting process and disclosure of financial information to ensure that the

financial statement is correct, sufficient, accurate, timely and credible.

- Review and recommend for approval of the Board quarterly, half yearly and annual financial statements before submission to the Board for approval.
- Review internal audit reports, related party transactions, company's financial and risk management policies and functioning of Whistle Blower & Vigil Mechanism Policy.
- Review with the management performance of Statutory and Internal Auditors, the adequacy of internal control systems including computerized information system controls and security.
- Recommend to the Board the appointment, reappointment and removal of the Statutory Auditor and Cost Auditor, fixation of audit fee and approval of payment of fees for any other services.
- Review the adequacy of internal audit function including approving appointment and remuneration payable to Internal Auditor, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter.
- Review and monitoring the auditor's independence and performance, and effectiveness of audit process.
- Approve 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.
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Review the functioning of the whistle blower mechanism.
- Approve of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.
- Review the utilization of loans and/or advances from/ investment in the subsidiary exceeding rupees 100 Crore or

10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/ investments.

- The committee shall mandatorily review the following information:
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
 - Statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

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 on April 01, 2019, the Nomination & Remuneration Committee comprises of Dr. Manish Agarwal, Independent Director as Chairman, Dr. Sangeeta Pandit, Independent Director and Mr. Himanshu Mody, Non-executive Director as members of the Committee. Subsequently on w.e.f October 03, 2019 the Nomination & Remuneration Committee was reconstituted by induction of Mr. Roshanlal Kamboj, Independent Director as

Member, Dr. Manish Agarwal, Independent Director as Chairman and Mr. Himanshu Mody, Non-executive Director as Members to the Committee. Further Ms. Sangeeta Pandit, Independent Director ceased to be the members of the Nomination & Remuneration Committee w.e.f the closing hours of October 01, 2019.

Further w.e.f January 28, 2020 the Nomination & Remuneration Committee was reconstituted by induction of Dr. Dattatraya Kelkar, Independent Director as Member, Dr. Manish Agarwal, Independent Director as Chairman and Roshanlal Kamboj, Independent Director as Members to the Committee. Further Mr. Himanshu Mody, Non-executive Director ceased to be the members of the Nomination & Remuneration Committee w.e.f the closing hours of January 07, 2020.

Further w.e.f March 31, 2020 the Nomination & Remuneration Committee was reconstituted by induction of Ms. Nanette D'sa, Independent Director as Member, Dr. Manish Agarwal, Independent Director as Chairman, Dr. Dattatraya Kelkar, and Mr. Roshanlal Kamboj, Independent Director as Members to the Committee.

As at March 31, 2020, the Nomination & Remuneration Committee comprises of Dr. Manish Agarwal, Independent Director as Chairman, Dr. Dattatraya Kelkar, Independent Director, Mr. Roshanlal Kamboj, Independent Director and Ms. Nanette D'sa, 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 2 (Two) times on September 26, 2019 and November 14, 2019.

The Chairman of the Nomination & Remuneration Committee was present at the 13th Annual General Meeting of the Company.

Terms of reference

Terms of reference of the Nomination & Remuneration Committee include:

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- Formulate the criteria for determining qualification, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Ensure the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.

- Ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Formulate policy with regard to remuneration to directors, key managerial personnel and senior management involving a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- Approve the remuneration policy and other matters relating thereto as applicable to directors and senior management and other employees of the Company and administer Employee Stock Option Scheme of the Company.
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulate criteria for evaluation of performance of Independent Directors and the board of directors;
- Devising a policy on diversity of Board of Directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

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.

Remuneration payable to Executive Director

Based on recommendation of the Nomination and Remuneration Committee, the Board of Directors at the meeting held on August 9, 2018 had approved appointment of Mr. Debshankar Mukhopadhyayas an Executive Director of the Company.

The Executive Director was appointed for the period of 3 years which was approved by the members of the Company at the Annual General Meeting held on September 24, 2018. As per the terms of their appointment all of them were eligible for grant of stock options from the Company as an Executive Director or otherwise but without any remuneration.

However Mr. Debshankar Mukhopadhyay has resigned from the post of Managing Director w.e.f April 23rd, 2020.

Remuneration payable to Whole-time Director

Based on recommendation of the Nomination and Remuneration Committee, the Board of Directors at the meeting held on September 29, 2019 had approved appointment of Mr. Sanjeev Garg as a Whole Time Director & CEO of the Company.

The Whole Time Director was appointed for the period of 3 years which were subject to approval by the members of the Company at the ensuing Annual General Meeting. As per the terms of his appointment Mr. Sanjeev Garg was eligible for grant of stock options from the Company as an Whole Time Director and at following remuneration:

Particulars	Mr. Sanjeev Garg (Whole-time Director) (Amount in Rs.)
Fixed CTC (including contribution to PF, LTA and other reimbursements)	62,02,004
Annual Performance Pay	15,00,000
Joining Bonus	5,00,000
Annual Remuneration	82,02,004
Employee Stock Option: Subject to the NRC and other necessary approval, the Company will grant 1,00,000 shares as per terms and conditions set forth in MT Educare Employee Stock Option Scheme Annual Performance pay shall be as per terms mentioned in the appointment letter	

However Mr. Sanjeev Garg has resigned from the Post of Whole Time Director & CEO of the Company w.e.f 10th January, 2020.

The aggregate value of salary and perquisites paid/payable to Mr. Mahesh Shetty for the year ended March 31, 2020 is detailed below.

Particulars	Mr. Mahesh Shetty (Whole-time Director) (Amount in Rs.)
Fixed Components:	
Salary and allowances	1,52,87,148
Monetary Value Perquisites	-
Reimbursement of Expenses	-
Variable Components:	
Commission	-

Particulars	Mr. Mahesh Shetty (Whole-time Director) (Amount in Rs.)
Bonus / Incentive / Variable Pay	-
Total	-
Leave Encashment	-
Gross Total	-
Director's Sitting Fees for FY 2019-20	NA
Outstanding Stock Options as at 31st March, 2020	Nil
Remuneration paid for the year ended March 31, 2020	1,52,87,148

Remuneration payable to Non-Executive Director

Non-Executive Directors were entitled to sitting fees of Rs.10,000/- per meeting of the Board and Rs. 10,000/-per meeting of Committees.

Particulars of Sitting Fees paid and Commission paid to Non-Executive Directors of the Company during financial year 2019-20 is as detailed herein:

Directors Name	Board Meetings	Committee Meetings	Total
Dr. Manish Agarwal	60,000	90,000	1,50,000
Dr. Sangeeta Pandit	30,000	40,000	70,000
Mr. Roshanlal Kamboj	30,000	50,000	80,000
Dr. Dattatraya Kelkar	10,000	20,000	30,000
Ms. Nanette D'sa	Nil	Nil	Nil
Total	1,30,000	2,00,000	3,30,000

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.

During the year under review, no Stock Options have been granted to the Independent Directors of the Company.

Stakeholders' Relationship Committee

Constitution

As on April 01, 2019, the Stakeholders Relationship Committee of the Board comprising of Mr. Himanshu Mody Non-executive Director as Chairman, Dr. Sangeeta Pandit, Independent Director and Mr. Debshankar Mukhopadhyay, Executive Director as the members of the Committee. Subsequently on w.e.f October 03, 2019 the Stakeholders' Relationship Committee was reconstituted by induction of Mr. Roshanlal Kamboj, Independent

Director as Member, Mr. Himanshu Mody, Non-executive Director as Chairman and Mr. Debshankar Mukhopadhyay, Executive Director as the members of the Committee. Further Ms. Sangeeta Pandit, Independent Director ceased to be the members of the Stakeholders Relationship Committee w.e.f the closing hours of October 01, 2019.

Further w.e.f January 28, 2020 the Stakeholders Relationship Committee was reconstituted by induction of Dr. Dattatraya Kelkar, Independent Director as Member, Mr. Roshanlal Kamboj, Independent Director as Chairman and Mr. Debshankar Mukhopadhyay, Executive Director as Members to the Committee. Further Mr. Himanshu Mody, Non-executive Director ceased to be the members of the Stakeholders Relationship Committee w.e.f the closing hours of January 07, 2020.

Further w.e.f March 31, 2020 the Stakeholders Relationship Committee was reconstituted by induction of Ms. Nanette D'sa, Independent Director as Member, Mr. Roshanlal Kamboj, Independent Director as Chairman, Dr. Dattatraya Kelkar, Independent Director as Members and Mr. Debshankar Mukhopadhyay, Executive Director as Member to the Committee.

As at March 31, 2020, the Stakeholders Relationship Committee of the Board comprising of Mr. Roshanlal Kamboj Executive Director as Chairman, Dr. Dattatraya Kelkar, Ms. Nanette D'sa, Independent Director and Mr. Debshankar Mukhopadhyay, Executive Director as the members of the Committee.

During the year under review, Stakeholder Relationship Committee met one (1) time on February 12, 2020.

Terms of Reference

The terms of reference of Stakeholder Relationship Committee revised effective from April 1, 2019 include the following:

- Resolve the grievances of the shareholders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

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 jointly with representative (s) of Registrar and Share Transfer Agent of the Company and report the same to Stakeholders Relationship Committee.

Mr. Ravindra Mishra, Company Secretary has been appointed as Compliance Officer pursuant to the Listing Regulations. The designated email for investor service and correspondence is info@mteducare.com.

Details of number of requests/complaints received and resolved during the year ended March 31, 2020, 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	0	0	-
Total	0	0	-

Corporate Social Responsibility Committee

As on April 01, 2019 the Corporate Social Responsibility Committee comprised of Dr. Manish Agarwal, Independent Director as Chairman, Dr. Sangeeta Pandit, Independent Director and Mr. Himanshu Mody, Non-executive Director as members of the Committee. Subsequently on w.e.f October 03, 2019 the Corporate Social Responsibility Committee was reconstituted by induction of Mr. Roshanlal Kamboj, Independent Director as Member, Dr. Manish Agarwal, Independent Director, as Chairman, Mr. Himanshu Mody, Non-executive Director as Member of the Committee. Further Ms. Sangeeta Pandit, Independent Director ceased to be the members of the Corporate Social Responsibility Committee w.e.f the closing hours of October 01, 2019.

Further w.e.f January 28, 2020 the Corporate Social Responsibility Committee was reconstituted by induction of Dr. Dattatraya Kelkar, Independent Director as Member, Dr. Manish Agarwal, Independent Director as Chairman and Mr. Roshanlal Kamboj, Independent Director as Members to the Committee. Further Mr. Himanshu Mody, Non-executive Director ceased to be the members of the Corporate Social Responsibility Committee w.e.f the closing hours of January 07, 2020.

Further w.e.f March 31, 2020 the Corporate Social Responsibility Committee was reconstituted by induction of Ms. Nanette D'sa, Independent Director as Member, Dr. Manish Agarwal,

Independent Director as Chairman, Dr. Dattatraya Kelkar, Mr. Roshanlal Kamboj, Independent Director as Members to the Committee.

As at March 31, 2020, in compliance with requirements of Section 135 read with Schedule VII of the Companies Act, 2013, the Corporate Social Responsibility Committee comprises of Dr. Manish Agarwal, Independent Director as Chairman, Dr. Dattatraya Kelkar, Independent Director, Mr. Roshanlal Kamboj, Independent Director and Ms. Nanette D'sa, Independent Director as members of the Committee.

During the year under review, Corporate Social Responsibility Committee met One (1) times on February 12, 2020.

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) ESOP Allotment Sub-committee

In order to process and facilitate allotment of Equity Shares, from time to time, upon exercise of Stock Options granted under Company's ESOP Scheme, the ESOP Allotment Sub-Committee has been constituted. As on March 31, 2020, the Committee comprises of Mr. Debshankar Mukhopadhyay as a Chairman, Mr. Vikash Kar, Mr. R. B Sinha, Mr. Bhautesh Shah, Mr. Kapil Bane, Mr. Dinesh Bhutra and Mr. Ravindra Mishra as its members.

ii) Finance, Legal And Compliance Sub-Committee

The Finance Sub-Committee of the Company comprises of Mr. Debshankar Mukhopadhyay, as a Chairman, Mr. Vikash Kar, Mr. Bhautesh Shah, Mr. Kapil Bane, Mr. Jagdish Lipare, Mr. Dinesh Bhutra and Mr. Ravindra Mishra as its members.

In order to facilitate monitoring and expediting any debt fund raising process, approve financing facilities offered and/or sanctioned to the Company by various Banks and /or Indian Financial Institutions from time to time, in the form of Term Loans, Working Capital facilities, Guarantee facilities etc., including the acceptance of terms and conditions of such facilities being offered and exercising other authorities as may be delegated by the Board from

time to time, the Board has constituted a Finance, Legal and Compliance Sub-Committee.

iii) Business And Operations Sub Committee

Business and Operations Sub Committee of the Company comprises of Mr. Debshankar Mukhopadhyay, as a Chairman, Mr. Vikash Kar, Mr. R. B Sinha, Mr. Kapil Bane, Mr. Vipul Shah and Mr. Dinesh Bhutra as its members.

In order to guide, approve and review the strategic direction, functioning and control mechanisms in the Company's various businesses and its operations the Board has constituted a Business And Operations Sub-Committee.

iv) HR and Admin Sub Committee

The HR And Admin Sub-Committee of the Company comprises of Mr. Debshankar Mukhopadhyay, as a Chairman, Mr. Vikash Kar, Mr. R B Sinha, Mr. Kapil Bane, Mr. Dinesh Bhutra and Mr. Anand Thakkar as its members.

In order to maintain and enhance the organization's human resources by planning, implementing, and evaluating employee relations and human resources policies, programs, and practices and oversight of personnel and compensation policies the Board has constituted a HR and Admin Sub-Committee.

v) Government Project Sub Committee

The Government Project Sub-Committee of the Company comprises of Mr. Debshankar Mukhopadhyay as a Chairman, Mr. Vikash Kar, Mr. R B Sinha and Mr. Shrenik Kotecha as its members.

The Government Project Sub-Committee meets as and when required to review, approve monitor and shortlist relevant government within their respective scope or powers delegated by the Board

GENERAL MEETINGS

The fourteenth Annual General Meeting of the Company for the financial year 2019-20 will be held on Thursday, 24th Day of December, 2020 at 01.00p.m. through online mode (VM/AVOM).

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	Special Resolutions passed
2016-17	Wednesday, September 06, 2017 at 10.30 a.m.	<p>Approval of remuneration payable to the Cost Auditor</p> <p>Re-appointment of Mr. Mahesh Shetty as Managing Director of the Company and determination of remuneration</p> <p>Approval for Conversion of loan into equity share capital of the Company</p> <p>Increase in borrowing limits of the Company</p> <p>Authority to the Board of Directors to create offer, issue and allot further securities of the Company</p>	Venue Anthurium Banquet, 5th floor, Hotel Shilpa Residency, L.B.S. Marg, Mulund(West), Mumbai – 400080
2017-18	Monday, September 24, 2018 at 9.30 a.m.	<p>Amendment of Articles of Association of Company</p> <p>Appointment of Mr. Ajey Kumar as an Executive Director of the Company</p> <p>Appointment of Mr. Debshankar Mukhopadhyay as an Executive Director of the Company</p> <p>Redesignation of Mr. Mahesh Shetty as Whole-time Director of the Company</p>	Ravindra Natya Mandir, P.L.Deshpande Kala-Academy, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai-400025
2018-19	Thursday, September 26, 2019 at 10.00 a.m.	<p>To receive and Adopt Audited Financial Statement of the Company</p> <p>To appoint Director in Place of Mr. Himanshu Mody who retires by rotation</p> <p>To fix the remuneration of Cost Auditor</p>	“The Hall of Culture”, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018

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.

Postal Ballot

No Resolutions were passed by way of Postal Ballot during financial year 2019-20 under review.

Certificate On Debarment Of Directors

Your Board hereby confirms that the Company has obtained a certificate from Shravan A. Gupta & Associates, Practising

Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

Particulars Of Payment Of Statutory Auditors Fee, On Consolidated Basis:

MSKA & Associates, Chartered Accountants (Firm Registration No. 105047W) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, on consolidated basis are given below:

Particulars	(Rupees: in Lakhs) Amount
Services as Statutory Auditors (including quarterly basis)	24.05
Tax Audit	Nil
Services for Tax Matters	Nil
Other Matters	Nil
Re-imbursement of out-of-pocket expenses	2.51
Total	26.56

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. 36 (Standalone) and note no. 36 (consolidated) of significant accounting policies and notes forming part of the financial statements in accordance with "INDAS24". 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, except Minimum Public Shareholding (MPS) requirements as per Regulation 38 of the SEBI (LODR) Regulation, 2015. Consequently the Company had paid penalties for the non-compliance with MPS requirement under regulation 38 of the SEBI (LODR), 2015 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 behaviour, etc. The mechanism provides for adequate safeguards against victimization 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. Your Company has zero tolerance towards 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. There was no complaint on sexual harassment during the year under review.
- f. 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 extend applicable. The significant accounting policies which are consistently applied are set out in the notes to the financial statements.
- g. Risk Management – Business risk evaluation and management is an on-going process within the Company. The assessment is periodically examined by the Board.
- h. 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:

- Separate post of Chairman and Whole-time Director: Mr. Himanshu Mody is the Non- Executive Chairman (upto January 07th, 2020) & Mr. Mahesh Shetty is the Whole-time Director (upto April 13th, 2020) of the Company during the year under review.
 - 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 during the year under review.
 - Modified opinion(s) in audit report: The Company always tries to ensure that the financial statements are with unmodified audit opinion during the year under review.
 - Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.
- i. Disclosure on Commodity price risk or foreign exchange risk and hedging activities
Since the Company is engaged in the Education business, there is no risk associated with Commodity Price and therefore the disclosure relating to Commodity hedging activity is Not Applicable.
- j. M/s Lakshya Forum for Competitions Private Limited has become material subsidiary of the Company as defined under regulation 16 of SEBI (LODR) Regulations, 2015 as on March 31, 2020. 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_Subsiidiary_Policy.pdf

Compliance With Non-Mandatory Requirements

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 'Daily News and Analysis (DNA)/Business Standard and in a vernacular language newspaper 'Punya Nagari /Nav Shakti/Navakal/Lakshadeep' 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.

Pursuant to Regulation 46 of SEBI Listing Regulations, the Company Publishes its Quarterly, Half-yearly and Annual Financial results, Annual Reports and post such results on Company's website www.mteducare.com.

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

Members are requested to support the "Green Initiative" by registering their Email address with the Company, if not already done.

Those 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.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company is required to maintain Bank details of its Members for the purpose of payment of Dividends etc. Members are requested to register / update their bank details with the Company in case shares are held in physical form or with their Depository Participants as well as the Company where shares are held in dematerialized mode, to enable expeditious credit of the dividend to their bank accounts electronically.

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

Shareholders' Information

1. **Date, Time and Venue of Shareholder's Meeting** Meeting : Fourteenth Annual General Meeting
Day & Date : Thursday, December 24, 2020
Time : 01:00 p.m.
Venue : Through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")
2. **Financial Year** April 1, 2020 till March 31, 2021
First Quarterly Results On or before 30th September, 2020
Second Quarterly Results On or before 14th November, 2020
Third Quarterly Results On or before 13th February, 2021
Fourth Quarterly Results On or before 15th May, 2021
3. **Date of Book Closure** From December 18th, 2020 to December 24th, 2020 (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 Re. 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 2020-21 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 dematerialized 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 dematerialization 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, 2020, 99.94% of the equity shares of the Company is held by 13737 Equity Shareholders in dematerialized 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 dematerialized form.

16. Dividend History & Unclaimed Dividend

Section 124 and Section 125 of the Companies Act, 2013 with Investor Education and Protection Fund Authority (Accounting, Audit, transfer and Refund) Rule, 2016 ('the Rules') mandates that Companies transfer dividend that has remained unclaimed for the 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 Rs.)	Date of Declaration of Dividend	Due Date for transfer to IEPF
2013-14	Interim	1.00	November 14, 2013	January 11, 2021
2013-14	2nd Interim	1.25	May 14, 2014	July 11, 2021
2014-15	Interim	0.6	November 12, 2014	January 10, 2022
2014-15	Final	2.05	August 07, 2015	October 04, 2022
2015-16	Interim	0.6	November 06, 2015	January 03, 2023
2015-16	Final	1.40	September 28, 2016	November 25, 2023

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, 2020.

19. Share Capital Build-up

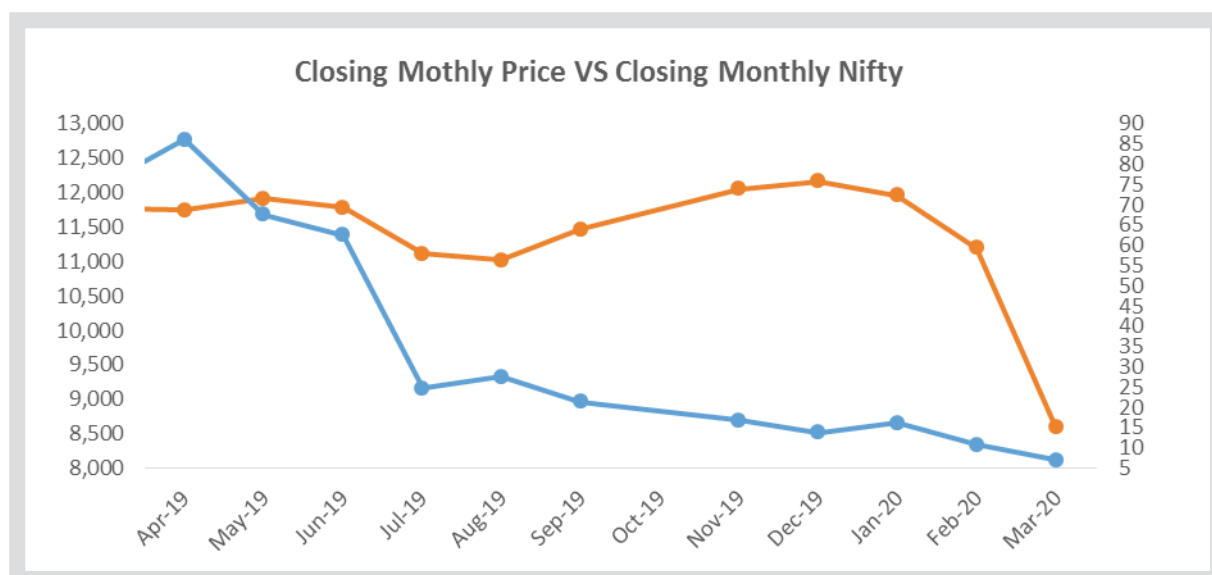
Particulars	No. of Shares issued	Date of Issue
Issued to Subscribers	10,000	21.08.2006
Private Placement	26,100	28.10.2006
Private Placement	60,000	11.12.2006
Private Placement	3,900	15.03.2007
Private Placement	20,396	30.07.2007
Private Placement	2,144	30.07.2007
Private Placement	66	27.02.2009
Private 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
Allotment under ESOP	4,43,070	20.12.2018
Issue & Paid- up Capital as on 31.03.2020	7,22,28,054	

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 2019-2020:

Months	High (Rs.)	BSE Low (Rs.)	Volume of shares traded	High (Rs.)	NSE Low (Rs.)	Volume of shares traded
April 2019	87.85	75.95	1320659	88.00	75.75	7286723
May 2019	94.05	62.25	1530805	94.25	66.00	7995684
June 2019	73.95	61.00	666279	71.45	61.00	5224389
July 2019	63.40	24.70	306534	63.40	24.70	2990340
August 2019	39.20	21.75	88635	39.30	21.65	539275
September 2019	28.90	21.45	208937	29.00	21.45	980175
October 2019	21.80	13.35	114725	22.50	12.65	544244
November 2019	25.75	15.90	209599	25.75	15.90	1163733
December 2019	18.70	13.55	81667	19.00	13.25	1005740
January 2020	17.75	13.36	226763	17.90	13.15	1468922
February 2020	17.00	10.85	534916	16.95	10.80	1353538
March 2020	11.50	6.24	108226	11.25	6.25	901501

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



22. Distribution of Shareholding as on March 31, 2020

	Number of Share Holders		No. of Shares	
	Number	% of Holders	Number	% of Capital
Up to 500	11179	81.0719	1494163	2.0687
501 - 1000	1202	8.7171	976605	1.3521
1001 - 2000	689	4.9967	1023582	1.4172
2001 - 3000	233	1.6898	599295	0.8297
3001 - 4000	100	0.7252	360598	0.4992
4001 - 5000	85	0.6164	403890	0.5592
5001 - 10000	126	0.9138	887079	1.2282
10001 and Above	175	1.2691	66482842	92.0457
Total	13789	100.00	7,22,28,054	100.00

23. Categories of Equity Shareholders as on March 31, 2020

Category	March 31, 2020	
	% of shareholding	No. of shares held
Promoters	77.47	5,59,53,626
Individuals	20.10	1,45,19,618
FIs/MF/Banks/Others	0.00	230
FIIIs/ NRIs/OCBs/GDRs	0.55	3,98,382
Indian Companies (Bodies Corporate)	1.88	13,56,198
Total	100.00	7,22,28,054

24. Particulars of Shareholding

a) Promoter Shareholding as on March 31, 2020

Sr.No.	Name of Shareholder	No of Shares held	% of shareholding
1	Zee Learn Limited	4,27,01,173	59.12
2	Mahesh Shetty	1,32,52,453	18.35
	Total	5,59,53,626	77.47

b) Top ten (10) Public Shareholding as on March 31, 2020

Sr. No.	Name of Shareholder	No of Shares held	% of shareholding
1	Jagdish Amritlal Shah	720000	0.9968
2	JagrutiShaunak Shah	720000	0.9968
3	Shaunak Jagdish Shah	720000	0.9968
4	Lilavati Hirji Fooria	371138	0.5138
5	Chandresh Hirji Fooria	318293	0.4407
6	Eesha Shrenik Kotecha	254692	0.3526
7	Kirtan M Rupareliya	245754	0.3402
8	AjaykumarBhaskar Patil	235000	0.3254
9	Dheeraj Kumar Lohia	216765	0.3001
10	Saanvi Sachin Deshmukh	194478	0.2693
	Total	39,96,120	5.5325

Auditors Certificate on Compliance with the conditions of Corporate Governance under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members of
MT EDUCARE LTD.

I/We have examined relevant records of M/s MT EDUCARE LTD. (the Company) for the purpose of certifying compliance of the conditions of Corporate Governance for the financial year ended 31st March 2020 as per the provisions of Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). I/We have obtained all the information and explanations which to the best of my/our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. My/Our examination was limited to the review of procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance.

In my/our opinion and to the best of my/our information and according to the explanations given to me/us, I/we certify that the Company has complied with the conditions of Corporate Governance as in the SEBI Listing Regulations, 2015.

For Shravan A Gupta & Associates
Company Secretaries

Shravan A Gupta
Proprietor
Membership No.-A-27484
COP-9990

Place: Mumbai
Date: 25/11/2020

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)**

To,
The Board of Directors,
MT EDUCARE LIMITED
220, 2nd floor, Flying Colors,
Pandit Din Dayal Upadhyay Marg,
L.B.S. Cross Road,
Mulund (West),
Mumbai - 400080

We hereby certify to the Board that:

1. We have reviewed the financial statements for the fourth quarter and year ended on March 31, 2020 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 for financial reporting and 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.

For MT Educare Limited

Arun Kumar Khetan
CEO & Whole Time Director

Sunil Jain
Chief Financial Officer

Place : Mumbai
Date : 25/11/2020

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Sub-clause 10(i) of Para – C of Schedule – V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The members of
MT EDUCARE LIMITED

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of MT Educare Limited having CIN: L80903MH2006PLC163888 and having registered office at 220, Flying Colors, 2nd Floor, Pandit Din Dayal Upadhyay Marg, L.B.S. Cross Road, Mulund (West), Mumbai – 400080, Maharashtra, (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Sub-clause 10(i) of Para – C of Schedule – V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers. I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2020, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority

Sr. No.	Names of Director	DIN in Company	Date of Appointment
1.	Mr. Mahesh Raghu Shetty	01526975	19/08/2006
2.	Mr. Deb Shankar Mukhopadhyay	08194567	09/08/2018
3.	Dr. Manish Gopalkrishna Agarwal	02069969	05/06/2018
4.	Mr. Roshanlal Kamboj	01076066	26/09/2019
5.	Dr. Dattatraya Kelkar	00118037	30/12/2019
6.	Mr. Nanette D'sa	05261531	31/03/2020

Ensuring the eligibility for the appointment or continuity of every director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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 Shravan A. Gupta & Associates
Company Secretaries

Shravan A Gupta
Proprietor
ACS No. 27484
COP No. 9990

Date: 25/11/2020
Place: Mumbai

Independent Auditor's Report

To the Members of MT Educare Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the standalone financial statements of MT Educare Limited ("the Company"), which comprise the balance sheet as at March 31, 2020, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its loss, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. The Company has recognized net deferred tax assets of Rs. 7,791.25 Lakhs based on the estimate that sufficient taxable profits would be available in future years against which deferred tax asset can be utilized. In our opinion, due to the uncertainty over the estimated profits for the future years arising out of the outbreak of COVID-19 and the existence of unutilized tax losses available with the Company, it is highly uncertain that the Company would have sufficient taxable profits in future against which deferred tax asset can be utilized. Accordingly, we are unable to obtain sufficient appropriate audit evidence to corroborate Management's assessment of recognition of deferred tax assets as of March 31, 2020. Had the deferred tax asset not been recognized, the net the loss for the year ended March 31, 2020 and accumulated losses, would have been higher by Rs.7,791.25 Lakhs.
2. The Company has not complied with the provisions of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015 relating to the submission of the results for the quarter and year ended March 31, 2020 to Securities and Exchange Board of India (SEBI) within the stipulated time. Penalties on account of such non-compliances are presently not ascertainable and not provided for in the books of account. Consequently, we are unable to comment on the impact, if any, on the standalone financial statements.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

1. We draw attention to Note 45 to the standalone financial statements that state that the management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance, and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the standalone financial statements. Accordingly, no adjustments have been made to the financial statements. However, the extent of the impact of the COVID-19 pandemic on the Company's standalone financial statements is dependent upon future developments.
2. We draw attention to Note 48 to the standalone financial statements which states that the contracts for revenue from management services has been renegotiated and the new arrangement is applicable from retrospective effect. Consequently, the revenue from management services recorded during the quarter ended 31 December 2019 amounting to Rs 910.00 lakhs has been remeasured based on renegotiation of contracts with customers which has resulted in the reversal of revenue amounting to Rs 745.33 lakhs by the management in the quarter ended 31 March 2020.

Our opinion is not modified in respect of the above matters

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Report, Chairman's Statement, Director's Report etc, but does not include the standalone financial statements and our auditor's report thereon. The above reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Management Report, Chairman's Statement, Director's Report etc, if we conclude that there is a material misstatement therein, we are required to communicate the

matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters

Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p>Recoverability of Loans</p> <p>Refer Notes 6 and Note 12 to the standalone financial statements.</p> <p>Loans and advances includes Certain loans aggregating Rs. 14,757.96 lakhs given to various trusts as on March 31, 2020. Out of the above, provision recognised amounted to Rs. 12,357.16 lakhs as at March 31, 2020, which involves significant management's estimate and judgment. As the assessment of recoverability of loans and deposits requires management to make significant estimation, exercise judgement on customer payment behaviour, other relevant risk characteristics, we determined this to be a key audit matter.</p>	<p>Our audit procedures in respect of this area included:</p> <ol style="list-style-type: none"> Obtaining an understanding of Group's processes and controls relating to the monitoring of loans given and review of credit risk of borrowers. Reviewing underlying documents and other supporting evidences. Obtaining Balance confirmations and evidence of receipts from the borrower subsequent to the year end. Reviewing ageing report to identify collection risks, assessing overdue receivables and where applicable, reviewing payment history and correspondence with the borrowers on expected settlement dates. Discussing with the management with respect to collectability of the amount lent and adequacy of provision for doubtful advance, including whether any dispute or concerns have been noted by management. Evaluating management's assumptions and estimates used to determine the provision for doubtful advances. Assessing the adequacy of the disclosure on receivables and the related risks such as credit risks and liquidity risks in the financial statements.
2	<p>Recoverability and valuation of Government trade receivables:</p> <p>Refer Note 9 to the standalone financial statements</p> <p>Government trade receivables (Net) amounting to Rs. 1,529.12 lakhs as of March 31, 2020 are recognised at their anticipated realisable value, which is the original invoiced amount less an estimated allowance based on Expected Credit Loss model.</p> <p>Valuation of trade receivables is considered as a key audit matter due to the magnitude of the balance and the significant management judgement used in determining the impairment provision.</p>	<p>Our audit procedures in respect of this area included:</p> <ul style="list-style-type: none"> Reading through the agreements and correspondence with the Government authorities and understanding the key terms. Analysing the ageing of trade receivables. Analysing the list of outstanding receivables and assessing the recoverability of these through inquiry with management and verifying corroborative evidence to support the conclusions drawn. Assessing management's estimate and related policies with respect to provision on account of credit loss. Verification of calculation of provisions for credit loss. Verifying the related disclosures provided in the financial statements.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of

India 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, to the extent applicable.

2. 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, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) Except for the matter described in the Basis of Qualified Opinion section above, in our opinion, the aforesaid standalone 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 Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
 - (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, 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 financial statements – Refer Note 32 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. Following are the instances of delay in transferring amounts, required to be transferred, to the Investor

Education and Protection Fund (IEPF) by the Company –

Year	Amount	Due date	Transferred to IEPF on	Delay in no. of days
FY 2011-12	1,260	November 13, 2019	January 01, 2020	49
FY 2012-13	72,493	December 30, 2019	March 07, 2020	68

3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules there under.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Vaijayantimala Belsare

Partner

Membership No. 049902

UDIN: 20049902AAAAAP5040

Place: Mumbai

Date: September 25, 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MT EDUCARE LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement

that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For MSKA& Associates

Chartered Accountants
ICAI Firm Registration No. 105047W

Vaijayantimala Belsare

Partner
Membership No. 049902
UDIN:20049902AAAAAP5040

Place: Mumbai
Date: September 25, 2020

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MT EDUCARE LIMITED FOR THE YEAR ENDED 31st MARCH 2020
[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment. According to the information and explanations given to us, during the year, the Company neither demanded repayment of any principal nor interest from any of the parties to whom loans have been given.
- (b) All the fixed assets have not been physically verified by the management during the year but 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 four Companies covered in the register maintained under section 189 of 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, prima facie, not prejudicial to the interests 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 as neither were demanded by the Company during the year.
- (c) There are no amounts overdue for more than ninety days in respect of the loan 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, 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, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues have not been regularly deposited with the appropriate authorities and there have been serious delays in large number of cases.
- (b) According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

Statutory dues which were outstanding, as at March 31, 2020 for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues	Amount (Rs. In lacs)	Period to which the amount relates	Due Date	Date of Payment
Tamilnadu Municipal Laws (Second Amendment) Act, 1998	Profession Tax	0.33	FY 19-20	Various dates	Unpaid

- (c) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of income-tax, goods and service tax, customs duty and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income tax	344.14	FY 2016-17	CIT (A)	None

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to the financial institution or bank or dues to the debenture holders. The Company did not have any outstanding loans or borrowings due to government.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions stated in paragraph 3 (ix) of the Order are not applicable to the Company.
- x. During the course of our audit, and based on 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 not 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 financial statements as required by the applicable 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 not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.
- 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 clause 3 (xvi) of the Order are not applicable to the Company.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Vaijayantimala Belsare

Partner

Membership No. 049902

UDIN: 20049902AAAAAP5040

Place: Mumbai

Date: September 25, 2020

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MT EDUCARE LIMITED

[Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

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 with reference to financial statements of MT Educare Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone 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 with reference to financial statements 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by 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 internal financial controls with reference to financial statements 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 internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 qualified audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and

based on our audit, the following material weaknesses have been identified as at March 31, 2020:

The Information Technology General Controls being the access controls and change management controls with respect to accounting for student revenue and controls on the financial statement closure process were operating ineffectively which could potentially lead to material misstatement in the financial statements.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as of March 31, 2020, based on the internal control with reference to financial statements criteria established by the Company considering the

essential components of internal control stated in the Guidance Note.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company, and these material weaknesses do not affect our opinion on the standalone financial statements of the Company.

For MSKA & Associates

Chartered Accountants
ICAI Firm Registration No. 105047W

Vaijayantimala Belsare

Partner
Membership No. 049902
UDIN: 20049902AAAAAP5040

Place : Mumbai
Date : September 25, 2020

Balance Sheet as at 31 March, 2020

Particulars	Note No.	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	4a	1,865.26	2,614.35
Capital work-in-progress		0.54	17.32
Other intangible assets	4b	213.70	629.23
Intangible assets under development		11.96	4.55
Right of use asset	4c	7,270.23	-
Financial assets			
-Investments	5a	3,144.96	3,144.96
-Loans	6	2,470.79	2,501.32
-Other financial assets	7	-	863.04
Deferred tax assets (net)	34	7,791.25	8,303.56
Other non-current assets	8	1,122.03	1,502.92
Total non-current assets		23,890.72	19,581.25
Current assets			
Financial assets			
-Trade receivables	9	2,535.36	1,976.09
-Investments	5b	887.78	245.00
-Cash and cash equivalents	10	108.19	220.18
-Bank balances other than cash and cash equivalents	11	518.33	503.07
-Loans	12	1,967.38	10,651.25
-Other financial assets	13	5,817.04	3,339.57
Other current assets	14	188.74	317.59
Total current assets		12,022.82	17,252.75
TOTAL ASSETS		35,913.54	36,834.00
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	7,222.81	7,222.81
Other equity	16	9,626.23	14,902.98
Total equity		16,849.04	22,125.79
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	17	1,668.15	4,964.11
- Other financial liabilities	18	5,592.91	-
Provisions	19	408.36	293.51
Other non-current liabilities	20	211.32	177.63
Total non-current liabilities		7,880.74	5,435.25
Current liabilities			
Financial Liabilities			
- Borrowings	21	-	110.67
- Trade payables	22		
Total outstanding dues of micro enterprises and small enterprises		60.44	35.71
"Total outstanding dues of creditors other than micro enterprises and small enterprises"		2,436.66	1,838.67
- Other financial liabilities	23	3,783.94	2,936.28
Provisions	24	136.93	182.07
Other current liabilities	25	4,765.79	4,169.56
Total current liabilities		11,183.76	9,272.96
Total liabilities		19,064.50	14,708.21
TOTAL EQUITY AND LIABILITIES		35,913.54	36,834.00

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**
Chartered Accountants
Firm Registration No. : 105047W

Vaijayantimala Belsare
Partner
Membership No.: 049902

Place : Mumbai
Date : September 25, 2020

For and on behalf of the Board of Directors of

MT Educare Limited
CIN: L80903MH2006PLC163888

Mr. Surender Singh
Director
DIN - 08206770

Mr. Ravindra Mishra
Company Secretary
Membership No.: ACS 29159

Mr. Arun Kumar Khetan
CEO and Whole Time Director
DIN - 02744522

Mr. Sunil Jain
Chief Financial Officer

Statement of Profit and Loss for the year ended 31 March, 2020

Particulars	Note No.	Year ended 31 March, 2020 ₹ in lakhs	Year ended 31 March, 2019 ₹ in lakhs
1 Income			
Revenue from operations	26	14,668.23	18,200.31
Other income	27	2,133.69	1,965.00
Total income		16,801.92	20,165.31
2 Expenses			
Direct expenses	28	6,854.45	9,873.72
Employee benefits expense	29	2,889.90	3,113.77
Finance costs	30	1,981.50	1,632.05
Depreciation and amortisation expense	4	3,722.49	1,433.61
Other expenses	31	2,938.61	3,198.25
Total expenses		18,386.95	19,251.40
3 Profit/(Loss) before tax and exceptional items (1-2)		(1,585.03)	913.91
Less: Exceptional items (Refer Note 47)		3,114.65	
Profit/(Loss) before tax (1-2)		(4,699.68)	
4 Tax expense:			
(a) Current tax		-	-
(b) Adjustments for earlier years		-	0.04
(c) Deferred tax	34	530.32	183.42
		530.32	183.46
5 Profit/(Loss) for the year (3 - 4)		(5,230.00)	730.45
6 Other Comprehensive Income (OCI)			
Items that will not be reclassified to statement of profit and loss			
i. Remeasurement of defined benefit plan		(64.75)	15.29
ii. Income tax related to i above	34	18.01	(5.34)
Total other comprehensive income		(46.74)	9.95
7 Total comprehensive income/(loss) for the year (5+6)		(5,276.74)	740.40
8 Earnings/ (loss) per share [Nominal value per share ₹10 each (Previous Year ₹10 each)]:	32		
Basic (₹)		(7.24)	1.02
Diluted (₹)		(7.24)	1.01
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
Chartered Accountants
Firm Registration No. : 105047W

Vaijayantimala Belsare
Partner
Membership No.: 049902

Place : Mumbai
Date : September 25, 2020

For and on behalf of the Board of Directors of

MT Educare Limited
CIN: L80903MH2006PLC163888

Mr. Surender Singh
Director
DIN - 08206770

Mr. Arun Kumar Khetan
CEO and Whole Time Director
DIN - 02744522

Mr. Ravindra Mishra
Company Secretary
Membership No.: ACS 29159

Mr. Sunil Jain
Chief Financial Officer

Statement of Cash Flows for the year ended 31 March, 2020

Particulars	For the year ended 31 March, 2020		For the year ended 31 March, 2019	
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
A. Cash flow from operating activities				
Profit/(Loss) before tax		(4,699.68)		913.91
Adjustments for:				
Depreciation and amortisation	3,722.49		1,433.61	
Interest income	(1,592.86)		(1,409.19)	
Finance Cost	1,981.49		1,540.23	
Dividend income	-		(213.45)	
Net gain on sale of investments	(9.47)		(4.93)	
Gain on revaluation of investments	(8.31)		-	
Net loss on sale of property, plant & equipment	27.24		44.64	
Allowance for doubtful debts and advances	3,675.96		(331.06)	
Bad debts written off	-		90.35	
Net loss on foreign exchange transactions and translations	0.69		-	
Employee stock option expense	-	7,797.24	188.40	1,338.60
Operating profit/(loss) before working capital changes		3,097.56		2,252.51
Changes in working capital:				
(Increase) in trade receivables	(1,386.28)		(405.82)	
Decrease/(Increase) in other assets	2,569.26		11,821.24	
(Decrease)/Increase in trade payables	622.71		(97.27)	
(Decrease)/Increase in other liabilities & provisions	897.72	2,703.41	(280.41)	11,037.74
Cash generated from operations		5,800.97		13,290.25
Net income tax paid		(104.74)		(627.01)
Net cash generated from operating activities (A)		5,696.23		12,663.24
B. Cash flow from investing activities				
Proceeds from sale of property, plant and equipment	1.39		21.76	
Capital expenditure on property, plant and equipment, including movement in intangible assets under development and capital advances	(171.82)		(425.32)	
Sale of current investments	1,025.00		17,629.93	
Purchase of current investments	(1,650.00)		(17,625.00)	
Investment in subsidiaries	-		(1,628.00)	
Loans and advances (given)/received back	2,760.66		(344.76)	
Interest received	537.77		139.64	
Dividend on non current investments received	-		213.45	
Net cash flow (used in)/generated from investing activities (B)		2,503.00		(2,018.30)

Statement of Cash Flows for the year ended 31 March, 2020

Particulars	For the year ended 31 March, 2020		For the year ended 31 March, 2019	
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
C. Cash flow from financing activities				
Proceeds from issue of equity shares	-		44.31	
Repayment from non-current borrowings	(4,181.88)		(4,949.97)	
Repayment of current borrowings (net)	(110.67)		(4,348.12)	
Share issue expenses	-		251.47	
Repayment of principal towards lease liability	(2,031.01)			
Interest paid on lease liability	(1,000.98)			
Finance cost paid	(986.68)		(1,540.90)	
Net cash flow (used in)/generated from financing activities (C)		(8,311.22)		(10,543.21)
Net increase/(decrease) in Cash and cash equivalents (A+B+C)		(111.99)		101.73
Cash and cash equivalents at the beginning of the year		220.18		118.45
Cash and cash equivalents at the end of the year (Refer note 10)		108.19		220.18
Cash and cash equivalents at the end of the year *				
* Comprises:				
Balances with banks in current accounts		104.99		219.49
Deposit with maturity less than three months		-		0.69
Cash in hand		3.20		-
		108.19		220.18

Notes:

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

Particulars	As at 31 March, 2019	Cash flows	Non - Cash changes		(₹ in lakhs)
			Fair value changes	Current/Non-current classification	As at 31 March, 2020
Borrowings - Non current liabilities	4,964.11	(4,188.04)	6.16	885.93	1,668.18
Other financial liabilities	1,941.64	(6.16)	-	(885.93)	1,049.55
Borrowings - current	110.67	(110.67)	-	-	0.00

As per our report of even date attached

For MSKA & Associates

Chartered Accountants
Firm Registration No. : 105047W

Vaijayantimala Belsare

Partner
Membership No.: 049902

For and on behalf of the Board of Directors of

MT Educare Limited
CIN: L80903MH2006PLC163888

Mr. Surender Singh

Director
DIN - 08206770

Mr. Arun Kumar Khetan

CEO and Whole Time Director
DIN - 02744522

Mr. Ravindra Mishra

Company Secretary
Membership No.: ACS 29159

Mr. Sunil Jain

Chief Financial Officer

Place : Mumbai

Date : September 25, 2020

Statement of Changes in Equity for the year ended 31 March 2020

A) Equity share capital

Particulars	As at 31 March, 2020	As at 31 March, 2019
	₹ in lakhs	₹ in lakhs
Balance at the beginning of the reporting period	7,222.81	7,178.50
Changes in equity share capital during the year	-	44.31
Balance at the end of the reporting year	7,222.81	7,222.81

B) Other equity

Particulars	Reserves and Surplus				
	General reserve	Securities premium reserve	Employee stock options outstanding account	Retained earnings	Total
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Balance as on 31 March, 2018 (A)	(5,747.23)	19,400.19	67.82	1.93	13,722.71
Reversal of transaction costs arising on share issue	-	251.47	-	-	251.47
Employee stock option expense	-	-	188.40	-	188.40
Transferred to securities premium account on exercise of stock options	-	184.11	(184.11)	-	-
Total (B)	-	435.58	4.29	-	439.87
Additions during the year ended 31 March 2019:					
Net Profit for the year	-	-	-	730.45	730.45
Other Comprehensive Income (net of tax)	-	-	-	9.95	9.95
Total comprehensive income for the year (C)	-	-	-	740.40	740.40
Reductions during the year:					
Transferred to General reserve	730.45	-	-	(730.45)	-
Total (D)	730.45	-	-	(730.45)	-
Balance as on 31 March, 2019 (E=A+B+C+D)	(5,016.78)	19,835.77	72.11	11.88	14,902.98
Transferred to General Reserve	72.11	-	(72.11)	-	-
Total (F)	72.11	-	(72.11)	-	-
Additions during the year ended 31 March 2020:					
Net Loss for the year	-	-	-	(5,276.73)	(5,276.73)
Other Comprehensive Income (net of tax)	-	-	-	-	-
Total comprehensive income for the year (G)	-	-	-	(5,276.73)	(5,276.73)
Reductions during the year:					
Transferred to General reserve	(5,230.00)	-	-	5,230.00	-
Total (H)	(5,230.00)	-	-	5,230.00	-
Balance as on 31 March, 2020 (I=E+F+G+H)	(10,174.67)	19,835.77	-	(34.86)	9,626.23

The accompanying notes are an integral part of these financial statements
As per our report of even date attached

For MSKA & Associates

Chartered Accountants
Firm Registration No. : 105047W

Vaijayantimala Belsare

Partner
Membership No.: 049902

Place : Mumbai

Date : September 25, 2020

For and on behalf of the Board of Directors of

MT Educare Limited

CIN: L80903MH2006PLC163888

Mr. Surender Singh

Director
DIN - 08206770

Mr. Ravindra Mishra

Company Secretary
Membership No.: ACS 29159

Mr. Arun Kumar Khetan

CEO and Whole Time Director
DIN - 02744522

Mr. Sunil Jain

Chief Financial Officer

Notes forming part of the financial statements for the year ended 31 March, 2020

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.

These financial statements for the year ended 31 March 2020 are prepared in accordance with Ind AS.”

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 2.14 - Recognition and measurement of deferred tax asset Note 2.6 and 2.20(a) (ii) – Impairment of assets (both financial and non-financial) Note 2.20 - Fair value measurement of financial instruments Note 2.3 – Useful life of Property, plant and equipment, other Intangible assets and Intangible assets under development Note 2.11 - Share based payments”

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.

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 Property, plant and equipment, 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

Notes forming part of the financial statements for the year ended 31 March, 2020

intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/ acquisition and acquisition and exclusive of Input tax credit or other tax credit available to the Company.

Subsequent expenditure relating to property, plant and equipment is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

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. Capital advances are disclosed under other non current assets."

2.4 Other Intangible assets and Intangible assets under development

"Other Intangible Assets: Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/ depletion and impairment losses, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the Intangible Assets. The Company's intangible assets comprises assets with finite useful life which are amortised on a straight line basis over the period of their expected useful life. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

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 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.

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 and other 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 non-financial assets

"The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment

Notes forming part of the financial statements for the year ended 31 March, 2020

testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash-generating unit”).”

2.7 Revenue recognition

“Company earns revenue primarily from providing coaching and educational support services to customer. Effective April 1, 2018, the Company has applied Ind AS 115 “Revenue from contract with customer” which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

The Company recognises revenue when (or as) the Company satisfies a performance obligation by transferring a promised goods or services to a customer. The promised goods or service is transferred when (or as) the customer obtains control over a good or service.

- Revenue related to coaching services to students/government is recognised based on time elapsed mode and revenue is straight lined over the period of course duration.
- Revenue from sale of hardware/content is recognised upfront at the point in time when the hardware/content is delivered to the customer via online/offline delivery, wherever applicable, while the Company retains neither managerial involvement nor the effective control.
- Management fees and revenue from government projects includes fees for services rendered and is recognised upon transfer of promised service based on achievement of milestone.
- In arrangements of providing both coaching services as well as hardware/content to students, the Company has applied the guidance in Ind AS 115 “Revenue from Contract with Customers”, by applying the revenue recognition criteria for each distinct performance obligation. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

Revenue is measured based on the transaction price, which is the consideration, adjusted for concessions and discounts, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings/receipts on contracts.

Contract assets are classified as unbilled receivables when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Advance fees (“contract liability”) is recognised when there is billings/receipts in excess of revenues.”

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.”

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 (INR), 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

Notes forming part of the financial statements for the year ended 31 March, 2020

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 - funded, 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.”

2.12 Leases

“The Company as a lessee: The Company's lease asset class consist of leases for Premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases), variable lease and low value leases.”

“For these short-term, variable lease and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated amortisation and impairment losses. Right-of-

Notes forming part of the financial statements for the year ended 31 March, 2020

use assets are amortised from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying value may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease payments have been classified as financing cash flows."

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 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 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 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

"Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made."

Notes forming part of the financial statements for the year ended 31 March, 2020

2.16 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.

2.17 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.

2.18 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.”

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. 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.

2.19 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.

2.20 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 assets

“The Company applies expected credit losses (ECL) model

Notes forming part of the financial statements for the year ended 31 March, 2020

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 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.

2.21 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.

Notes forming part of the financial statements for the year ended 31 March, 2020

"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"

2.22 Investment in subsidiaries

In its separate financial statements, the Company accounts for its investments in subsidiaries at cost.

3.1 Changes in Significant accounting policies:

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. Lessor accounting under Ind AS 116 is substantially unchanged as compared to Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor. The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of 1 April 2019 and has not restated comparative for the year ended March 31, 2019, as permitted under the specific transition provisions in the standard. The Company elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts for which the underlying asset is of low value ('low-value assets')

"Nature of the effect of adoption of Ind AS 116
 The Company has lease contracts for various premises. Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Company; otherwise it was classified as an

operating lease. Finance leases were capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between interest (recognised as finance costs) and reduction of the lease liability. In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis over the lease term. Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases, except for leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the Company."

"Leases previously classified as finance leases
 The Company did not have any finance lease contract as on 1 April, 2019."

"Leases previously accounted for as operating leases
 The Company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for leases of low-value assets. The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using interest rate implicit in the lease wherever available and the incremental borrowing rate in all other cases, at the date of initial application. The Company also applied the available practical expedients wherein it used a single discount rate to a portfolio of leases with reasonably similar characteristics"

Based on the foregoing, as at 1 April 2019:

a) Right-of-use assets of Rs. 8,153.76 lakhs were recognised and presented separately in the Balance Sheet.

b) Lease liabilities of Rs. 7,579.98 lakhs were recognised and presented separately in the Balance Sheet.

The lease liabilities as at 1 April 2019 can be reconciled to the operating lease commitments as of 31 March 2019 as follows:

Particulars	Amounts
Operating lease commitment as on March 31, 2019*	24.65
Payments in optional extension periods not recognised as at 31 March 2019	11,562.45
Undiscounted future lease payments as of April 01, 2019	11,587.10
Effect of discounting	(4,007.12)
Lease liabilities recognised as of	

Notes forming part of the financial statements for the year ended 31 March, 2020

April 01, 2019 **	7,579.98
Of which are:	
Current lease liabilities	1,719.06
Non-current lease liabilities	5,860.92

* As reported under previous years' financial statement FY 2018-19 note 36

** The weighted average incremental borrowing rate at April 01, 2019, the date of implementation of Ind AS 116 Leases, was 14%.

3.2 Recent Pronouncement

On 20th September, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies with an option to opt for lower tax rates effective 1st April, 2019 subject to certain conditions. The Company is currently in the process of evaluating this option and has considered the rate existing prior to the Ordinance for the purpose of these financial statements.

3.3 Recent Indian Accounting Standards (IND AS)

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

a **Amendment to Ind AS 103 - Business Combination**

"Ministry of Corporate Affairs (MCA) has notified the amendment to Ind AS 103 'Business Combination' regarding the definition of the business. The amendment -

- Clarifies that, In order to be considered as a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output;
- narrows the definition of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs;
- adds an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

The above amendment is effective for business combination for which the acquisition date is on or after the beginning of annual reporting period beginning on or after April 1, 2020."

b **Amendment to Ind AS 1 - Presentation of financial statements**

"Ministry of Corporate Affairs (MCA) has notified the amendment to Ind AS 1 regarding the definition of the term 'Material'. The new definition of 'Material' is - ""Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.""

The above amendment is effective for annual reporting period beginning on or after April 1, 2020."

Notes forming part of the financial statements for the year ended 31 March, 2020

Particulars	Gross Block			Accumulated Depreciation			Net Block As at 31.03.2020	
	As at 01.04.2019	Additions	Disposals/ adjustments	As at 31.03.2020	As at 01.04.2019	Additions		Disposals/ adjustments
Tangible assets (Owned)								
Building	680.08	-	-	680.08	219.57	21.52	-	438.99
Plant & machinery (including office equipments)	2,076.43	36.42	22.71	2,090.14	1,625.08	177.58	22.16	309.64
Furniture and fixtures	3,953.43	71.69	142.02	3,883.10	2,719.06	442.37	114.46	836.13
Vehicles	19.58	-	-	19.58	11.00	6.24	-	2.34
Computers and E-learning equipment	2,456.37	29.77	8.23	2,477.91	1,996.83	210.92	8.00	278.16
Total	9,185.89	137.88	172.96	9,150.81	6,571.54	858.63	144.62	1,865.26
Note 4b: Other intangible assets								
Particulars								
Trademark	1.22	-	-	1.22	1.22	-	-	-
SAP	315.73	-	-	315.73	281.27	12.25	-	22.21
Software	603.79	-	-	603.79	378.44	107.03	-	118.32
Content	3,030.47	5.86	-	3,036.33	2,661.05	302.11	-	73.17
Technology aided teaching	60.56	-	-	60.56	60.56	-	-	-
Non compete fees	126.00	-	-	126.00	126.00	-	-	-
Total	4,137.77	5.86	-	4,143.63	3,508.54	421.39	-	213.70
Note 4c: Right of use asset								
Particulars								
Leased Premises	8,153.76	1,564.39	-	9,718.15	-	2,447.92	-	7,270.23
Total	8,153.76	1,564.39	-	9,718.15	-	2,447.92	-	7,270.23

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 Rs 5.46 lakhs (Previous year 2019 Rs 10.47 lakhs) capitalized during the year.
- (c) Term loan from bank is secured by first pari passu hypothecation charge on the all movable assets (except vehicle) amounting to Rs 1,423.94 lakhs of the Company both present and future.

Notes forming part of the financial statements for the year ended 31 March, 2020

Note 5a: Financial assets- Investments - non current

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
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 2019 - 1,22,449 Equity Shares)	216.00	216.00
10,000 Equity Shares of ₹10 each fully paid up of MT Education Services Private Limited. (Previous Year 2019 - 10,000 Equity Shares)	1.19	1.19
20,000 Equity Shares of ₹10 each fully paid up of Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited) (Previous Year 2019 - 20,000 Equity Shares)	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 2019 - 7,500 Equity Shares)	0.75	0.75
10,000 Equity Shares of ₹10 each fully paid up of Robomate Edutech Private Limited (Previous Year 2019 - 10,000 Equity Shares)	1.00	1.00
10,000 Equity Shares of ₹10 each fully paid up of Letspaper Technologies Private Limited (Previous Year 2019 - 10,000 Equity Shares)	1.00	1.00
108,000 Equity Shares of ₹10 each fully paid up of Labh Ventures India Private Limited (Previous Year 2019 - 108,000 Equity Shares)	1,628.00	1,628.00
(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 2019 - 1,250 Equity Shares)	0.31	0.31
Less: Impairment in value of investment	-	-
Total	3,144.96	3,144.96
Aggregate carrying value of unquoted investments	3,144.96	3,144.96
Aggregate amount of impairment in value of investment	-	-

Note 5b: Financial assets- Investments - Current

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Investment in debentures		
Unquoted		
Investment in subsidiaries (at amortised cost)		
24,500 13% Non Convertible Debentures of ₹1,000 each of Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited) (Previous Year 2019 - 24,500 13% Non Convertible Debentures)	245.00	245.00
Other investment at FVTPL		
Hdfc Liquid Fund (Previous Year 2019 - Nil)	642.78	-
Total	887.78	245.00
Aggregate carrying value of unquoted investments	887.78	245.00
Aggregate amount of impairment in value of investment	-	-

Notes forming part of the financial statements for the year ended 31 March, 2020

Note 6: Non current financial assets - Loans

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(a) Security deposits	476.06	707.60
(b) Loans and advances to others (Refer note 6.1, 6.2 and 6.3)	10,615.21	9,916.31
	11,1091.27	10,623.91
Less: Provision for doubtful deposits and loans and advances	(8,620.49)	(8,122.59)
	(8,620.49)	(8,122.59)
Total	2,470.79	2,501.32

Note:

6.1 Loans are given for business purposes.

6.2 Breakup of other loans:

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Loans - considered good - secured	-	1,793.73
Loans - considered good - unsecured	1,994.72	-
Loans which have significant increase in credit risk	6,872.16	6,307.97
Loans - credit impaired	1,748.33	1,846.59
Total	10,615.21	9,948.30
Less: Provision for doubtful deposits and loans and advances	(8,620.49)	(8,154.56)
Total loans	1,994.72	1,793.73

6.3 Out of the total loans and advances disclosed above, Rs. 10,606.71 lacs (Gross) pertains to loan given to various trusts. Out of the above, provision recognised amounted to Rs. 8,597.93 lakhs as at March 31, 2020.

Note 7: Other non current financial assets

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(Unsecured considered good, unless stated otherwise)		
In fixed deposit with maturity for more than 12 months (refer note 7.1)	-	863.04
Total	-	863.04

Note:

7.1 Held as lien by bank against bank guarantees issued.

Notes forming part of the financial statements for the year ended 31 March, 2020

Note 8: Other non-current assets

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(Unsecured considered good, unless stated otherwise)		
(a) Prepaid expenses	-	484.69
(b) Advance tax and tax deducted at source [Net of tax provisions]	1,121.08	1,016.34
(c) Capital advances	0.95	1.89
Subtotal (a)	1,122.03	1,502.92
Unsecured considered doubtful		
Capital advances	-	80.00
Less: Provision for doubtful capital advances	-	(80.00)
Subtotal (b)	-	-
Total (a+b)	1,122.03	1,502.92

Note 9: Trade receivables

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Trade receivables (Refer not 9.2)	12,356.44	11,348.55
Receivables from related parties (Refer note 36 and 9.1)	0.10	12.79
	12,356.54	11,361.34
Less: Provision for doubtful trade receivables	(9,821.18)	(9,385.25)
Total	2,535.36	1,976.09

Note:

9.1 Trade receivables include due from:

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Robomate Edutech Private Limited	0.10	12.79
Total	-	863.04

9.2 Breakup of trade receivables:

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Trade receivables - considered good - secured	-	-
Trade receivables - considered good - unsecured	2,535.36	1,976.09
Trade receivables which have significant increase in credit risk	3,721.38	3,194.80
Trade receivables - credit impaired	6,099.80	6,190.45
Total	12,356.54	11,361.34
Less: Provision for doubtful trade receivables	(9,821.18)	(9,385.25)
Total trade receivables	2,535.36	1,976.09

Notes forming part of the financial statements for the year ended 31 March, 2020

Note 10: Cash and cash equivalents

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Balances with banks in current accounts	104.99	219.49
Deposit with original maturity less than three months	-	0.69
Cash in hand	3.20	-
Total	108.19	220.18

Note 11: Bank balances other than cash and cash equivalents

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Balances with banks:		
(a) Margin money deposit in banks (Refer note 11.1)	516.71	501.45
(b) In dividend payment bank account (Earmarked account) (Refer note 11.2)	1.62	1.62
Total	518.33	503.07

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.

Note 12: Current loans

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(Unsecured, considered good, unless stated otherwise)		
(a) Security deposits	743.01	7,520.31
(b) Loans and advances to related parties (Refer note 12.1, 12.2 and 36)	773.40	1,962.67
(c) Loans and advances to others (Refer note 12.2 and 12.4)	4,216.79	1,673.23
	5,733.20	11,156.21
Less: Provision for doubtful loans and advances	(3,765.82)	(504.96)
Total	1,967.38	10,651.25

Note:

12.1 Current loans and advances include amounts due from subsidiaries:

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	440.93	1,949.98
Sri Gayatri Educational Services Private Limited	4.16	3.84
Chitale's Personalised Learning Private Limited	0.09	-
Robomate Education private Limited	2.05	1.85
MT Education Services Private Limited	326.17	7.00
Total	773.40	1,962.67

Notes forming part of the financial statements for the year ended 31 March, 2020

12.2 Loans are given to related parties and others for their business purposes.

12.3 Breakup of other loans:

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Loans - considered good - secured	-	-
Loans - considered good - unsecured	1,224.37	3,130.94
Loans which have significant increase in credit risk	3,765.82	504.96
Loans - credit impaired	-	-
Total	4,990.19	3,635.90
Less: Provision for doubtful loans and advances (refer note 12.3)	(3,765.82)	(504.96)
Total loans	1,224.37	3,130.94

12.4 Out of the total loans and advances disclosed above, Rs. 4,151.25 lacs (Gross) pertains to loan given to various trusts. Out of the above, provision recognised amounted to Rs. 3,759.22 lakhs as at March 31, 2020.

Note 13: Other current financial assets

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(Unsecured, considered good, unless stated otherwise)		
Visiting faculty salary recoverable	46.60	42.11
Receivables from related parties (refer note 13.1 and 36)	3,517.47	1,699.96
Unbilled receivables	1,183.90	1,144.68
Others	1,069.07	452.82
Total	5,817.04	3,339.57

Note:

13.1 Receivable from related parties:

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
MT Education Services Private Limited	208.85	91.94
Sri Gayatri Educational Services Private Limited	2.04	1.68
Lakshya Forum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	2,896.13	1,174.92
Chitale's Personalised Learning Private Limited	389.01	428.75
Labh Ventures India Private Limited	19.83	2.64
Letspaper Technologies Private Limited	1.61	0.03
Total	3,517.47	1,699.96

Notes forming part of the financial statements for the year ended 31 March, 2020

Note 14: Other current assets

Particulars	As at	As at
	31 March, 2020	31 March, 2019
	₹ in lakhs	₹ in lakhs
(Unsecured, considered good, unless stated otherwise)		
(a) Prepaid expenses	10.59	106.79
(b) Advances to suppliers	166.88	169.48
(c) Statutory receivables	-	22.85
(d) Others	11.27	18.47
Subtotal (a)	188.74	317.59
Unsecured considered doubtful		
Advances to suppliers	-	185.00
Less: Provision for doubtful advances to suppliers	-	(185.00)
Subtotal (b)	-	-
Total(a+b)	188.74	317.59

Note 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 31 March, 2020		As at 31 March, 2019	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
(a) Authorised Equity shares of ₹10 each (previous year 2019: ₹10 each)	80,000,000	8,000.00	80,000,000	8,000.00
(b) Issued, subscribed and paid up Equity shares of ₹10 each fully paid up (previous year 2019: ₹10 each fully paid up)	72,228,054	7,222.81	72,228,054	7,222.81
Total	72,228,054	7,222.81	72,228,054	7,222.81

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 31 March, 2020		As at 31 March, 2019	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Opening balance at the beginning of the year	72,228,054	7,222.81	71,784,984	7,178.50
Add: Shares issued during the year	-	-	443,070	44.31
Closing balance at the end of the year	72,228,054	7,222.81	72,228,054	7,222.81

Note 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 31 March, 2020

Note 15.3

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

Name of shareholder	As at 31 March, 2020		As at 31 March, 2019	
	Number of shares	% holding	Number of shares	% holding
Equity shares				
Mahesh R. Shetty	13,252,453	18.35%	17,036,803	23.59%
Zee Learn Limited	42,701,173	59.12%	42,701,173	59.12%

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.

Note 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 2019: Nil)

Note 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 35.

Note 16: Other equity

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(a) Securities premium reserve	19,835.77	19,835.77
(b) General reserve	(10,174.67)	(5,016.78)
(c) Employee stock options outstanding account	-	72.11
(d) Surplus/(deficit) in Statement of Profit and Loss	(34.86)	11.88
Total	9,626.23	14,902.98

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(a) Securities premium reserve		
Opening balance	19,835.77	19,400.19
Add: Securities Premium credited on shares issue	-	184.11
Less: Reversal of transaction costs arising on share issue	-	251.47
Closing balance	19,835.77	19,835.77
(b) General reserve		
Opening balance	(5,016.78)	(5,747.23)
Add: Transferred from surplus/(deficit) in Statement of Profit and Loss	(5,230.00)	730.45
Add: Transferred from Employee Stock options outstanding account	72.11	-
Closing balance	(10,174.67)	(5,016.78)
(c) Employee stock options outstanding account		
Opening balance	72.11	67.82
Add: Employee stock option expense	-	188.40
Less: transferred to securities premium account on exercise of stock options	-	(184.11)
Less: Transferred to General Reserve	(72.11)	-
Closing balance	-	72.11

Notes forming part of the financial statements for the year ended 31 March, 2020

(d) Surplus/(deficit) in Statement of Profit and Loss		
Opening balance	11.88	1.93
Add: Net (Loss)/Profit for the year	(5,230.00)	730.45
Add: Items of OCI for the year, net of tax	(46.74)	9.95
Transferred to General reserve	5,230.00	(730.45)
Closing balance	(34.86)	11.88
Total	9,626.23	14,902.98

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 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.

Note 17: Non-current financial liabilities - borrowings

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Secured: Term loan (refer note 17.1)		
- from bank	1,260.49	1,891.64
- from other parties	1,457.22	5,014.11
	2,717.71	6,905.75
Less: Current maturity of non-current borrowings and interest accrued and due thereon (refer note 17.1)	(1,049.56)	(1,941.64)
Total	1,668.15	4,964.11

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 (Rs 12,022.82 lakhs) and movable assets (except vehicle) (Rs 1,423.94 lakhs) of the Company both present and future;
- pledge of shares owned by the promoter of the Company (Rs 1,260.49 lakhs); and
- personal guarantee given by the promoter of the Company (Rs 1,260.49 lakhs).

Term loan from other party is secured by:

- first pari passu hypothecation charge on the entire current assets (Rs 12,022.82 lakhs) and movable assets (Rs 1,426.27 lakhs) of the Company both present and future;
- pledge of shares owned by the promoter of the Company (Rs 1,457.22 lakhs); and
- personal guarantee given by the promoter of the Company (Rs 1,457.22 lakhs).

(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% to 1.75% over banks 12 months MCLR (Range from 11.00% to 9.90% per annum as on March 31, 2020 and March 31, 2019). SVC bank loan is repayable in monthly installments of Rs. 51.56 lakhs per month. Last installment due in March 2029. Rate of interest is 10.55% (10.55% per annum as at March 31, 2019).

In case of term loan from other party:

- Repayable in 10 half yearly installments starting from October 2018. Last installment due in March 2023. This has been revised in December 19 to 26 monthly installments on balance outstanding amount starting from August 2020 and last installment due in September 2022.

Rate of interest has been revised to 13.75% from 14.5% per annum.

Notes forming part of the financial statements for the year ended 31 March, 2020

Note 18: Other financial liabilities

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Lease Liability	5,592.91	-
Total	5,592.91	-

Note 19: Non current provisions

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Provision for employee benefits: (refer note 39)		
(i) Provision for gratuity (net) (funded)	326.39	196.22
(ii) Provision for leave encashment (unfunded)	81.97	97.29
Total	408.36	293.51

Note 20: Other non-current liabilities

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Advance fees (refer note 20.1)	211.32	177.63
Total	211.32	177.63

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".

Note 21: Current financial liabilities - borrowings

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Unsecured:		
Loans from (refer note 21.1)		
- Related party (refer note 36)	-	110.67
Total	-	110.67

Note:

21.1 Terms of repayment for unsecured borrowings:

Loan from related parties (carries interest rate @ 13% pa) is repayable on demand.

Note 22: Trade payables

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(a) Total outstanding dues of micro enterprises and small enterprises (refer note 22.1)	60.44	35.71
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,436.66	1,838.67
Total	2,497.10	1,874.38

Notes forming part of the financial statements for the year ended 31 March, 2020

Note 22.1:

Disclosure relating to suppliers registered under MSMED Act based on the basis of information available with the Company:

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	66.93	70.25
Interest	3.74	0.68
	70.67	70.93
Disclosed under trade payable - Note 22	60.44	35.71
Disclosed under Other current financial liabilities- Note 23	10.24	35.22

Total

(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	3.74	0.68
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

Note 23: Other current financial liabilities

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(a) Payable for capital expenditure		
Outstanding dues of micro enterprises and small enterprises (refer note 22.1)	10.24	35.22
Outstanding dues of capital creditors other than above	99.86	118.43
(b) Security deposits	20.50	20.50
(c) Employee related payables (refer note 39)	583.58	366.14
(d) Unclaimed dividend (refer note 11)	1.62	1.62
(e) Current maturity of non current borrowings (refer note 17)	1,039.07	1,925.00
(f) Interest accrued and due on non current borrowings (refer note 17)	10.49	16.64
(g) Lease liability	1,520.44	-
(h) Others	498.14	452.73
Total	3,783.94	2,936.28

Note 24: Current provisions

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Provision for employee benefits:(refer note 39)		
(i) Provision for gratuity (funded)	90.25	110.64
(ii) Provision for leave encashment (unfunded)	46.68	71.43
	136.93	182.07
(b) Provision - Others:		
(i) Provision for Income Tax [Net of advance tax and TDS]	-	-
Sub Total (b)	-	-
Total	136.93	182.07

Notes forming part of the financial statements for the year ended 31 March, 2020

Note 25: Other current liabilities

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(a) Advance fees (refer note 25.1)	1,308.29	2,381.15
(b) Statutory payables	649.21	627.19
(c) Other payables	2,808.29	1,161.22
Total	4,765.79	4,169.56

25.1 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".

Note 26 Revenue from operations

Particulars	Year ended 31 March, 2020 ₹ in lakhs	Year ended 31 March, 2019 ₹ in lakhs
Revenue from services		
Revenue from coaching/teaching services (refer note 26.1 and 36)	15,771.38	17,321.27
Less : Discount and concession	(1,582.41)	(1,729.81)
Sub Total (a)	14,188.97	15,591.46
Other operating revenues		
Sale of hardware/content	344.07	1,056.98
Others (refer note 26.2 and 36)	135.19	1,551.87
Sub Total (b)	479.26	2,608.85
Total (a+b)	14,668.23	18,200.31

Note:

26.1 During the quarter ended 30 September 2019, the company entered into contracts with a few education trusts to provide management services in respect of operation of their respective educational activities. Based on the scope of work and the corresponding consideration as laid out in the respective contracts, revenue of Rs 910.00 lakhs from management services was recorded by the Company in the third quarter ended 31 December 2019.

However, subsequently, on the requests of these Trusts, the "scope of work" and the basis of measurement of corresponding "consideration" have been renegotiated and redefined which are detailed in the addendums executed to the existing contracts. The new arrangement is applicable from retrospective effect (inception of the contracts).

The change in the basis of measurement of revenue from management services has given rise to reversal of revenue recorded in the third quarter to the extent of Rs 745.33 lakhs. The reversal entry has been recorded in the fourth quarter ended 31 March 2020.

The resultant management services revenue for the year, recorded in these financial statements aggregate Rs 164.67 lakhs.

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

26.2: Ind AS 115 "Revenue from contract with customer":

Company earns revenue primarily from providing coaching and educational support services to customer. Effective April 1, 2018, the Company has applied Ind AS 115 "Revenue from contract with customer" which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. The Company has adopted Ind AS 115 using the cumulative effect method.

Notes forming part of the financial statements for the year ended 31 March, 2020

A) Disaggregation of revenue from customers

The following table shows disaggregation of revenue by major service lines:

Particulars	Year ended 31 March, 2020 ₹ in lakhs	Year ended 31 March, 2019 ₹ in lakhs
Coaching/teaching services	14,188.97	15,591.46
Sale of hardware	344.07	1,056.98
Others	135.19	1,551.87
Total	14,668.23	18,200.31

B) Reconciliation of revenue from customers

The following table shows reconciliation of revenue by major service lines:

Particulars	Year Ended March 31, 2020			Revenue from Operations
	Contract price	Adjustments fo unearned revenue	Discount & concession	
Coaching/teaching services	16,810.54	(1,039.16)	(1,582.41)	14,188.97
Sale of hardware	344.07	-	-	344.07
Others	135.19	-	-	135.19
Total	17,289.80	(1,039.16)	(1,582.41)	14,668.23

Particulars	Year Ended March 31, 2019			Revenue from Operations
	Contract price	Adjustments fo unearned revenue	Discount & concession	
Coaching/teaching services	17,603.10	(281.83)	(1,729.81)	15,591.46
Sale of hardware	1,056.98	-	-	1,056.98
Others	1,551.87	-	-	1,551.87
Total	20,211.95	(281.83)	(1,729.81)	18,200.31

C) Trade receivables and contract balances

The following table provides information about receivables, contract assets and current liabilities from contracts with customers:

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Trade receivables relating to contracts with customers (Refer Note 9)	2,535.36	1,976.09
Contract assets:		
- Unbilled receivables (Refer Note 13)	1,183.90	1,144.68
Contract liabilities:		
- Advance fees, current (Refer Note 25)	1,308.29	2,381.15
- Advance fees, non-current (Refer Note 20)	211.32	177.63

D) Transaction price allocated to the remaining performance obligation

The following table shows revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date:

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Advance fees	211.32	177.63

Notes forming part of the financial statements for the year ended 31 March, 2020

Management expect that 100 % of the transaction price allocated to the unsatisfied contracts as of March 31, 2020 amounting to Rs. 211.32 Lakhs (Previous Year Rs. 177.63 Lakhs) will be recognised as revenue during the year ended March 31, 2022.

The Company applies the practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

Note 27: Other income

Particulars	Year ended 31 March, 2020 ₹ in lakhs	Year ended 31 March, 2019 ₹ in lakhs
(a) Interest income on financial assets carried at amortised cost #	1,592.86	1,409.19
(b) Gain on revaluation of current investments	8.31	-
(c) Dividend income on non-current investments as FVTPL		213.45
(d) Net gain on sale of investments	9.47	4.93
(e) Provision for doubtful debts written back (net) *	-	331.06
(f) Net Gain on foreign exchange transactions and translations	-	0.56
(g) Miscellaneous income	523.05	5.81
Total	2,133.69	1,965.00

Note 27.1

Particulars	Year ended 31 March, 2020 ₹ in lakhs	Year ended 31 March, 2019 ₹ in lakhs
Interest from banks on:		
Deposits	61.03	-
Others	1,479.37	-
Total	1,540.40	-

* Net of reversal of provision is disclosed under other income in the Previous Year

Interest income is net of provision made towards doubtful interest receivable amounting to Rs.2,164.96 Lakhs (Previous Year Rs. 492.49 lakhs)

Note 28: Direct expenses

Particulars	Year ended 31 March, 2020 ₹ in lakhs	Year ended 31 March, 2019 ₹ in lakhs
Rent (refer note 36) (net of recoveries from subsidiaries)	214.72	3,006.94
Rates and taxes	120.89	25.97
Electricity	521.61	635.19
Student material and test expenses	1,169.93	1,128.76
Visiting lecturer fees	4,396.15	4,875.58
Bandwidth charges	33.96	50.96
Professional expenses	277.27	57.68
Others	119.92	92.64
Total	6,854.45	9,873.72

Notes forming part of the financial statements for the year ended 31 March, 2020

Note 29: Employee benefits expense

Particulars	Year ended 31 March, 2020 ₹ in lakhs	Year ended 31 March, 2019 ₹ in lakhs
Salaries, wages, bonus and other allowances	2,617.42	2,681.06
Contribution to provident and other funds (refer note 39)	137.80	118.77
Gratuity expense (refer note 39)	56.24	53.74
Share based payments to employees (refer note 35)	-	188.40
Staff welfare expenses	78.44	71.80
Total	2,889.90	3,113.77

Note 30: Finance costs

Particulars	Year ended 31 March, 2020 ₹ in lakhs	Year ended 31 March, 2019 ₹ in lakhs
(a) Interest expense on borrowings at amortised cost (refer note 36)	898.77	1,540.23
(b) Other borrowing cost	81.75	91.82
(c) Interest expense on lease liability	1,000.98	-
Total	1,981.50	1,632.05

Note 31: Other expenses

Particulars	Year ended 31 March, 2020 ₹ in lakhs	Year ended 31 March, 2019 ₹ in lakhs
Administration expenses		
Director's sitting fees	3.30	9.10
Corporate social responsibility expenses (refer note 40)	14.01	16.86
Donation	-	12.18
Printing and stationary	146.82	70.10
Professional fees#	401.65	601.01
Provision for doubtful debts*	561.31	-
Bad debts	-	90.35
Repairs and maintenance	382.26	355.39
Security charges	48.30	36.78
House keeping expenses	115.24	137.06
Auditor's remuneration (refer note 31.1)	20.29	20.74
Communication expenses	67.04	138.25
Travelling and conveyance expenses	220.88	335.77
Net loss on sale of property plant and equipment	27.24	44.64
Net loss on foreign exchange transactions and translations	0.69	-
Rates and taxes	49.50	74.85
Insurance	5.43	17.18
Other administrative expenses	430.10	231.44
(A)	2,494.06	2,191.70
Selling expenses		
Advertisement and publicity	415.97	672.30
Business promotion expenses	28.58	334.25
(B)	444.55	1,006.55
Total (A)+(B)	2,938.61	3,198.25

Notes forming part of the financial statements for the year ended 31 March, 2020

Note 31.1: Auditor's remuneration (excl. applicable taxes)

Particulars	Year ended 31 March, 2020 ₹ in lakhs	Year ended 31 March, 2019 ₹ in lakhs
As auditors:		
Statutory audit	11.05	10.80
Limited review	6.75	7.00
In other capacity:		
Other services (including certification)	-	1.80
Reimbursements	2.49	1.14
Total	20.29	20.74

Professional fees is net of provision made towards doubtful receivable written back amounting to NIL (2018-19 - Rs. 227 lakhs)

* Net of reversal of provision is disclosed under other income

Note 32: Contingent liabilities

32.1

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
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	344.14	48.37
(b) Corporate guarantee (refer note 32.1.1)	2,435.00	2,435.00
(c) Corporate guarantee (refer note 32.1.2)	1,751.50	3,325.00
(d) Guarantees given by banks in favour of Government bodies	-	300.65

Note:

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.

32.1.2 Corporate guarantee is provided to a party in respect of loan taken by subsidiary company, Lakshya Forum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited). Corporate guarantee is utilised for business purposes.

32.1 Capital and other commitments:

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances):		
Tangible assets	49.58	26.05
Intangible assets	-	-
(b) Other commitments (other than lease commitments - refer note 36)	-	169.17

Notes forming part of the financial statements for the year ended 31 March, 2020

Note 33: Earnings per share (EPS)

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Basic and Diluted		
Net profit/(loss) for the year attributable to the equity shareholders (₹ in lakhs)	(5,230.00)	730.45
Weighted average number of equity shares for Basic EPS (in nos)	72,228,054	71,908,801
Weighted average number of equity shares for Diluted EPS (in nos)	72,228,054	72,040,501
Par value per share (in ₹)	10.00	10.00
Earnings/(Loss) per share - Basic (in ₹)	(7.24)	1.02
Earnings/(Loss) per share - Diluted (in ₹)	(7.24)	1.01

Note 34: Deferred tax assets (net)

Particulars	As at 31 March, 2018 ₹ in lakhs	Benefit / (Charge) for the year 18-19 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs	Benefit / (Charge) for the year 19-20 ₹ in lakhs	As at 31 March, 2020 ₹ in lakhs
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	5.34	12.57	18.01	30.58
Processing fees on borrowings	-	37.79	37.79	(29.30)	8.49
(a)	7.23	43.13	50.36	(11.29)	39.07
Deferred tax assets					
Tax effect of items constituting deferred tax assets:					
Provision for compensated absences, gratuity and other employee benefits	172.63	34.78	207.41	(6.89)	200.52
Provision for doubtful debts and advances	6,387.88	(0.89)	6,386.99	(208.87)	6,178.12
Disallowances under Section 40(a)(i), 43B and 35D of the Income Tax Act, 1961	15.19	83.99	99.18	(84.46)	14.72
On difference between book balance and tax balance of Property, Plant & Equipment	941.03	120.01	1,061.04	(136.49)	924.55
Deferred Tax impact on losses and unabsorbed depreciation	942.21	(368.43)	573.78	(221.77)	352.01
Deferred revenue impact on CRF and robomate	16.91	(16.91)	-	-	-
On expenditure on employee stock option plan	23.70	1.82	25.52	29.44	54.96
DTA Created on INDAS 116	-	-	-	105.43	105.43
(b)	8,499.55	(145.63)	8,353.92	(523.61)	7,830.32
Net deferred tax asset/(liability) (b-a)	8,492.32	(188.76)	8,303.56	(512.32)	7,791.25

Notes forming part of the financial statements for the year ended 31 March, 2020

Note 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	17 February, 2016
2	Total number of options approved under Scheme	800,000
3	Date of Grant	18 December, 2017
4	Vesting Requirements	60%, 30% and 10% will vest over a period of three years from the date of grant
5	Exercise Price	Rs. 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	31 March, 2020	31 March, 2019
Options outstanding at beginning of year	295,380	738,450
Options granted during the year	-	-
Options exercised during the year*	-	443,070
Options forfeited / surrendered during the year	-	-
Options expired during the year	295,380	-
Options outstanding at the end of year	-	295,380
Option exercisable at the end of year	-	-

Since no shares options have been exercised by any of the allottees during the FY 19-20 and they have also left the company, they are not eligible for vesting their rights in future and the options stand expired.

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

Particulars	31 March, 2020	31 March, 2019
Weighted Average:		
Fair value of the options at the grant dates (Rs.)	41.55	41.55
Dividend yield (%)	2.63%	2.63%
Risk free interest rate (%)	6.61%	6.61%
Expected life of share options (years)	0	1.5
Expected volatility (%)	54.35%	54.35%
Weighted average share price (Rs.)	10.00	10.00

Notes forming part of the financial statements for the year ended 31 March, 2020

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.

Note 36: 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
Holding company	Zee Learn Limited
Subsidiary companies	Chitale's Personalised Learning Private Limited MT Education Services Private Limited Lakshya Forum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited) Sri Gayatri Educational Services Private Limited Robomate Edutech Private Limited Letspaper Technologies Private Limited Labh Ventures India Private Limited
Key management personnel (KMP)	Mr. Mahesh Shetty (Whole-time Director) (Till 10 April 2020) Mr. Himanshu Mody (Non Executive Chairman) (Till 07 January 2020) Mr. Ajey Kumar (Executive Director) (Till 26 September 2019) Dr. Manish Agarwal (Non Executive Independent Director) (from 05 June 2018) Dr. Sangeeta Pandit (Non Executive Independent Director) (Till 01 October 2019) Mr. Debshankar Mukhopadhyay (Director) (Till 23 April 2020) Mr. Sandesh Naik (Chief Financial Officer) (Till 14 November 2019) Mr. Sanjeev Garg (Wholetime Director and CEO) (From 26 September 2019 till 10 January 2020) Mr. Mandar Chavan (Company Secretary) (Till 13 November 2019) Mr. Roshan Lal Kamboj (Independent Director) (From 26 September 2019) Mr Dattatraya Kelkar (Independent Director) (From 31 December 2019) Mrs. Nanette D'sa (Independent Director) (From 31st March 2020) Mr Dinesh Bhutra (Chief Financial Officer) (From 14 November 2019 till 06 March 2020) Mr Ravindra Mishra (Company Secretary) (From 15 November 2019) Mr Arun Khetan (Whole-time Director and CEO) (From 23 April 2020 and 15 April 2020 resp.) Mr Surinder Singh (Non Executive Director) (From 24 July 2020) Mr Sunil Jain ((Chief Financial Officer) (From 28 August 2020)
Enterprises in which KMP can exercise significant influence (With which the company had transactions during the year or outstanding at the end of the year)	Mahesh Tutorials Mulund Mahesh Tutorials Chembur Prosynapse Consultants Private Limited
Entity providing key management personnel services to the parent of the reporting entity	Diligent Media Corporation Limited

(B) Details of transactions with related party in the ordinary course of business for the year ended:

Particulars	₹ in lakhs	
	31 March, 2020	31 March, 2019
Transactions entered during the year:		
KMP Remuneration (Refer note 36.1)	204.10	205.58
Sitting fees paid to Non Executive Directors		
Dr. Chhaya Shastri	-	1.70
Mr. Naarayanan Iyer	-	0.80
Mr. Drushti Desai	-	2.00
Mr. Yatin Samant	-	1.00
Mr Roshanlal Kamboj	0.80	-

Notes forming part of the financial statements for the year ended 31 March, 2020

Mr. Uday Lajmi	-	2.00
Dr. Sangeeta Pandit	0.70	0.80
Dr. Manish Agarwal	1.50	0.80
Mr Dattatray Kelkar	0.30	-
	3.30	9.10

Particulars	31 March, 2020	31 March, 2019
Interest expense on loan		
Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	-	299.69
MT Education Services Private Limited	-	10.47
Chitale's Personalised Learning Private Limited	0.28	-
	0.28	310.16
Professional fees expenses		
Prosynapse Consultants Private Limited	-	36.29
Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	6.04	20.62
Chitale's Personalised Learning Private Limited	0.08	0.11
Zee Learn Limited	120.00	103.95
	126.12	160.97
Transaction cost on Share issue expenses		
Zee Learn Limited	-	137.89
	-	137.89
Sale of Robomate		
Robomate Edutech Private Limited	1.72	-
	1.72	-
Commision expense		
Robomate Edutech Private Limited	0.22	-
	0.22	-
Advertising expenses		
Diligent Media Corporation Limited	0.41	3.58
	0.41	3.58
Reimbursement receivable		
Chitale's Personalised Learning Private Limited	-	136.85
Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	-	2.74
MT Education Services Private Limited	116.82	-
Letspaper Technologies Private Limited	-	0.03
	116.82	139.62
Reimbursement payable		
Chitale's Personalised Learning Private Limited	39.74	-
	39.74	-

Note 36.1: 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 financial statements for the year ended 31 March, 2020

Particulars	31 March, 2020	31 March, 2019
Rent expense		
Mahesh Tutorials Chembur	-	97.50
Mahesh Tutorials Mulund	-	30.17
Mr.Mahesh Shetty	-	14.12
	-	141.79
Particulars	31 March, 2020	31 March, 2019
Purchase of books		
Letspaper Technologies Private Limited	100.58	-
	100.58	-
Interest income on loan		
Chitale's Personalised Learning Private Limited	0.46	12.32
Sri Gayatri Educational Services Private Limited	0.35	0.33
Robomate Edutech Private Limited	0.21	0.20
Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	125.36	-
MT Education Services Private Limited	33.21	-
	159.59	12.85
Interest income on investment in debentures		
Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	31.86	31.85
	31.86	31.85
Rent income		
Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	-	1,477.74
Chitale's Personalised Learning Private Limited	-	10.45
	-	1,488.19
Rent expense		
Labh Ventures India Private Limited	-	337.84
Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	-	12.44
Chitale's Personalised Learning Private Limited	12.23	-
	12.23	350.28
Sale of Robomate		
Robomate Edutech Private Limited	1.72	10.84
	1.72	10.84
Commission expense		
Robomate Edutech Private Limited	0.22	0.17
	0.22	0.17
Depreciation and amortisation expense		
Mr.Mahesh Shetty	6.26	-
Mahesh Tutorials Chembur	47.53	-
Mahesh Tutorials Mulund	6.68	-
Labh Ventures India Private Limited	408.89	-
	469.36	-

Notes forming part of the financial statements for the year ended 31 March, 2020

Interest expense on lease

Mr.Mahesh Shetty	0.50	-
Mahesh Tutorials Chembur	7.82	-
Mahesh Tutorials Mulund	0.36	-
Labh Ventures India Private Limited	491.82	-
	500.50	-

Particulars

31 March, 2020 **31 March, 2019**

Payment of lease liability

Mr.Mahesh Shetty	7.00	-
Mahesh Tutorials Chembur	55.89	-
Mahesh Tutorials Mulund	4.96	-
Labh Ventures India Private Limited	702.00	-
	769.85	-

Particulars

31 March, 2020 **31 March, 2019**

Management fees income

Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	1,827.62	1,102.77
	1,827.62	1,102.77

Investment in shares

Labh Ventures India Private Limited	-	1,628.00
	-	1,628.00

Loans and advances given

Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	-	3,462.17
Chitale's Personalised Learning Private Limited	233.00	316.53
Robomate Edutech Private Limited	-	0.03
MT Education Services Private Limited	312.50	7.00
	545.50	3,785.73

Loans and advances given received back

Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	1,563.11	1,562.37
Chitale's Personalised Learning Private Limited	233.00	388.49
	1,796.11	1,950.86

Loans and advances taken

MT Education Services Private Limited	-	-
Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	-	-
	-	-

Loans and advances repaid

MT Education Services Private Limited	-	112.50
Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	-	2,092.47
	-	2,204.97

Notes forming part of the financial statements for the year ended 31 March, 2020

Outstanding at the end of the year:

Particulars	31 March, 2020	31 March, 2019
Sitting fees paid to Non Executive Directors		
Ms. Drushti Desai	-	1.30
	-	1.30
Deposit for premises		
Mahesh Tutorials Chembur	34.10	29.76
Mahesh Tutorials Mulund	-	11.28
Mr. Mahesh Shetty	7.50	7.47
Labh Ventures India Private Limited	97.31	330.00
	138.91	378.51
Investment in debentures		
Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	245.00	245.00
	245.00	245.00
Rent payable		
Mahesh Tutorials Chembur	25.15	9.07
Mahesh Tutorials Mulund	5.35	2.68
Mr. Mahesh Shetty	3.15	6.76
	33.65	18.51
KMP remuneration payable	142.24	13.23
	142.24	13.23
Professional fee payable		
Prosynapse Consultants Private Limited	-	-
Zee Learn Limited	69.07	69.07
	69.07	69.07
Commision payable		
Robomate Edutech Private Limited	0.43	-
	0.43	-
Sales receivable		
Robomate Edutech Private Limited	0.10	12.79
	0.10	12.79
Purchase of books payable		
Letspaper Technologies Private Limited	81.08	-
	81.08	-

Notes forming part of the financial statements for the year ended 31 March, 2020

Particulars	31 March, 2020	31 March, 2019
Interest on loan payable		
Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	-	87.44
MT Education Services Private Limited	-	23.23
Chitale's Personalised Learning Private Limited	-	-
	-	110.67
Interest receivable on debentures		
Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	78.85	50.18
	78.85	50.18
Interest on loan receivable		
Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	25.39	-
Chitale's Personalised Learning Private Limited	0.09	-
Sri Gayatri Educational Services Private Limited	1.65	1.34
Robomate Edutech Private Limited	0.52	0.32
MT Education Services Private Limited	6.66	-
	34.31	1.66
Loan receivable		
Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	336.69	1,899.80
MT Education Services Private Limited	319.53	7.00
Chitale's Personalised Learning Private Limited	-	-
Sri Gayatri Educational Services Private Limited	2.50	2.50
Robomate Edutech Private Limited	1.53	1.53
	660.25	1,910.83
Other reimbursable expenses receivable		
MT Education Services Private Limited	208.85	91.94
Chitale's Personalised Learning Private Limited	389.01	428.75
Sri Gayatri Educational Services Private Limited	2.04	1.68
Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	2,896.13	1,174.92
Labh Ventures India Private Limited	19.83	2.64
Letspaper Technologies Private Limited	1.61	0.03
	3,517.47	1,699.96
Advertising expenses payable		
Diligent Media Corporation Limited	-	0.21
	-	0.21
Advance to vendor		
Diligent Media Corporation Limited	0.21	-
	0.21	-
Advance rent paid		
Labh Ventures India Private Limited	232.69	132.68
	232.69	132.68

Notes forming part of the financial statements for the year ended 31 March, 2020

Corporate Guarantee

Corporate Guarantee given to a party on behalf of loan taken by Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited) (Refer note 32.1.2)

	1,751.50	3,325.00
	1,751.50	3,325.00

ROU Asset

Mr. Mahesh Shetty
Mahesh Tutorials, Chembur
Mahesh Tutorials, Mulund
Labh Ventures India Private Limited

	0.82	-
	39.64	-
	-	-
	4,206.08	-
	4,246.54	-

Lease liability

Mr. Mahesh Shetty
Mahesh Tutorials, Chembur
Mahesh Tutorials, Mulund
Labh Ventures India Private Limited

	-	-
	34.58	-
	-	-
	4,160.87	-
	4,195.45	-

Note 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) (Chief Executive Officer) reviews the operations of the Company as one operating segment. Hence no separate segment information has been furnished herewith.

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

Name of the Party	Relationship	Amount Outstanding as on 31-Mar-20	Maximum amount outstanding during the year (2019-20)	Amount Outstanding as on 31-Mar-19	Maximum amount outstanding during the year (2018-19)
MT Education Services Private Limited	Wholly owned Subsidiary	319.50	319.50	7.00	7.00
Lakshya Forrum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	Wholly owned Subsidiary	336.69	1,899.80	1,899.80	3,462.17
Chitale's Personalised Learning Private Limited	Wholly owned Subsidiary	-	45.63	-	316.53
Robomate Edutech Private Limited	Wholly owned Subsidiary	1.53	1.53	1.53	1.53
Sri Gayatri Educational Services Private Limited	Subsidiary	2.50	2.50	2.50	2.50

38.2 Investment in shares / debentures of subsidiaries by the Company: Refer note 5a and 5b.

Notes forming part of the financial statements for the year ended 31 March, 2020

Note 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:-

Particulars	₹ in lakhs	
	31 March, 2020	31 March, 2019
Employers' contribution to provident fund	137.39	118.35
Employers' contribution to labour welfare fund	0.41	0.42

b Defined benefit plans

(a) Gratuity (funded)

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) Other long term benefits (unfunded)

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 and other long term benefits based on the following assumptions:

Actuarial assumptions:

Particulars	31 March, 2020	31 March, 2019
Discount rate per annum	5.76%	6.96%
Expected Rate of Increase in compensation levels per annum	6.00%	6.00%
Expected rate of return on plan assets	5.76%	6.96%
Mortality Rate	Indian assured lives Mortality (2006-08) Ultimate	Indian assured lives Mortality (2006-08) Ultimate
Retirement Age	58 years	58 years
Withdrawal Rate	N.A.	N.A.
Attrition	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.

Notes forming part of the financial statements for the year ended 31 March, 2020

(a) Gratuity (funded)

i. Changes in the fair value of plan assets:

Particulars	₹ in lakhs	
	31 March, 2020	31 March, 2019
Fair value of plan assets as at the beginning of the year	20.33	32.76
Expected return on plan assets	1.42	2.41
Contributions	12.25	11.01
Benefits paid	(18.40)	(27.15)
Actuarial loss on plan assets	(1.21)	1.30
Fair value of plan assets as at the end of the year	14.39	20.33

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

Particulars	₹ in lakhs	
	31 March, 2020	31 March, 2019
Present value of defined benefit obligation at beginning of the year	328.23	313.22
Interest cost	22.84	23.02
Current service cost	34.81	33.13
Past service cost	-	-
Benefits paid	(18.40)	(27.15)
Actuarial (gain) / loss on obligation	63.53	(13.99)
Present value of defined benefit obligation at the end of the year	431.01	328.23

iii. Reconciliation of present value of defined benefit obligation and fair value of assets:

Particulars	₹ in lakhs	
	31 March, 2020	31 March, 2019
Present value of obligation as at the end of the year	431.01	328.23
Fair value of plan assets as at the end of the year	14.39	20.33
Unfunded net liability recognized in balance sheet	416.62	307.90
Amount classified as:		
Current provision (Refer note 24)	90.25	110.64
Non-current provision (Refer note 19)	326.39	196.22
Other financial liabilities (Note 23)	-	1.04

iv. Expenses recognized in Statement of Profit and Loss:

Particulars	₹ in lakhs	
	31 March, 2020	31 March, 2019
Current service cost	34.81	33.13
Past service cost*	-	-
Interest cost	21.43	20.61
Total	56.24	53.74
Actual benefit payments	18.40	27.15
Actual contributions	12.25	11.01

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

v. Expenses recognized in Other comprehensive Income (OCI):

Particulars	₹ in lakhs	
	31 March, 2020	31 March, 2019
Expected return on plan assets	1.21	(1.30)
Net actuarial loss/(gain) recognized during the year	63.54	(13.99)
Total	64.75	(15.29)

Notes forming part of the financial statements for the year ended 31 March, 2020

Actuarial loss of Rs.64.75 lakhs (Previous year 2019 gain : Rs.15.29 lakhs) is included in other comprehensive income.

vi. Investment details of the plan assets:

Particulars	₹ in lakhs	
	31 March, 2020	31 March, 2019
Government of India Securities	-	-
Corporate bonds	-	-
Insurer managed funds	14.39	20.33
Special deposit scheme	-	-
Others	-	-
Total fund balance	14.39	20.33

vii. A quantitative sensitivity analysis for significant assumption as at 31 March 2020 is as shown below:

Particulars	₹	
	31 March, 2020	31 March, 2019
Impact on defined benefit obligation	431.01	328.23
Discount rate		
1% increase	(8.91)	(9.97)
1% decrease	9.64	10.76
Rate of increase in salary		
1% increase	8.44	9.39
1% decrease	(8.01)	(9.02)
Rate of employee turnover		
1% increase	(0.59)	0.09
1% decrease	0.60	(0.04)

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.

Notes forming part of the financial statements for the year ended 31 March, 2020

viii Maturity profile of defined benefit obligation:

Particulars	₹ in lakhs	
	31 March, 2020	31 March, 2019
Apr 2019- Mar 2020	-	67.55
Apr 2020- Mar 2021	203.96	59.17
Apr 2021- Mar 2022	50.01	52.70
Apr 2022- Mar 2023	50.86	50.87
Apr 2023- Mar 2024	33.94	35.20
Apr 2024- Mar 2025	29.44	160.13
April 2025 onwards	131.57	-
The weighted average duration of the defined benefit obligation	4 years	4 years

ix 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 2019-20.

(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 Rs 128.45 lakhs (31 March 2019: Rs 170.19 Lakhs)

Short term Provision as at year end is Rs.46.48 Lakhs (31 March 2019: Rs. 71.43 Lakhs)

Long term Provision as at year end is Rs.81.97 Lakhs(31 March 2019: Rs.97.29 lakhs)

Current Liability as at year end is NIL (31 March 2019: Rs 1.47 lakhs)

Note 40: Corporate Social Responsibility

A. Gross amount required to be spent by the Company during the year 2020 - Nil (Previous year 2019 - Nil)

B. Actual amount spent during the year on:

Particulars	In cash	Yet to be paid in cash	Total
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
(i) Construction/acquisition of any asset (previous year 2019)	-	-	-
(ii) On purposes other than (i) above (previous year 2019)	14.01 (16.86)	-	14.01 (16.86)

Note 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 2 and 3 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.

Notes forming part of the financial statements for the year ended 31 March, 2020

Particulars	₹ in lakhs	
	31 March, 2020	31 March, 2019
Financial assets measured at amortized cost		
Investments	245.00	245.00
Trade receivables	2,535.36	1,976.09
Cash and cash equivalents	108.19	220.18
Bank Balances other than Cash and Cash Equivalents	518.33	503.07
Loans	4,438.16	13,152.56
Other financial assets	5,817.04	4,202.60
Financial assets measured at Fair value through profit and loss		
Investments	643.09	0.31
Financial liabilities measured at amortized cost		
Borrowings	2,717.71	7,016.42
Lease Liabilities	7,113.35	-
Trade Payables	2,497.10	1,874.38
Other financial liabilities	1,213.94	994.64

No Financial liabilities have been valued at fair value through Profit and Loss

Note 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.

(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 of these financial statements.

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	
	31 March, 2020	31 March, 2019
Interest on term loan from bank	218.44	244.30

Interest rate sensitivity

The Company is exposed to the interest rate fluctuations of 1.75% over banks 12 months MCLR (Range from 11.00% to 9.90% per annum as on March 31, 2019). 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.

Notes forming part of the financial statements for the year ended 31 March, 2020

Effect in INR lakhs 31 March, 2020	Profit or loss	
	Strengthening	Weakening
Interest on term loan from bank	4.34	(4.34)

Effect in INR lakhs 31 March, 2019	Profit or loss	
	Strengthening	Weakening
Interest on term loan from bank	5.76	(5.76)

(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:

	31 March, 2020		31 March, 2019	
	AED	INR (in lakhs)	AED	INR (in lakhs)
Accounts Receivable	38,348.07	7.88	41,370.00	7.81
Balance sheet exposure	38,348.07	7.88	41,370.00	7.81

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 INR with all other variables held constant. The sensitivity analysis is prepared on the unhedged exposure of the Company as at the reporting date.

Effect in INR lakhs 31 March, 2020	Profit or loss	
	Strengthening	Weakening
AED	0.79	(0.79)

Effect in INR lakhs 31 March, 2019	Profit or loss	
	Strengthening	Weakening
AED	0.78	(0.78)

(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:

Notes forming part of the financial statements for the year ended 31 March, 2020

- 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.

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 drawdowns are planned to ensure that there is minimal surplus in bank accounts.

The company recognises expected credit loss based on the following:

Description of category	Category	Internal Rating (IR)	Basis of recognition of expected credit loss provision	
			Loans, deposits and other receivables	Trade receivables
Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong	Standard assets with moderate credit risk	IR 1	12 month expected credit losses	life time expected credit losses (simplified approach)
Assets where there is significant increase in credit risk and high probability of default	Substandard assets with high credit risk	IR 2	life time expected credit losses	life time expected credit losses (simplified approach)
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	Doubtful assets, credit impaired	IR 3	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.

Notes forming part of the financial statements for the year ended 31 March, 2020

ECL in respect of trade receivables is as follows:

	31 March, 2020	₹ in lakhs 31 March, 2019
Balance at the beginning	9,385.25	9,297.42
Impairment loss recognised	561.31	178.18
Amounts written off	(125.38)	(90.35)
Balance at the end	9,821.18	9,385.25

	Internal Rating (IR)	31 March, 2020	₹ in lakhs 31 March, 2019
Gross carrying amount		12,356.54	11,361.34
Provision for doubtful receivables including ECL	IR 2	(9,821.18)	(9,385.25)
Balance at the end of the year		2,535.36	1,976.09

ECL in respect of current and non current financial assets loans is as follows:

	31 March, 2020	₹ in lakhs 31 March, 2019
Balance at the beginning	8,627.55	8,554.28
Impairment loss recognised	3,758.76	492.50
Amounts written off	-	(419.23)
Balance at the end	12,386.31	8,627.55

	Internal Rating (IR)	31 March, 2020	₹ in lakhs 31 March, 2019
Gross carrying amount		16,824.47	21,780.13
Provision for doubtful loans and advances	IR 2	(12,386.31)	(8,627.55)
Balance at the end of the year		4,438.16	13,152.58

(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.

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.

As at 31 March, 2020

	Total	Contractual cash flows (₹ in lakhs)			More than 5 years
		1 year or less	1-2 years	2-5 years	
Non-derivative financial liabilities					
Borrowings	2,717.71	1,049.56	1,208.07	460.08	-
Lease Liabilities	10,604.57	2,319.76	1,720.54	3,053.93	3,510.35
Trade payables	2,497.10	2,497.10	-	-	-
Other current financial liabilities	1,213.94	1,213.94	-	-	-
Total	17,033.32	7,080.36	2,928.61	3,514.01	3,510.35

Notes forming part of the financial statements for the year ended 31 March, 2020

As at 31 March, 2019	Contractual cash flows (₹ in lakhs)				
	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings	7,016.42	2,052.11	4,334.89	629.22	-
Trade payables	1,874.38	1,874.38	-	-	-
Other current financial liabilities	994.64	994.64	-	-	-
Total	9,885.44	4,921.13	4,334.89	629.22	-

Note 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 31 March 2020	As at 31 March, 2019
Total borrowings along with accrued interest	2,717.71	7,016.42
Less : Cash and cash equivalents	(108.19)	(220.18)
Adjusted net debt	2,609.52	6,796.24
Equity	7,222.81	7,222.81
Other Equity	9,626.23	14,902.98
Total Equity	16,849.04	22,125.79
Adjusted net debt to equity ratio	0.15	0.31

Note 44: Disclosures required by Indian Accounting Standard (Ind AS) 116 - Leases

The following is the movement in lease liabilities for the year ended 31 March, 2020

	₹ in lakhs
	As at 31-Mar-20
As at 01 April, 2019	7,579.98
Additions	1,564.39
Finance cost accrued during the year	1,000.98
Deletions	-
Payment of lease liabilities (including interest thereon)	3,031.99
As at 31 March, 2020	7,113.35

Refer note 4c for movement in Right of use assets

Notes forming part of the financial statements for the year ended 31 March, 2020

The table below provides details regarding the contractual maturities of lease liabilities of non-cancellable contractual commitments as on an undiscounted basis

	₹ in lakhs As at 31-Mar-20
Less than one year	2,319.76
One to five years	5,476.82
More than five years	2,808.00

Impact on adoption of Ind AS 116 is as follows

	₹ in lakhs As at 31-Mar-20
Increase in Depreciation expense by	2,447.92
Increase in Finance cost by	1,000.98
Decrease in Rent	3,031.99
Net impact on Profit/Loss	416.91

Note 45: Impact due to Covid-19

The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. The outbreak of COVID-19 globally and in India continues to cause significant disruption in the operations which has resulted in slowdown in the economic activity. Due to the nation-wide lockdown announced by the Government, the Company's offices and coaching centres had to be closed and physical coaching services were suspended since then. However, during this period, the Company continued to provide coaching for the ongoing courses "on line" and thus transitioned the same from physical coaching model to an "on-line" model. The Company has also taken strategic initiatives to introduce "on line" courses alongside physical classroom courses going forward and thus has taken efforts to keep the disruption in the business to the minimum.

In preparation of these financial statements, the Company has taken into account internal and external sources of information to assess possible impacts of the pandemic, including but not limited to the assessment of liquidity and going concern, recoverable values of its financial and non-financial assets, and the impact on revenues. Based on current indicators of future economic conditions, the Company has sufficient liquidity and expects to fully recover the carrying amount of its assets. Basis the Company's projected cash flows for the next one year, management has concluded that the Company will have sufficient liquidity to continue its operations, although it expects possible delays with respect to collections from its government customers. Accordingly, necessary provisions have been made under the Expected Credit Loss model adopted by the Company.

The extent of the impact on the Company's operations remains uncertain and may differ from that estimated as at the date of approval of these financial statements and will be dictated by the length of time that such disruptions continue, which will, in turn, depend on the currently unknowable duration of COVID-19 and among other things, the impact of governmental actions imposed in response to the pandemic. The Company is monitoring the rapidly evolving situation and its potential impacts on the Company's financial position, results of operations, liquidity, and cash flows.

Note 46: Minimum Public Shareholding

Mr. Mahesh Shetty and Zee Learn Limited form the promoter group of MT Educare Limited ('MTEL'). As per the provisions of the Securities Contracts (Regulations) Rules, 1957 (as amended) (SCRR), MTEL is required to maintain a public shareholding of 25% of the aggregate paid up equity share capital (Minimum Public Shareholding (MPS) Threshold). As per the Share holders agreement entered into between Zee Learn Limited, MT Educare Limited and Mr. Mahesh Shetty, Mr. Mahesh Shetty is required to sell such number of shares to meet the MPS requirement. As at March 31, 2020, the public shareholding of MTEL falls short of the required Minimum Public Shareholding by 2.47%. In order to comply with MPS, MTEL has identified among other options, Sale of shares held by Promoter through the secondary market (Offer for Sale) as the more feasible options to comply with requirement of MPS. However, in view of the low volume of trading in shares of MTEL, Mr. Mahesh Shetty will seek more time to meet the MPS requirement.

Notes forming part of the financial statements for the year ended 31 March, 2020

Note 47: Loans and Advances

The Company had, during earlier years, given loan to a Trust to support its business operations. On account of delays in recovery of the same (including interest accrued thereon), the Company has made provision of Rs. 3,114.65 lakhs against the entire amount of loan receivable (including interest accrued thereon) during the year and disclosed the same as an 'Exceptional item'.

Note 48: Management fees

During the quarter ended 30 September 2019, the company entered into contracts with a few education trusts to provide management services in respect of operation of their respective educational activities. Based on the scope of work and the corresponding consideration as laid out in the respective contracts, revenue of Rs 910.00 lakhs from management services was recorded by the Company in the third quarter ended 31 December 2019. However, subsequently, on the requests of these Trusts, the "scope of work" and the basis of measurement of corresponding "consideration" have been renegotiated and redefined which are detailed in the addendums executed to the existing contracts. The new arrangement is applicable from retrospective effect (inception of the contracts).

The change in the basis of measurement of revenue from management services has given rise to reversal of revenue recorded in the third quarter to the extent of Rs 745.33 lakhs. The reversal entry has been recorded in the fourth quarter ended 31 March 2020. The resultant management services revenue for the year, recorded in these financial statements aggregate Rs 164.67 lakhs.

Note 49: 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.

Note 50: Approval of financial statements

The financial statements are approved for issue by the Audit Committee and Board of Directors at its meeting held on September 25, 2020.

Note 51: Other notes

Previous year's figures have been regrouped / reclassified wherever necessary to make them comparable with the current year's classification / disclosure.

As per our report of even date attached

For MSKA & Associates

Chartered Accountants
Firm Registration No. : 105047W

For and on behalf of the Board of Directors of MT Educare Limited

CIN: L80903MH2006PLC163888

Vaijayantimala Belsare

Partner
Membership No.: 049902

Mr. Surender Singh

Director
DIN - 08206770

Mr. Arun Kumar Khetan

CEO and Whole Time Director
DIN - 02744522

Mr. Ravindra Mishra

Company Secretary
Membership No. ACS 29159

Mr. Sunil Jain

Chief Financial Officer

Place: Mumbai

Date: September 25, 2020

Independent Auditor's Report

To the Members of MT Educare Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of MT Educare Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2020, and the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries, except for the possible effects of the matter described in Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group, as at March 31, 2020, consolidated loss, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Qualified Opinion

1. The Group has recognized net deferred tax assets of Rs. 8,154.54 Lakhs based on the estimate that sufficient taxable profits would be available in future years against which deferred tax asset can be utilized. In our opinion, due to uncertainty over the estimated profits for the future years arising out of the outbreak of COVID-19 and the existence of unutilized tax losses available with the Group, it is highly uncertain that the Group would have sufficient taxable profits in future against which deferred tax asset can be utilized. Accordingly, we are unable to obtain sufficient appropriate audit evidence to corroborate Management's assessment of recognition of deferred tax assets as of March 31, 2020. Had the deferred tax asset not been created, the net the loss for the year ended March 31, 2020 and accumulated losses would have been higher by Rs. 8,154.54 Lakhs.
2. The Company has not complied with the provisions of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015 relating to the submission of the results for the quarter and year ended March 31, 2020 to Securities

and Exchange Board of India (SEBI) within the stipulated time. Penalties on account of such non-compliances are presently not ascertainable and not provided for in the books of account. Consequently, we are unable to comment on the impact, if any, on the consolidated financial statements.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountant of India ("ICAI") and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

We draw attention to the following matters in the Notes to the consolidated financial statements:

1. We draw attention to Note 46 to the consolidated financial statements that state that the management has made an assessment of the impact of COVID-19 on the Group's operations, financial performance, and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the consolidated financial statements. Accordingly, no adjustments have been made to the consolidated financial statements. However, the extent of the impact of the COVID-19 pandemic on the Group's results is dependent upon future developments.
2. We draw attention to Note 49 to the consolidated financial statements which states that the contracts for revenue from management services has been renegotiated and the new arrangement is applicable from retrospective effect. Consequently, the revenue from management services recorded during the quarter ended December 31, 2019 amounting to Rs 910.00 lac has been remeasured based on renegotiation of contracts with customers which has resulted in the reversal of revenue amounting to Rs 745.33 lac by the management in the quarter ended March 31, 2020.

Our opinion is not modified in respect of these matters

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Report, Chairman's Statement, Director's Report etc but does not include the consolidated financial statements and our auditor's report thereon. The above reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Management Report, Chairman's Statement, Director's Report etc, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	<p>Recoverability of Loans Refer Notes 6 and Note 12 to the consolidated financial statements. Loans and advances includes certain loans aggregating Rs. 19,902.79 lacs given to various trusts as on March 31, 2020. Out of the above, provision recognized amounted to Rs. 12,357.16 lacs as at March 31, 2020, which involves significant management's estimate and judgment. As the assessment of recoverability of loans and deposits requires management to make significant estimation, exercise judgement on customer payment behaviour, other relevant risk characteristics, we determined this to be a key audit matter.</p>	<p>Our audit procedures in respect of this area included:</p> <ol style="list-style-type: none"> i. Obtaining an understanding of Group's processes and controls relating to the monitoring of loans given and review of credit risk of borrowers. ii. Reviewing underlying documents and other supporting evidences. iii. Obtaining Balance confirmations and evidence of receipts from the borrower subsequent to the year end. iv. Reviewing ageing report to identify collection risks, assessing overdue receivables and where applicable, reviewing payment history and correspondence with the borrowers on expected settlement dates. v. Discussing with the management with respect to collectability of the amount lent and adequacy of provision for doubtful advance, including whether any dispute or concerns have been noted by management. vi. Evaluating management's assumptions and estimates used to determine the provision for doubtful advances. vii. Assessing the adequacy of the disclosure on receivables and the related risks such as credit risks and liquidity risks in the financial statements.
2	<p>Recoverability and valuation of Government trade receivables: Refer Note 9 to the consolidated financial statements Government trade receivables (Net) amounting to Rs. 2,599.45 lacs as of March 31, 2020 are recognized at their anticipated realizable value, which is the original invoiced amount less an estimated allowance based on Expected Credit Loss model. Valuation of trade receivables is considered as a key audit matter due to the magnitude of the balance and the significant management judgement used in determining the impairment provision.</p>	<p>Our audit procedures in respect of this area included:</p> <ul style="list-style-type: none"> • Reading through the agreements and correspondence with the Government authorities and understanding the key terms. • Analysing the ageing of trade receivables. • Analysing the list of outstanding receivables and assessing the recoverability of these through inquiry with management and verifying corroborative evidence to support the conclusions drawn. • Assessing management's estimate and related policies with respect to provision on account of credit loss. • Verification of calculation of provisions for credit loss. • Verifying the related disclosures provided in the financial statements.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Other Matters

We did not audit the financial statements of 6 subsidiaries, whose financial statements reflect total assets of Rs. 7,485.56 Lakhs as at March 31, 2020, total revenues of Rs. 1,876.36 Lakhs and net cash inflows amounting to Rs 33.07 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditor. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not qualified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, 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 financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. Except for the effects of the matter described in Basis for Qualified Opinion section above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the

directors of the Group companies, is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

- f. With respect to the adequacy of internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in “Annexure B”.
- 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 Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group– Refer Note 33 to the consolidated financial statements.
- ii. The Group, did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. Following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund (IEPF) by the Holding Company –

Year	Amount	Due date	Transferred to IEPF on	Delay in no. of days
FY 2011-12	1,260	November 13, 2019	January 01, 2020	49
FY 2012-13	72,493	December 30, 2019	March 07, 2020	68

- 2. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Group, to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W

Vaijayantimala Belsare

Partner

Membership No. 049902

UDIN: 20049902AAAAAQ8312

Place: Mumbai

Date: September 25, 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MT EDUCARE LIMITED

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial

statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For MSKA & Associates

Chartered Accountants
ICAI Firm Registration No. 105047W

Vaijayantimala Belsare

Partner
Membership No 049902
UDIN: 20049902AAAAAQ8312

Place: Mumbai
Date: September 25, 2020

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MT EDUCARE LIMITED

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of MT Educare Limited on the Financial Statements for the year ended March 31, 2020]

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 financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls with reference to financial statements of MT Educare Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, 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 with reference to financial statements 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"). 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 with reference to financial statements 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 internal financial controls with reference to financial statements 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 with reference to financial statements and their operating

effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls with reference to financial statements of the Holding company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls With reference to Financial Statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 With reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2020:

The Information Technology General Controls in terms of the access controls and change management controls with respect to accounting for student revenue and controls on the financial statement closure process were operating ineffectively which could potentially lead to material misstatement in the financial statements.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the group's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Group has maintained, in all material respects, internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as of March 31, 2020, based on the internal control with reference to financial statements criteria established by the Group considering the essential components of internal control stated in the Guidance Note.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent

of audit tests applied in our audit of the consolidated financial statements of the Company, and these material weaknesses do not affect our opinion on the consolidated financial statements of the Company.

We have considered the "qualified opinion" reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Company, and the qualified opinion has not affected our opinion on the consolidated financial statements of the Company.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to 6 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditor of such companies incorporated in India.

For MSKA& Associates

Chartered Accountants
ICAI Firm Registration No. 105047W

Vaijayantimala Belsare

Partner
Membership No.049902
UDIN: 20049902AAAAAQ8312

Place: Mumbai
Date: September 25, 2020

Consolidated Balance Sheet as at 31 March, 2020

Note 5a: Financial assets- Investments - non current

Particulars	Note No.	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	4a	3,790.61	4,791.97
Capital work-in-progress		676.11	242.67
Investment Property	4b	3,868.06	3,975.45
Goodwill	4c	1,627.52	1,627.52
Other intangible assets	4d	244.59	774.93
Intangible assets under development		11.96	4.55
Right to use asset	4e	4,555.71	-
Financial assets			
- Investments	5a	0.34	0.34
- Loans	6	6,421.87	6,985.97
- Other financial assets	7	-	1,327.46
Deferred tax assets (net)	32	8,154.54	8,674.16
Other non-current assets	8	1,504.62	1,779.03
Total non-current assets		30,855.94	30,184.06
Current assets			
Financial Assets			
- Trade receivables	9	3,593.36	2,548.76
- Investments	5b	642.78	-
- Cash and cash equivalents	10	340.73	295.40
- Bank Balances other than cash and cash equivalents	11	686.52	646.45
- Loans	12	2,389.65	8,693.70
- Other financial assets	13	3,528.33	2,668.39
Other current assets	14	545.04	255.79
Asset classified as held for sale	15	64.25	64.25
Total current assets		11,790.66	15,172.74
TOTAL ASSETS		42,646.59	45,356.80
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	7,222.81	7,222.81
Other equity	17	10,063.39	14,692.66
Equity attributable to owners of the company		17,286.20	21,915.47
Non controlling interests		-	-
Total equity		17,286.20	21,915.47
Liabilities			
Non-current liabilities			
Financial Liabilities			
- Borrowings	18	6,217.35	10,416.34
- Other financial liabilities	19	2,855.35	-
Provisions	20	432.44	343.48
Other non-current liabilities	21	322.39	313.62
Total non-current liabilities		9,827.53	11,073.44
Current liabilities			
Financial Liabilities			
- Trade payables	22	75.37	61.94
Outstanding dues of micro enterprises and small enterprises		3,542.99	2,335.44
Outstanding dues of creditors other than above		4,804.55	3,958.24
- Other financial liabilities	23	195.44	195.47
Provisions	24	6,914.51	5,816.79
Other current liabilities	25	-	-
Total current liabilities		15,532.86	12,367.89
Total liabilities		25,360.39	23,441.33
TOTAL EQUITY AND LIABILITIES		42,646.59	45,356.80

As per our report of even date attached

For MSKA & Associates
Chartered Accountants
Firm Registration No. : 105047W

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

Vaijayantimala Belsare
Partner
Membership No.: 049902

Mr. Arun Kumar Khetan
CEO & Whole time Director
DIN - 02744522

Mr. Surender Singh
Director
DIN - 08206770

Place: Mumbai
Date: September 25, 2020
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Mr. Sunil Jain
Chief Financial Officer

Mr. Ravindra Mishra
Company Secretary
Membership No. ACS 29159

Consolidated statement of profit and loss for the year ended 31 March, 2020

Particulars	Note No.	For the year ended 31 March, 2020 ₹ in lakhs	For the year ended 31 March, 2019 ₹ in lakhs
1 Income			
Revenue from operations	26	20,516.47	22,856.12
Other income	27	2,626.19	2,078.88
Total income		23,142.66	24,935.00
2 Expenses			
Direct expenses	28	10,389.06	12,440.43
Employee benefits expense	29	3,192.73	3,634.72
Finance costs	30	2,403.24	1,977.15
Depreciation and amortisation expense	4	4,287.99	1,813.09
Other expenses	31	3,637.59	3,932.04
Total expenses		23,910.61	23,797.43
3 (Loss)/Profit before tax (1-2)		(767.95)	1,137.57
Less: Exceptional items (Refer Note 48)		3,114.65	-
Profit/(Loss) before tax (1-2)		(3,882.60)	1,137.57
4 Tax expense:			
(a) Current tax		155.51	-
(b) Adjustments for earlier years		-	(11.06)
(c) Deferred tax	32	555.27	236.56
		710.78	225.50
5 (Loss)/Profit for the year (3 - 4)		(4,593.38)	912.07
6 Other comprehensive income (OCI)			
Items that will not be reclassified to statement of profit and loss			
Remeasurement of defined benefit plan		(50.25)	21.77
Income tax related to above	32	14.36	(7.15)
Gain on bargain purchase		-	17.49
Total other comprehensive income		(35.89)	32.11
Total comprehensive (loss)/income for the year (5+6)		(4,629.27)	944.18
7 (Loss)/Profit for the year attributable to:			
Owners of the Company		(4,593.38)	912.07
Non - controlling interest		-	-
8 Other comprehensive (loss)/income for the year attributable to:			
Owners of the Company		(35.89)	32.11
Non - controlling interest		-	-
9 Total comprehensive (loss)/income for the year attributable to:			
Owners of the Company		(4,629.27)	944.18
Non - controlling interest		-	-
10 (Loss)/earnings per share [Nominal value per share of ₹10 each (Previous Year ₹10 each)]:			
Basic (₹)	34	(6.36)	1.27
Diluted (₹)	34	(6.36)	1.27
Summary of significant accounting policies and notes	1-2		
The accompanying notes are an intergral part of these consolidated financial statements			

As per our report of even date attached

For MSKA & Associates
Chartered Accountants
Firm Registration No. : 105047W

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

Vaijayantimala Belsare
Partner
Membership No.: 049902

Mr. Arun Kumar Khetan
CEO & Whole time Director
DIN - 02744522

Mr. Surender Singh
Director
DIN - 08206770

Place: Mumbai
Date: September 25, 2020

Mr. Sunil Jain
Chief Financial Officer

Mr. Ravindra Mishra
Company Secretary
Membership No. ACS 29159

Consolidated statement of profit and loss for the year ended 31 March, 2020

Particulars	For the year ended 31 March, 2020		For the year ended 31 March, 2019	
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
A. Cash flow from operating activities				
(Loss)/Profit before tax		(3,882.60)		1,137.57
Adjustments for:				
Depreciation and amortisation	4,287.99		1,813.09	
Interest income	(2,062.16)		(1,485.48)	
Finance Cost	1,706.09		1,867.27	
Interest expense on lease	697.15			
Gain on revaluation of investments	(8.31)		-	
Dividend income	-		(213.45)	
Allowance for doubtful debts and advances written back	-		(361.26)	
Allowance for doubtful debts and advances	2,971.97		-	
Bad debts written off	567.72		130.67	
Net gain on sale of investments	(9.47)		(4.93)	
Net loss on sale of property, plant & equipment	27.24		44.64	
Net loss on foreign exchange transactions and translations	0.69		-	
Employee stock option expense	-	8,178.91	188.40	1,978.95
Operating profit before working capital changes		4,296.31		3,116.53
Changes in working capital:				
(Increase) in trade receivables	(1,847.74)		(987.45)	
Decrease/(Increase) in other assets	3,041.58		(5,717.32)	
Increase in trade payables	1,220.99		1.24	
Increase in other liabilities & Provisions	1,391.24	3,806.07	41.24	(6,662.29)
Cash generated/(used in) operations		8,102.38		(3,545.77)
Net income tax paid		(172.74)		(871.34)
Net cash generated/(used in) operating activities (A)		7,929.64		(4,417.10)
B. Cash flow from investing activities				
Proceeds from sale of property, plant and equipment	2.43		21.76	
Capital expenditure on property, plant and equipment, including movement in Intangible assets under development and capital advances.	(623.35)		(837.68)	
Purchase of controlling stake in subsidiary company (Refer Note 43)	-		(1,628.00)	
Sale of current investments	1,025.00		17,629.93	
Purchase of current investments	(1,650.00)		(17,625.00)	
Interest received	718.30		243.29	
Loans and advances received back/(given)	1,198.90		(2,676.84)	
Investment in fixed deposits with banks	1,327.46		(991.76)	
Investment in margin money deposit with banks	(40.07)		(611.23)	
Proceeds of money in escrow bank account	-		20,000.00	
Dividend on non current investments received	-		213.45	
Net cash flow from investing activities (B)		1,958.67		13,737.92
C. Cash flow from financing activities				
Proceeds from issue of equity shares	-		44.31	
Repayment of non current borrowings	(5,225.53)		(5,547.38)	
Repayment of current borrowings (Net)		-		(2,253.79)
Repayment of lease liability	(2,207.27)		-	
Share issue expenses		-		251.46
Interest expense on lease liability	(697.15)		-	
Finance cost paid	(1,713.03)		(1,785.89)	
Net cash flow used in financing activities (C)		(9,842.98)		(9,291.29)

Consolidated statement of profit and loss for the year ended 31 March, 2020

Particulars	For the year ended 31 March, 2020		For the year ended 31 March, 2019	
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Net increase in cash and cash equivalents (A+B+C)		45.33		29.53
Cash and cash equivalents at the beginning of the year		295.40		217.07
Cash and cash equivalents on acquisition of labh		-		48.80
Cash and cash equivalents at the end of the year (Refer note 10)		340.73		295.40
Cash and cash equivalents at the end of the year *				
* Comprises:				
Balances with banks in current accounts		337.53		294.71
Deposit with maturity less than three months		-		0.69
Cash in hand			3.20	-
		340.73		295.40

Cash and cash equivalents at the end of the year *

Notes:

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

Reconciliation of borrowings:

Particulars	As at 31 March, 2019	Cash flows	Non - Cash changes		(₹ in lakhs)
			Fair value changes	Current/non-current classification	As at 31 March, 2020
Borrowings - Non current liabilities	10,416.34	(5,231.71)	6.16	1,026.55	6,217.35
Other financial liabilities	2,841.64	(6.16)	-	(1,026.55)	1,808.93

As per our report of even date attached

For MSKA & Associates

Chartered Accountants
Firm Registration No. : 105047W

Vaijayantimala Belsare

Partner
Membership No.: 049902

Place: Mumbai
Date: September 25, 2020

For and on behalf of the Board of Directors of

MT Educare Limited
CIN: L80903MH2006PLC163888

Mr. Arun Kumar Khetan
CEO & Whole time Director
DIN - 02744522

Mr. Sunil Jain
Chief Financial Officer

Mr. Surender Singh
Director
DIN - 08206770

Mr. Ravindra Mishra
Company Secretary
Membership No. ACS 29159

Consolidated Statement of changes in equity for the year ended 31 March 2020

A) Equity share capital

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Balance at the beginning of the reporting period	7,222.81	7,178.50
Changes in equity share capital during the year	-	44.31
Balance at the end of the reporting year	7,222.81	7,222.81

B) Other equity

Particulars	Attributable to owners of the company Reserves and Surplus							Non - controlling interests	Total
	General reserve	Securities premium reserve	Employee stock options outstanding account	Retained earnings	Capital reserve	Total attributable to owners of the company			
Balance as on 31 March, 2018 (A)	(6,376.04)	19,596.44	67.82	20.39	-	13,308.61	-	13,308.61	
Securities premium credited on shares issue	-	-	-	-	-	-	-	-	
Reversal of transaction costs arising on share issue	-	251.46	-	-	-	251.46	-	251.46	
Employee stock option expense	-	-	188.40	-	-	188.40	-	188.40	
Transferred to securities premium account on exercise of stock options	-	184.11	(184.11)	-	-	-	-	-	
Total (B)	-	435.57	4.29	-	-	439.86	-	439.86	
Additions during the year ended 31.03.2019:									
Net profit for the year	-	-	-	912.07	-	912.07	-	912.07	
Other comprehensive income, net of tax	-	-	-	14.63	17.49	32.12	-	32.12	
Total comprehensive income for the year (C)	-	-	-	926.70	17.49	944.19	-	944.19	
Reductions during the year:									
Transferred to general reserve	912.07	-	-	(912.07)	-	-	-	-	
Total (D)	912.07	-	-	(912.07)	-	-	-	-	
Balance as on 31 March, 2019 (E= A+B+C+D)	(5,463.97)	20,032.01	72.11	35.02	17.49	14,692.66	-	14,692.66	
Net loss for the year	-	-	-	(4,593.38)	-	(4,593.38)	-	(4,593.38)	
Other comprehensive income, net of tax	-	-	-	(35.89)	-	(35.89)	-	(35.89)	
Additions during the year ended 31.03.2020:									
Transfer from Employee stock options outstanding account	72.11	-	-	-	-	72.11	-	72.11	
Total comprehensive income for the year (F)	72.11	-	-	(4,629.27)	-	(4,557.16)	-	(4,557.16)	
Reductions during the year:									
Transferred to general reserve	(4,593.38)	-	(72.11)	4,593.38	-	(72.11)	-	(72.11)	
Total (G)	(4,593.38)	-	(72.11)	4,593.38	-	(72.11)	-	(72.11)	
Balance as on 31 March, 2020 (H=E+F+G)	(9,985.24)	20,032.01	-	(0.87)	17.49	10,063.39	-	10,063.39	

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached

For MSKA & Associates
Chartered Accountants
Firm Registration No. : 105047W

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

Vaijayantimala Belsare
Partner
Membership No.: 049902

Mr. Arun Kumar Khetan
CEO & Whole time Director
DIN - 02744522

Mr. Surender Singh
Director
DIN - 08206770

Place: Mumbai
Date: September 25, 2020

Mr. Sunil Jain
Chief Financial Officer

Mr. Ravindra Mishra
Company Secretary
Membership No. ACS 29159

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

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.

These consolidated financial statements for the year ended 31 March 2019 are prepared in accordance with Ind AS.”

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.

(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 (‘INR’) and all values are rounded off to the nearest lakhs, except when otherwise indicated.”

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 realization 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.

(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 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 2.15 - Recognition and measurement of deferred tax asset

Note 2.6 and 2.23 – Impairment of assets (both financial and non-financial) Note 2.23 - Fair value measurement of financial instruments

Note 2.3 – Useful life of Property, plant and equipment, Intangible assets and Intangible assets under development

Note 2.12 - Share based payments”

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

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

of bank overdrafts as they are considered an integral part of the Group's cash management."

2.3 Property, plant and equipment, 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 input tax credit or other tax credit available to the Group.

Subsequent expenditure relating to property, plant and equipment is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

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. Capital advances are disclosed under other non-current assets."

2.4 Other Intangible assets and Intangible assets under development

"**Other Intangible Assets:** Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/ depletion and impairment losses, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the Intangible Assets. The Company's intangible assets comprises assets with finite useful life which are amortised on a straight-line basis over the period of their expected useful life. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

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 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.

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 non-financial assets

"The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit")."

2.7 Goodwill and impairment of 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 asset 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."

2.8 Revenue recognition

Group earns revenue primarily from providing coaching and educational support services to customer. Effective April 1, 2018, the Group has applied Ind AS 115 "Revenue from contract with customer" which establishes a

comprehensive framework for determining whether, how much and when revenue is to be recognised.

"The Group recognises revenue when (or as) the Group satisfies a performance obligation by transferring a promised goods or services to a customer. The promised goods or service is transferred when (or as) the customer obtains control over a good or service.

- Revenue related to coaching services to students/government is recognised based on time elapsed mode and revenue is straight lined over the period of course duration.
- Revenue from sale of hardware/content is recognised upfront at the point in time when the hardware / content is delivered to the customer via online/offline delivery, wherever applicable, while the Company retains neither managerial involvement nor the effective control.
- Management fees and revenue from government projects includes fees for services rendered and is recognised upon transfer of promised service based on achievement of milestone.
- In arrangements of providing both coaching services as well as hardware/content to students, the Group has applied the guidance in Ind AS 115 "Revenue from Contract with Customers", by applying the revenue recognition criteria for each distinct performance obligation. For allocating the transaction price, the Group has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price."

"Revenue is measured based on the transaction price, which is the consideration, adjusted for concessions and discounts, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings/receipts on contracts. Contract assets are classified as unbilled receivables when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Advance fees ("contract liability") is recognised when there is billings/receipts in excess of revenues."

2.9 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

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

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 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."

2.10 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 (INR), 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."

2.11 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 - funded and unfunded, 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."

2.12 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 recognised for equity-

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

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."

2.13 Leases

"The Company as a lessee: The Company's lease asset class consist of leases for Premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases), variable lease and low value leases."

For these short-term, variable lease and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated amortisation and impairment losses. Right-of-use assets are amortised from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying value may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost

to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease payments have been classified as financing cash flows."

2.14 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.

2.15 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 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

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

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.

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.”

2.16 Provisions, Contingent liabilities, contingent assets and commitments

“Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.”

2.17 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.

2.18 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 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.

2.19 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 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: Factory building - 30 years”

2.20 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 amortized.”

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

2.21 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.

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.

2.22 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.

2.23 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 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 amortized 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 recognized 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 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

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in credit risk since initial recognition, the Group 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 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) recognized during the period is recognized 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 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 Group or the counterparty.

2.24 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"

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

2.25 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 2019. 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) Non-controlling Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the non-controlling 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 non-controlling interest is identified and adjusted against the profit

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

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 Recent accounting pronouncements

Transition to Ind AS 116

"Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees Lessor accounting under Ind AS116 is substantially unchanged as compared to Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor. The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of 1 April 2019 and has not restated comparative for the year ended March 31, 2019, as permitted under the specific transition provisions in the standard. The Company elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts for which the underlying asset is of low value ('low-value assets')"

Nature of the effect of adoption of Ind AS116

"The Company has lease contracts for various items office premises. Before the adoption of Ind AS116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Company; otherwise it was classified as an operating lease. Finance leases were capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between interest (recognised as finance costs) and reduction of the lease liability. In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis over the lease term. Upon adoption of Ind AS116, the Company applied a single

recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the Company."

"Leases previously classified as finance leases The Company did not have any finance lease contract as on 1 April, 2019."

"Leases previously accounted for as operating leases The Company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for leases of low-value assets. The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using interest rate implicit in the lease wherever available and the incremental borrowing rate in all other cases, at the date of initial application. The Company also applied the available practical expedients wherein it used a single discount rate to a portfolio of leases with reasonably similar characteristics."

"Based on the foregoing, as at 1 April 2019:

- Right-of-use assets of Rs. 4,231 lakhs were recognised and presented separately in the Balance Sheet.
- Lease liabilities of Rs. 3,890 lakhs were recognised and presented separately in the Balance Sheet."

The lease liabilities as at 1 April 2019 can be reconciled to the operating lease commitments as of 31 March 2019 as follows:

Particulars	Amounts
Operating lease commitment as on March 31, 2019 *	24.65
Payments in optional extension periods not recognised as at 31 March 2019	4,708.11
Undiscounted future lease payments as of April 01, 2019	4,732.76
Effect of discounting	(842.37)
Lease liabilities recognised as of April 01, 2019 **	3,890.39
Of which are:	
Current lease liabilities	1,734.93
Non-current lease liabilities	2,155.46

* As reported under previous years' financial statement FY 2018-19 note 37

** The weighted average incremental borrowing rate at April 01, 2019, the date of implementation of Ind AS 116 Leases, was 14%.

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

3.2 Recent Pronouncement

Pursuant to the Taxation Laws (Amendment) Act, 2019, with effect from April 01, 2019 domestic companies have an option to pay corporate income tax at a rate of 22% plus applicable surcharge and cess ('New tax rate') subject to certain conditions. As of March 31, 2020, the Company and some of its subsidiary companies except 'MT Education Services Private Limited' and 'Lakshya Forrum For Competitions Private Limited (formerly known as Lakshya Educare Private Limited)' are in the process of evaluating as to when and whether they should apply impact of new tax rate in books of accounts. Accordingly, MT Education Services Private Limited' and 'Lakshya Forrum For Competitions Private Limited (formerly known as Lakshya Educare Private Limited)' elected to exercise the option of reduced corporate income tax rate as permitted under section 115BAA of the Income Tax Act, 1961 as per the amendment notified in the official Gazette dated December 12, 2019.

3.3 Recent Indian Accounting Standards (IND AS)

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

(a) Amendment to Ind AS 103 - Business Combination

"Ministry of Corporate Affairs (MCA) has notified the amendment to Ind AS 103 'Business Combination' regarding the definition of the business. The amendment -

- Clarifies that, In order to be considered as a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output,
- narrows the definition of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs;
- adds an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

The above amendment is effective for business combination for which the acquisition date is on or after the beginning of annual reporting period beginning on or after April 1, 2020."

(b) Amendment to Ind AS 1 - Presentation of financial statements

"Ministry of Corporate Affairs (MCA) has notified the amendment to Ind AS 1 regarding the definition of the term 'Material'. The new definition of 'Material' is - "Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

The above amendment is effective for annual reporting period beginning on or after April 1, 2020."

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Note 4a: Property, plant and equipment

Particulars	As at 01.04.2019		Gross Block		As at 31.03.2020		As at 01.04.2019		Accumulated Depreciation		Net Block	
	As at	Additions	Disposals/adjustments	As at	As at	Disposals/adjustments	As at	As at	Additions	Disposals/adjustments	As at	As at
Tangible assets (Owned)												
Freehold land	445.49	-	-	445.49	-	-	-	-	-	-	445.49	445.49
Building	2,475.82	-	-	2,475.82	-	-	757.03	67.55	824.58	-	1,651.24	1,651.24
Plant & machinery (including office equipments)	2,376.73	45.07	23.74	2,398.06	-	-	1,781.13	221.88	1,980.83	22.18	417.23	417.23
Furniture & fixtures	4,476.53	77.09	142.06	4,411.56	-	-	2,973.91	592.87	3,452.32	114.46	959.24	959.24
Vehicles	36.00	-	-	36.00	-	-	26.52	6.31	32.83	-	3.17	3.17
Computers and e-learning equipment	2,651.54	31.39	8.23	2,674.70	-	-	2,131.54	236.93	2,360.46	8.01	314.24	314.24
Total	12,462.11	153.55	174.03	12,441.63	1125.54	144.65	7,670.13	8,651.02	3,790.61			

Note 4b: Investment property

Particulars	As at 01.04.2019		Gross Block		As at 31.03.2020		As at 01.04.2019		Accumulated Depreciation		Net Block	
	As at	Additions	Disposals/adjustments	As at	As at	Disposals/adjustments	As at	As at	Additions	Disposals/adjustments	As at	As at
Freehold land	1,039.48	-	-	1,039.48	-	-	-	-	-	-	1,039.48	1,039.48
Building	3,317.79	-	-	3,317.79	-	-	381.82	107.39	489.21	-	2,828.58	2,828.58
Total	4,357.27	-	-	4,357.27	107.39	489.21	381.82	489.21	3,868.06			

Note 4c: Goodwill

Particulars	As at 01.04.2019		Gross Block		As at 31.03.2020		As at 01.04.2019		Accumulated Depreciation		Net Block	
	As at	Additions	Disposals/adjustments	As at	As at	Disposals/adjustments	As at	As at	Additions	Disposals/adjustments	As at	As at
Goodwill on consolidation	1,627.52	-	-	1,627.52	-	-	-	-	-	-	1,627.52	1,627.52
Goodwill (acquired separately)	137.47	-	-	137.47	-	-	137.47	-	137.47	-	-	-
Total	1,764.99	-	-	1,764.99	137.47	137.47	137.47	137.47	1,627.52			

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Note 4d: Other intangible assets

Particulars	Gross Block		Accumulated Depreciation		Net Block As at 31.03.2020
	As at 01.04.2019	Additions Disposals/ adjustments As at 31.03.2020	As at 01.04.2019	As at 31.03.2020	
Trademark	1.22	-	1.22	-	-
SAP	336.80	-	296.31	14.74	25.75
Software	604.95	-	379.60	107.03	118.32
Content	3,675.02	5.86	3,165.93	414.44	100.52
Technology aided teaching	60.56	-	60.56	-	-
Non compete fees	126.00	-	126.00	-	-
Total	4,804.55	5.86	4,029.62	536.20	244.59

Note 4e: Investment property

Particulars	Gross Block		Accumulated Depreciation		Net Block As at 31.03.2020
	As at 01.04.2019	Additions Disposals/ adjustments As at 31.03.2020	As at 01.04.2019	As at 31.03.2020	
Leased Premises	4,231.49	2,848.61	-	2,524.38	4,555.72
Total	4,231.49	2,848.61	-	2,524.38	4,555.72

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 Rs 5.46 lakhs (Previous year 2019 Rs 10.47 lakhs) capitalized during the year.
 (c) Term loan from bank is secured by first pari passu hypothecation charge on the all movable assets (except vehicle) amounting to Rs 1,423.94 lakhs of the Company both present and future.

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Note 5a: Financial assets- Investments - non current

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
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 2019 1,250 Equity Shares)	0.31	0.31
290 Equity shares of ₹ 10/- each fully paid up The Shamrao Vithal Co-operative Bank Limited	0.03	0.03
Less: Impairment in value of investment	-	-
Total	0.34	0.34
Aggregate carrying value of unquoted investments	0.34	0.34
Aggregate amount of impairment in value of investment	-	-

Note 5b: Financial assets- Investments - Current

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Other investment at FVTPL HDFC Liquid Fund (Previous Year 2019 - Nil)	642.78	-
Total	642.78	-
Aggregate carrying value of unquoted investments	642.78	-
Aggregate amount of impairment in value of investment	-	-

Note 6 Non current financial assets - loans

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(a) Security deposits	477.61	713.94
(b) Loans and advances to others (refer note 6.1,6.2 and 6.3)	14,564.75	14,394.62
	15,042.36	15,108.56
Less: Provision for doubtful deposits and loans and advances	(8,620.49)	(8,122.59)
Total	6,421.87	6,985.97

6.1 Loans are given to others for their business purposes.

6.2 Breakup of other loans:

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Loans - considered good - secured (Refer note 6.3)	-	1,111.75
Loans - considered good - unsecured	5,944.26	5,160.28
Loans which have significant increase in credit risk (Refer note 6.3)	6,872.16	6,276.00
Loans - credit impaired	1,748.33	1,846.59
Total	14,564.75	14,394.62
Less: Provision for doubtful deposits and loans and advances	(8,620.49)	(8,122.59)
Total loans	5,944.26	6,272.03

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

6.3 Out of the total loans and advances disclosed above, Rs. 14,547.84 lacs (Gross) pertains to loan given to various trusts. Out of the above, provision recognised amounted to Rs. 8,597.93 lakhs as at March 31, 2020.

Note 7: Other non current financial assets

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(Unsecured considered good, unless stated otherwise)		
In fixed deposit with maturity for more than 12 months (refer note 7.1)	-	1,327.46
Total	-	1,327.46

Note:

7.1 Held as lien by bank against bank guarantees issued.

Note 8: Other non-current assets

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(Unsecured considered good, unless stated otherwise)		
(a) Gratuity Fund (refer note 38)	-	4.02
(b) Prepaid expenses	-	252.01
(c) Advance tax and tax deducted at source (net of tax provisions)	1,502.84	1,474.03
(d) Capital advances	1.78	48.97
Sub Total (a)	1,504.62	1,779.03
Unsecured considered doubtful		
Capital Advances	80.00	-
Less: Provision for doubtful capital advances	-	(80.00)
Sub Total (b)	-	-
Total (a+b)	1,504.62	1,779.03

Note 9: Trade receivables

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Trade receivables (Refer note 9.1 and 9.2)	14,727.17	13,276.92
Less: Provision for doubtful trade receivables	(11,133.81)	(10,728.16)
Total	3,593.36	2,548.76

Note:

9.1 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.

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

9.2 Breakup of Trade receivables:

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Trade receivables - considered good - secured	499.27	-
Trade receivables - considered good - unsecured	3,094.09	2,548.76
Trade receivables which have significant increase in credit risk	4,980.27	4,468.81
Trade receivables - credit impaired	6,153.54	6,259.35
Total	14,727.17	13,276.92
Less: Provision for doubtful trade receivables	(11,133.81)	(10,728.16)
Total trade receivables	3,593.36	2,548.76

Note 10: Cash and cash equivalents

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Balances with banks in current accounts	337.53	294.71
Deposit with original maturity less than three months	-	0.69
Cash on hand	3.20	-
Total	340.73	295.40

Note 11: Bank Balances other than cash and cash equivalents

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Balances with banks:		
(a) Margin money deposit in banks (refer note 11.1)	684.90	644.83
(b) In dividend payment bank account (Earmarked account) (refer note 11.2)	1.62	1.62
Total	686.52	646.45

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.

Note 12: Current loans

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(a) Security deposits	743.79	7,520.56
(b) Loans and advances to others (Refer note 12.1, 12.2 and 12.3)	5,411.69	1,790.51
	6,155.48	9,311.07
Less: Provision for doubtful loans and advances	(3,765.82)	(617.37)
Total	2,389.65	8,693.70

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Note

12.1 Loans are given to others for their business purposes.

12.2 Breakup of other loans:

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Loans - considered good - secured	-	-
Loans - considered good - unsecured	1,645.87	1,173.14
Loans which have significant increase in credit risk	3,765.82	617.37
Loans - credit impaired	-	-
Total	5,411.69	1,790.52
Less: Provision for doubtful loans and advances	(3,765.82)	(617.37)
Total loans	1,645.87	1,173.14

12.3 Out of the total loans and advances disclosed above, Rs. 5,354.96 lacs (Gross) pertains to loan given to various trusts. Out of the above, provision recognised amounted to Rs. 3,759.22 lakhs as at March 31, 2020.

Note 13: Other current financial assets

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(Unsecured, considered good, unless stated otherwise)		
Visiting faculty salary recoverable	47.27	42.64
Unbilled receivables	2,138.00	2,161.14
Others	1,343.06	464.61
Total	3,528.33	2,668.39

Note 14: Other current assets

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(Unsecured, considered good, unless stated otherwise)		
(a) Prepaid expenses	10.59	97.00
(b) Balances with government authorities	307.45	68.82
(c) Advances to suppliers	210.10	67.70
(d) Gratuity Fund	4.27	
(e) Others	12.63	22.27
Sub Total (a)	545.04	255.79
Unsecured considered doubtful		
Advances to suppliers	-	185.00
Less: Provision for doubtful advances to suppliers	-	(185.00)
Sub Total (b)	-	-
Total (a+b)	545.04	255.79

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Note 15: Assets classified as held for sale

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Investment in Property (refer note 15.1)	64.25	64.25
Total	64.25	64.25

Note 15.1

The Group intends to dispose off property at Gazipur, as it no longer intends to utilise hence classified as held for sale.

Note 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 31 March, 2020		As at 31 March, 2019	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
(a) Authorised Equity shares of ₹ 10 each (previous year 2019 ₹ 10 each)	80,000,000	8,000.00	80,000,000	8,000.00
(b) Issued, subscribed and paid up Equity shares of ₹ 10 each fully paid up (previous year 2019 ₹ 10 each fully paid up)	72,228,054	7,222.81	72,228,054	7,222.81
Total	72,228,054	7,222.81	72,228,054	7,222.81

Note 16.1

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

Particulars	As at 31 March, 2020		As at 31 March, 2019	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Opening Balance at the beginning of the year	72,228,054	7,222.81	71,784,984	7,178.50
Add: Shares issued during the year	-	-	443,070	44.31
Closing Balance at the end of the year	72,228,054	7,222.81	72,228,054	7,222.81

Note 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."

Note 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 31 March, 2020		As at 31 March, 2019	
	Number of shares	% holding	Number of shares	% holding
Equity shares				
Mahesh R. Shetty	13,252,453	18.35%	17,036,803	23.59%
Zee Learn Limited	42,701,173	59.12%	42,701,173	59.12%

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

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.

Note 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 2019 Nil)

Note 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.

Note 17: Other equity

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(a) Securities premium reserve	20,032.01	20,032.01
(b) General reserve	(9,985.24)	(5,463.97)
(c) Employee stock options outstanding account	0.00	72.11
(d) Surplus / (deficit) in statement of profit and loss	(0.87)	35.02
(e) Capital reserve	17.49	17.49
Total	10,063.39	14,692.66
Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(a) Securities premium reserve		
Opening balance	20,032.01	19,596.44
Add : Securities premium credited on shares issue	-	184.11
Add: Reversal of transaction costs arising on share issue	-	251.46
Add: Transaction costs arising on share issue	-	-
Closing balance	20,032.01	20,032.01
(b) General reserve		
Opening balance	(5,463.97)	(6,376.04)
Add: Transferred from surplus/(deficit) in statement of Profit and Loss	(4,593.38)	912.07
Add: Transferred from Employee stock options outstanding account	72.11	-
Closing balance	(9,985.24)	(5,463.97)
(c) Employee stock options outstanding account		
Opening balance	72.11	67.82
Add: Employee stock option expense	-	188.40
Less: transferred to securities premium account on exercise of stock options	-	(184.11)
Less: Transferred to General Reserve	(72.11)	-
Closing balance	0.00	72.11

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(d) Surplus / (deficit) in statement of profit and Loss		
Opening balance	35.02	20.39
Add: Net profit/(loss) for the year	(4,593.38)	912.07
Add: Items of OCI for the year, net of tax	(35.89)	14.63
Transferred to general reserve	4,593.38	(912.07)
Closing balance	(0.87)	35.02
(e) Capital Reserve		
Opening balance	17.49	-
Add: Gain on bargain purchase	-	17.49
	17.49	17.49
Total	10,063.39	14,692.66

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 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 Share options outstanding account is used to recognise the grant date fair value of options issued to employees under employee stock option plan.

Note 18: Non current financial liabilities borrowings

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Secured:		
Term loan (refer note 18.1)		
- from Bank	4,797.50	5,651.61
- from other parties	3,227.99	7,606.37
Unsecured:		
Term Loan		
Term loan from other parties (refer note 18.1-ii)	-	-
Less: Current maturity of non current borrowings and interest accrued and due thereon	(1,808.14)	(2,841.64)
Total	6,217.35	10,416.34

Note:

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

(i) Nature of security:

"Term loan from Axis bank is secured by:

- first pari passu hypothecation charge on the entire current assets (Rs 15,365.44 lakhs) and movable assets (except vehicle) (Rs 1,520.54 lakhs) of the Company both present and future;
- pledge of shares owned by the promoter of the Company (Rs 4,797.52 lakhs); and
- personal guarantee given by the promoter of the Company (Rs 4,797.52 lakhs)."

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Term loan from SVC Co-operative bank Ltd is secured by mortgage of immovable property at Mangalore (Rs 4,918.53 lakhs), securitisation of lease rentals and personal guarantee of shareholders

“Term loan from other party is secured by:

- first pari passu hypothecation charge on the entire current assets (Rs 12,022.82 lakhs) and movable assets (Rs 1,426.27 lakhs) of the Company both present and future;
- pledge of shares owned by the promoter of the Company (Rs 3,227.99 lakhs); and
- personal guarantee given by the promoter of the Company (Rs 3,227.99 lakhs).”

(ii) Terms of repayment:

In case of term loan from Axis bank:

- Repayable in 8 half yearly installments starting from September 2018. Last installment due in April 2022. Rate of interest is 2.75% to 1.75% over banks 12 months MCLR (Range from 11.00% to 9.90% per annum as on March 31, 2020 and March 31, 2019).

SVC Co-operative bank Ltd loan is repayable in monthly installments of Rs. 51.56 lakhs per month. Last installment due in March 2029. Rate of interest is 10.55% (10.55% per annum as at March 31, 2019).

In case of term loan from other party:

“- Repayable in 10 half yearly installments starting from October 2018. Last installment due in March 2023. This has been revised in December 19 to 26 monthly installments on balance outstanding amount starting from August 2020 and last installment due in September 2022.

Rate of interest has been revised to 13.75% from 14.5% per annum.”

Note 19: Other Non current financial liabilities

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Lease Liabilities	2,855.35	-
Total	2,855.35	-

Note 20: Non current provisions

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Provision for employee benefits: (refer note 38)		
(i) Provision for gratuity (net)	343.62	230.15
(ii) Provision for leave encashment	88.82	113.33
Total	432.44	343.48

Note 21: Other non-current liabilities

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Advance fees (refer note 21.1)	322.40	313.62
Total	322.40	313.62

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Note:

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

Note 22: Trade payables

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Outstanding dues of micro enterprises and small enterprises (refer note 22.1)	75.37	61.94
Outstanding dues of creditors other than above	3,542.99	2,335.44
Total	3,618.36	2,397.38

Note 22.1:

Disclosure relating to suppliers registered under MSMED Act based on the basis of information available with the Group:

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	83.19	96.37
Interest	4.18	0.79
	87.37	97.16
Disclosed under trade payable - Note 22	75.37	61.94
Disclosed under payable for capital expenditure - Note 22	12.00	35.22

Total

(a) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(b) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(c) The amount of interest accrued and remaining unpaid at the end of each accounting year.	4.18	0.79
(d) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Note 23: Other financial liabilities

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Financial liabilities		
(a) Payable for capital expenditure		
Outstanding dues of micro enterprises and small enterprises (refer note 23.1)	12.00	35.22
Outstanding dues of creditors other than above	107.62	159.91
(b) Deposits	26.84	37.14
(c) Employee related payables	646.17	429.99
(d) Unclaimed dividend (refer note 11)	1.62	1.62
(e) Current maturity of non current borrowings (refer Note 18)	1,785.95	2,811.71
(f) Interest accrued and due on non current borrowings (refer Note 18)	22.98	29.93
(g) Lease liabilities	1,676.36	-
(h) Other payables	525.00	452.73
Total	4,804.55	3,958.24

Note 24: Current provisions

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(a) Provision for employee benefits: (refer note 38)		
Provision for gratuity	121.19	119.09
Provision for leave encashment	62.67	76.38
Sub Total (a)	183.86	195.47
(b) Provision - others:		
Provision for Income tax (net of advance tax and TDS)	11.59	-
Sub Total (b)	11.59	-
Total (a+b)	195.44	195.47

Note 25: Other current liabilities

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(a) Advance fees (refer note 25.1)	2,331.44	3,669.31
(b) Statutory payables	661.20	712.26
(c) Other payables	3,921.87	1,435.22
Total	6,914.51	5,816.79

25.1 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 31 March, 2020

Note 26: Revenue from operations

Particulars	For the period ended 31 March, 2020 ₹ in lakhs	For the period ended 31 March, 2019 ₹ in lakhs
(a) Revenue from services		
Revenue from coaching/teaching services	26,387.44	27,083.24
Less : Discount and concession	(6,539.25)	(5,474.54)
Rent	0.00	0.00
Sub Total (a)	19,848.19	21,608.70
(b) Other operating revenues		
Sale of hardware/content	344.28	1,162.40
Others (refer note 27.1)	324.00	85.02
Sub Total (b)	668.28	1,247.42
Total (a+b)	20,516.47	22,856.12

26.1 Others mainly include royalty income.

A) Disaggregation of revenue from customers

The following table shows disaggregation of revenue by major service lines:

Particulars	Year ended 31 March, 2020 ₹ in lakhs	Year ended 31 March, 2019 ₹ in lakhs
Coaching/teaching services	19,848.19	21,608.70
Sale of hardware	344.28	1,162.40
Others	324.00	85.02
Total	20,516.47	22,856.12

B) Reconciliation of revenue from customers

The following table shows reconciliation of revenue by major service lines:

Particulars	Contract price	Year ended March, 2020		
		Adjustment for unearned revenue	Discounts & Concession	Revenue from operation
Coaching/teaching services	27,716.54	(1,329.10)	(6,539.25)	19,848.19
Sale of hardware	344.28	-	-	344.28
Others	324.00	-	-	324.00
Total	28,384.82	(1,329.10)	(6,539.25)	20,516.47

₹ in lakhs

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

C) Trade receivables and contract balances

The following table provides information about receivables, contract assets and current liabilities from contracts with customers:

Particulars	As at 31 March, 2020 ₹ in lakhs
Trade receivables relating to contracts with customers (Refer Note 9)	3,593.36
Contract assets:	
- Unbilled receivables (Refer Note 13)	2,138.00
Contract liabilities:	
- Advance fees, current (Refer Note 25)	2,331.44
- Advance fees, non-current (Refer Note 21)	322.40

D) Transaction price allocated to the remaining performance obligation

The following table shows revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date:

Particulars	As at 31 March, 2020 ₹ in lakhs
Advance fees	322.40

Management expect that 100 % of the transaction price allocated to the unsatisfied contracts as of March 31, 2020 (Rs. 322.40 lacs) will be recognised as revenue during the year ended March 31, 2022.

The Group applies the practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

Note 27: Other income

Particulars	For the period ended 31 March, 2020 ₹ in lakhs	For the period ended 31 March, 2019 ₹ in lakhs
(a) Interest income on financial assets carried at amortised cost (net)*	2,062.16	1,485.48
(b) Dividend income on non-current investments as FVTPL	-	213.45
(c) Gain on revaluation of current investments	-	8.31
(d) Net gain on sale of investments	9.47	4.93
(e) Provision for doubtful debts written back (net)	-	361.26
(f) Net gain on foreign currency transactions and translation	-	0.56
(g) Miscellaneous income	546.25	13.20
	2,626.19	2,078.88

* Interest income is net of provision made towards doubtful interest receivable amounting to Rs. 2,164.96 lakhs (Previous Year Rs. 492.49 lakhs).

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Note 28: Direct expenses

Particulars	For the period ended 31 March, 2020 ₹ in lakhs	For the period ended 31 March, 2019 ₹ in lakhs
Rent (refer note 36)	260.02	3,036.07
Rates and taxes	120.89	25.97
Electricity	629.04	681.38
Student material and test expenses	1,708.83	1,253.41
Visiting lecturer fees	6,940.72	7,113.73
Bandwidth charges	53.93	62.81
Professional fees	555.45	163.58
Others	120.18	103.48
Total	10,389.06	12,440.43

Note 29: Employee benefits expense

Particulars	For the period ended 31 March, 2020 ₹ in lakhs	For the period ended 31 March, 2019 ₹ in lakhs
Salaries, wages, bonus and other allowances	2,877.35	3,172.02
Contribution to provident and other funds (Refer note 38)	151.81	134.51
Gratuity expense (Refer note 38)	63.95	62.20
Share based payments to employees (Refer note 35)	-	188.40
Staff Welfare Expenses	99.62	77.59
Total	3,192.73	3,634.72

Note 30: Finance costs

Particulars	For the period ended 31 March, 2020 ₹ in lakhs	For the period ended 31 March, 2019 ₹ in lakhs
(a) Interest expense on borrowings at amortised cost	1,610.19	1,867.27
(b) Other borrowing costs 95.90	108.76	
(c) Interest on Income Tax -	1.12	
(d) Interest expense on lease liability	697.15	-
Total	2,403.24	1,977.15

Note 31: Other expenses

Particulars	For the period ended 31 March, 2020 ₹ in lakhs	For the period ended 31 March, 2019 ₹ in lakhs
Administration expenses		
Director's sitting fees	3.30	9.10
Corporate social responsibility expenses (refer note 39)	14.01	16.86
Donation	-	12.18

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Particulars	For the period ended 31 March, 2020 ₹ in lakhs	For the period ended 31 March, 2019 ₹ in lakhs
Printing and stationery	166.44	78.03
Professional fees#	459.74	619.76
Bad debts	567.72	130.67
Provision for doubtful debts*	(142.68)	-
Repairs and maintenance	542.86	427.09
Security charges	66.95	40.82
House keeping expenses	164.59	154.45
Auditor's remuneration (refer note 31.1)	26.56	24.46
Communication expenses	75.47	152.95
Travelling and conveyance expenses	313.76	362.95
Net loss on sale of property plant and equipment	27.24	44.64
Net loss on foreign exchange transactions and translations	0.69	-
Rates and taxes	77.04	99.58
Insurance	8.54	18.08
Other administrative expenses	615.78	299.95
Sub Total (a)	2,988.02	2,491.57
Selling expenses		
Advertisement and publicity	611.78	
Business promotion expenses	37.79	341.98
Sub Total (b)	649.57	1,440.47
Total (a+b)	3,637.59	3,932.04

Note 31.1 Auditor's remuneration (excluding applicable taxes)

Particulars	For the period ended 31 March, 2020 ₹ in lakhs	For the period ended 31 March, 2019 ₹ in lakhs
As auditors:		
Statutory audit	17.30	14.50
Limited review	6.75	7.00
In other capacity:		
Other services(including certification)	-	1.80
Reimbursements	2.51	1.16
Total	26.56	24.46

Professional fees is net of provision made towards doubtful receivable written back amounting to NIL (2018-19 - Rs. 227 lakhs).

* Net of reversal of provision is disclosed under other income.

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Note 32: Deferred tax assets (net)

Particulars	As at 31 March, 2018	Benefit / (Charge) for the year 18-19	Additions on account of acquisition of Labh (refer note 43)	As at 31 March, 2019	Benefit / (Charge) for the year 19-20	As at 31 March, 2020
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
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	44.35	-	51.58	(51.58)	51.58
Processing fees on borrowings	-	43.77	13.51	57.28	(69.25)	11.97
(a)	7.23	88.12	13.51	108.86	(120.82)	63.54
Deferred tax assets						
Tax effect of items constituting deferred tax assets						
Provision for compensated absences, gratuity and other employee benefits	198.25	71.70	-	269.95	(269.95)	238.27
Provision for doubtful debts and advances	6,761.25	28.10	-	6,789.35	(6,789.35)	6,510.91
Disallowances under Section 40(a)(i), 43B and 35D of the Income Tax Act, 1961	18.18	79.33	-	97.51	(97.51)	21.28
On difference between book balance and tax balance of property, plant & equipment	987.31	130.91	(416.38)	701.84	(1,412.98)	711.13
Deferred Tax impact on losses and unabsorbed depreciation	1,058.45	(415.94)	197.24	839.75	(1,450.74)	610.99
Deferred revenue impact on CRF and robomate	39.89	(39.89)	-	-	-	-
On expenditure on employee stock option plan	23.69	1.83	-	25.52	(25.52)	54.96
Minimum alternate tax (MAT) credit	21.26	(11.64)	49.48	59.10	(139.47)	80.37
DTA Created on INDAS 116	-	-	-	-	(127.50)	127.50
DTA Created on OCI	-	-	-	-	137.33	(137.33)
(b)	9,108.27	(155.59)	(169.66)	8,783.02	(10,175.69)	8,218.08
Net deferred tax asset/ (liability)	9,101.04	(243.70)	(183.17)	8,674.16	(10,054.86)	8,154.54

32.1 Effective tax reconciliation

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Tax expense recognised in profit and loss		
Current Tax		
- In respect of current year *	155.51	-
- In respect of previous year	-	(11.06)
(a)	155.51	(11.06)

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Deferred Tax		
- In respect of current year	555.27	236.56
(b)	555.27	236.56
Total Income Tax expense/(credit) recognised in the current year (a+b)	710.78	225.50

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Tax expense for the year can be reconciled to the accounting profits as follows:		
Profit/(loss) before tax	(3,882.60)	1,137.57
Income Tax rate (%)	27.82%	34.94%
Income tax expense (a)	(1,080.14)	397.51
Adjustments for current tax of prior periods	(1.31)	(11.06)
Amount not deductible for tax purpose - permanent disallowance	32.76	38.52
Difference in tax rate of subsidiary companies	-	(54.05)
Amount not subjected to tax - exempt Income	-	(74.59)
Share issue expenses deductible for tax purpose	(18.32)	(115.06)
Unabsorbed depreciation	(12.46)	
ESOP DTA Reversal	18.15	
Reversal of excess DTA created on brought forward losses	38.82	
Impact of short DTA created on brought forward losses	36.83	
Change in tax rate	1,674.16	3.18
Difference in tax rate of subsidiaries	(56.16)	
Others	78.45	41.05
Total (b)	1,790.92	(172.01)
Total tax expense recognised in the current year (a+b)	710.78	225.50

Note 33: Contingent liabilities

33.1

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
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	344.10	48.37
(b) Corporate guarantee (refer note 33.1.1)	2,435.00	2,435.00
(d) Guarantees given by banks in favour of Government bodies	78.65	439.10

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Note:

33.1.1 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.

33.2 Capital and other commitments:

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances):		
Tangible assets	49.58	26.05
Intangible assets	-	-
(b) Other commitments	-	169.17

Note 34: Earnings per Share (EPS)

Particulars	As at 31 March, 2020	As at 31 March, 2019
Basic and Diluted		
Net profit/(loss) for the year attributable to the equity shareholders (₹ in lacs)	(4,593.38)	912.07
Weighted average number of equity shares for Basic EPS	72,228,054	71,908,801
Weighted average number of equity shares for Diluted EPS	72,228,054	72,040,501
Par value per share (in ₹)	10.00	10.00
Earnings/(loss) per share - Basic (in ₹)	(6.36)	1.27
Earnings/(loss) per share - Diluted (in ₹)	(6.36)	1.27

Note 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.

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Sr. No.	Particulars	Employee Stock Option Scheme (ESOS) 2016
1	Date of Shareholders' Approval	17th February, 2016
2	Total number of options approved under Scheme	800,000
3	Date of Grant	18th December, 2017
4	Vesting Requirements	60%, 30% and 10% will vest over a period of three years from the date of grant
5	Exercise Price	Rs. 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	As at 31 March, 2020	As at 31 March, 2019
Options outstanding at beginning of year	295,380	738,450
Options granted during the year	-	-
Options exercised during the year*	-	443,070
Options forfeited / surrendered during the year	-	-
Options expired during the year	295,380	-
Options outstanding at the end of year	-	295,380
Option exercisable at the end of year	-	-

Since no shares options have been exercised by any of the allottees during the FY 19-20 and they have also left the company, they are not eligible for vesting their rights in future and the options stand expired.

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

Particulars	As at 31 March, 2020	As at 31 March, 2019
Weighted Average:		
Fair value of the options at the grant dates (Rs.)	41.55	41.55
Dividend yield (%)	2.63%	2.63%
Risk free interest rate (%)	6.61%	6.61%
Expected life of share options (years)	0	1.5
Expected volatility (%)	54.35%	54.35%
Weighted average share price (Rs.)	10.00	10.00

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.

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Note 36: 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
Holding Company	Zee Learn Limited
Subsidiary companies	Chitale's Personalised Learning Private Limited MT Education Services Private Limited Lakshya Forum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited) Sri Gayatri Educational Services Private Limited Robomate Edutech Private Limited Letspaper Technologies Private Limited Labh Ventures India Private Limited
Key Management Personnel (KMP)	Mr. Mahesh Shetty (Whole-time Director) (Till 10 April 2020) Mr. Himanshu Mody (Non Executive Chairman) (Till 07 January 2020) Mr. Ajey Kumar (Executive Director) (Till 26 September 2019) Dr. Manish Agarwal (Non Executive Independent Director) (from 05 June 2018) Dr. Sangeeta Pandit (Non Executive Independent Director) (Till 01 October 2019) Mr. Debshankar Mukhopadhyay (Director) (Till 23 April 2020) Mr. Sandesh Naik (Chief Financial Officer) (Till 14 November 2019) Mr. Sanjeev Garg (Wholetime Director and CEO) (From 26 September 2019 till 10 January 2020) Mr. Mandar Chavan (Company Secretary) (Till 13 November 2019) Mr. Roshan Lal Kamboj (Independent Director) (From 26 September 2019) Mr Dattatraya Kelkar (Independent Director) (From 31 December 2019) Mrs. Nanette D'sa (Independent Director) (From 31st March 2020) Mr Dinesh Bhutra (Chief Financial Officer) (From 14 November 2019 till 06 March 2020) Mr Ravindra Mishra (Company Secretary) (From 15 November 2019) Mr Arun Khetan (Wholetime Director and CEO) (From 23 April 2020 and 15 April 2020 resp.) Mr Surinder Singh (Non Executive Director) (From 24 July 2020) Mr Sunil Jain ((Chief Financial Officer) (From 28 August 2020)
Enterprises in which KMP can exercise significant influence (With which the company had transactions during the year or outstanding at the end of the year)	Mahesh Tutorials Mulund Mahesh Tutorials Chembur Prosynapse Consultants Private Limited
Entity providing key management personnel services to the parent of the reporting entity	Diligent Media Corporation Limited

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

(B) Details of transactions with related party in the ordinary course of business for the year ended:

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Transactions entered during the year:		
KMP Remuneration (Refer note 36.1)	204.10	205.58
Sitting fees paid to Non Executive Directors		
Dr. Chhaya Shastri	-	1.70
Mr. Naarayanan Iyer	-	0.80
Mr. Drushti Desai	-	2.00
Mr. Yatin Samant	-	1.00
Mr Roshan	0.80	-
Mr. Uday Lajmi	-	2.00
Dr. Sangeeta Pandit	0.70	0.80
Dr. Manish Agarwal	1.50	0.80
Mr Dattatray	0.30	-
	3.30	9.10
Professional fees expenses		
Prosynapse Consultants Private Limited	-	36.29
Zee Learn Limited	120.00	103.95
	120.00	140.24
Advertising expenses		
Diligent Media Corporation Limited	0.42	3.58
	0.42	3.58
Transaction cost on share issue expenses		
Zee Learn Limited	-	137.89
	-	137.89
Rent expense		
Mahesh Tutorials, Chembur	-	97.50
Mahesh Tutorials, Mulund	-	30.17
Mr. Mahesh Shetty	-	14.12
	-	141.79
Depreciation and amortisation expense		
Mr. Mahesh Shetty	6.26	-
Mahesh Tutorials, Chembur	47.52	-
Mahesh Tutorials, Mulund	6.69	-
	60.47	-

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Interest expense on lease		
Mr. Mahesh Shetty	0.50	-
Mahesh Tutorials, Chembur	7.82	-
Mahesh Tutorials, Mulund	0.36	-
	8.68	-
Payment of lease liability		
Mr. Mahesh Shetty	7.00	-
Mahesh Tutorials Chembur	55.89	-
Mahesh Tutorials Mulund	4.96	-
	67.85	-

Note 36.1

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

Outstanding at the end of the year:

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Sitting fees paid to Non Executive Directors		
Ms. Drushti Desai	-	1.30
	-	1.30
Deposit for Premises		
Mahesh Tutorials, Chembur	34.10	29.76
Mahesh Tutorials, Mulund	-	11.28
Mr. Mahesh Shetty	7.50	7.47
	41.60	48.51
Rent Payable		
Mahesh Tutorials, Chembur	25.15	9.07
Mahesh Tutorials, Mulund	5.35	2.68
Mr. Mahesh Shetty	3.15	6.76
	33.65	18.51
KMP Remuneration Payable	142.24	13.23
Professional Fee Payable		
Zee Learn Limited	69.07	69.07
	69.07	69.07
Advertising expenses payable		
Diligent Media Corporation Limited	-	0.21
	-	0.21

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Particulars	As at 31 March, 2020 ₹ in lakhs	As at 31 March, 2019 ₹ in lakhs
Advance to vendor		
Diligent Media Corporation Limited	0.21	-
	0.21	-
ROU Asset		
Mr. Mahesh Shetty	0.82	-
Mahesh Tutorials, Chembur	39.64	-
Mahesh Tutorials, Mulund	-	-
	40.46	-
Lease liability		
Mr. Mahesh Shetty	-	-
Mahesh Tutorials, Chembur	34.58	-
Mahesh Tutorials, Mulund	-	-
	34.58	-

Note 37: 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) (Chief Executive Officer) reviews the operations of the Group as one operating segment. Hence no separate segment information has been furnished herewith.

Note 38: 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 Company 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 Company 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 recognized the following amounts in the Statement of profit and loss:

Particulars	31 March, 2020 ₹ in lakhs	31 March, 2019 ₹ in lakhs
Employers' contribution to provident fund	151.40	134.09
Employers' contribution to labour welfare fund	0.41	0.42

b Defined benefit plans

(a) Gratuity

The Group 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.

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

(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:

Actuarial assumptions:

Particulars	Employee gratuity (funded)/unfunded	
	31 March, 2020	31 March, 2019
Discount rate per annum	5.76 - 6.82%	6.96% - 7.78%
Expected Rate of Increase in compensation levels per annum	6.00%	6.00%
Expected rate of return on plan assets	5.76 - 6.82%	6.96% - 7.78%
Mortality Rate	Indian assured lives Ultimate	Mortality (2006-08) Ultimate
Retirement Age	58 years	58 years
Withdrawal Rate	N.A.	N.A.
Attrition	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:

Particulars	31 March, 2020 ₹ in lakhs	31 March, 2019 ₹ in lakhs
Fair value of plan assets as at the beginning of the year	24.48	36.87
Expected return on plan assets	1.74	2.73
Contributions	12.25	11.01
Benefits paid	(18.40)	(27.49)
Actuarial loss on plan assets	(1.21)	1.36
Fair value of plan assets as at the end of the year	18.86	24.48

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

Particulars	31 March, 2020 ₹ in lakhs	31 March, 2019 ₹ in lakhs
Present value of defined benefit obligation at beginning of the year	388.54	375.37
Interest cost	27.04	27.59
Current service cost	38.64	37.34
Past service cost	-	-

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Particulars	31 March, 2020 ₹ in lakhs	31 March, 2019 ₹ in lakhs
Benefits paid	(23.88)	(31.35)
Actuarial (gain) / loss on obligation	49.04	(20.41)
Present value of defined benefit obligation at the end of the year	479.38	388.54

iii. Reconciliation of present value of defined benefit obligation and fair value of assets:

Particulars	31 March, 2020 ₹ in lakhs	31 March, 2019 ₹ in lakhs
Present value of obligation as at the end of the year	479.38	388.54
Fair value of plan assets as at the end of the year	18.86	24.48
Unfunded net liability recognized in balance sheet	460.52	364.06
Amount classified as:		
Current provision (Refer note 24)	121.19	119.09
Non-current provision (Refer note 20)	343.62	230.15
Other non current assets (Refer note 8)	-	(4.02)
Other financial liabilities (Note 23)	-	18.84

iv. Expenses recognized in Statement of Profit and Loss:

Particulars	31 March, 2020 ₹ in lakhs	31 March, 2019 ₹ in lakhs
Current service cost	38.64	37.34
Past service cost*	-	-
Interest cost	25.30	24.86
Total	63.94	62.20
Actual benefit payments	23.88	31.35
Actual contributions	12.25	11.01

v. Expenses recognized in Other comprehensive Income (OCI):

Particulars	31 March, 2020 ₹ in lakhs	31 March, 2019 ₹ in lakhs
Expected return on plan assets	1.21	(1.36)
Net actuarial loss/(gain) recognized during the year	49.04	(20.41)
Total	50.25	(21.77)

vi. Investment details of the Plan Assets:

Particulars	31 March, 2020 ₹ in lakhs	31 March, 2019 ₹ in lakhs
Government of India Securities	-	-
Corporate Bonds	-	-
Insurer Managed Funds	18.86	24.48
Special Deposit Scheme	-	-
Others	-	-
Total fund balance	18.86	24.48

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

vii. A quantitative sensitivity analysis for significant assumption as at 31 March 2020 is as shown below:

Particulars	31 March, 2020 ₹ in lakhs	31 March, 2019 ₹ in lakhs
Impact on defined benefit obligation	479.38	388.54
Discount rate		
1% increase	(9.67)	(11.36)
1% decrease	10.46	12.26
Rate of increase in salary		
1% increase	9.25	10.47
1% decrease	(8.77)	(10.03)
Rate of employee turnover		
1% increase	(0.66)	0.22
1% decrease	0.67	(0.19)

The sensitivity analyses 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.

viii. Maturity profile of defined benefit obligation:

Particulars	31 March, 2020 ₹ in lakhs	31 March, 2019 ₹ in lakhs
Apr 2019- Mar 2020	234.90	93.80
Apr 2020- Mar 2021	53.32	66.85
Apr 2021- Mar 2022	53.86	59.27
Apr 2022- Mar 2023	36.59	56.50

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Particulars	31 March, 2020 ₹ in lakhs	31 March, 2019 ₹ in lakhs
Apr 2023- Mar 2024	31.75	39.98
April 2024 onwards	143.53	183.11
The weighted average duration of the defined benefit obligation	4 years	4 years

ix. 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 2019-20.

(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 Rs 151.49 lakhs (31 March 2019: Rs 198.39 Lakhs)

Short term Provision as at year end is Rs.62.67 Lakhs (31 March 2019: Rs. 76.38 Lakhs)

Long term Provision as at year end is Rs.88.82 Lakhs(31 March 2019: Rs.113.33 lakhs)

Current Liability as at year end is Rs. Nil (31 March 2019: Rs. 8.68 lakhs)

Note 39: Corporate social responsibility

A. Gross amount required to be spent by the Group during the year 2019-20 - Nil (Year 2018-19 - Nil)

B. Actual amount spent during the year on:

Particulars	In cash (₹ in Lakhs)	Yet to be paid in cash (₹ in Lakhs)	Total (₹ in Lakhs)
(i) Construction/acquisition of any asset (previous year 2019)	-	-	-
(ii) On purposes other than (i) above (previous year 2019)	14.01 (16.86)	-	14.01 (16.86)

Note 40: 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 2 and 3 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 Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

The following table shows the carrying amounts and fair values of financial assets and financial liabilities.

Particulars	31 March, 2020 ₹ in lakhs	31 March, 2019 ₹ in lakhs
Financial assets measured at amortized cost		
Trade receivables	3,593.36	2,548.76
Cash and cash equivalents	340.73	295.40
Bank Balances other than cash and cash equivalents	686.52	646.45
Loans	8,811.52	15,679.67
Other financial assets	3,528.33	3,995.85
Financial assets measured at fair value through profit and loss		
Investments	643.12	0.34
Financial liabilities measured at amortized cost		
Borrowings	8,026.28	13,257.98
Trade payables	3,618.36	2,397.38
Other financial liabilities	1,319.25	1,116.60
Lease Liabilities	4,531.71	-

Note 40: Financial instruments - fair value hierarchy

The Group 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 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 non current loans and borrowings, including interest rate profiles, refer to Note 18.

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:

Particulars	31 March, 2020 ₹ in lakhs	31 March, 2019 ₹ in lakhs
Interest on term loan from bank	614.36	656.22

Interest rate sensitivity

The Group is exposed to the interest rate fluctuations of 1.75% over banks 12 months MCLR (Range from 9.90% to 11.00% per annum as on March 31, 2020). The following table demonstrates the sensitivity to a 25 bps increase or decrease in the interest rates with all other variables held constant. The sensitivity analysis is prepared as at the reporting date.

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Effect 31 March, 2020	Profit or loss	
	Increase in basis point	Decrease in basis point
Interest on term loan from bank	19.59	(19.59)

Effect 31 March, 2019	Profit or loss	
	Increase in basis point	Decrease in basis point
Interest on term loan from bank	19.82	(19.82)

(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 Group's exposure to currency risk as reported to the management of the Group is as follows:

	31 March, 2020		31 March, 2019	
	AED	₹ in lakhs	AED	₹ in lakhs
Accounts Receivable	38,348	7.88	41,370	7.81
Balance sheet exposure	38,348	7.88	41,370	7.81

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 INR with all other variables held constant. The sensitivity analysis is prepared on the unhedged exposure of the Group as at the reporting date.

Effect 31 March, 2020	Increase in basis point	₹ in lakhs
		Profit or loss Decrease in basis point
AED (0.79)		0.79

Effect 31 March, 2019	Increase in basis point	Profit or loss
		Decrease in basis point
AED (0.78)		0.78

(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 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.

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

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 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.

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 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 Group recognises expected credit loss based on the following:

Description of category	Category	Internal Rating (IR)	Basis of recognition of expected credit loss provision	
			Loans, deposits and other receivables	Trade receivables
Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong	Standard assets with moderate credit risk	IR 1	12 month expected credit losses	life time expected credit losses (simplified approach)
Assets where there is significant increase in credit risk and high probability of default.	Substandard assets with high credit risk	IR 2	life time expected credit losses	life time expected credit losses (simplified approach)
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	Doubtful assets, credit impaired	IR 3	Asset is written off	

Under the simplified approach, the Group 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

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

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.

ECL in respect of trade receivables is as follows:

		31 March, 2020	₹ in lakhs 31 March, 2019
Balance at the beginning		10,728.16	10,655.18
Impairment loss recognised/(reversed)(net)		546.00	203.65
Amounts written off		(140.35)	(130.67)
Balance at the end		11,133.81	10,728.16
	Internal Rating (IR)	31 March, 2020	₹ in lakhs 31 March, 2019
Gross carrying amount		14,727.17	13,276.92
Provision for doubtful receivables including ECL	IR 2	(11,133.81)	(10,728.16)
Balance at the end of the year		3,593.36	2,548.76

ECL in respect of current and non current financial assets loans is as follows:

		31 March, 2020	31 March, 2019
Balance at the beginning		8,739.96	8,554.28
Impairment loss recognised		3,646.35	604.91
Impairment loss reversed		-	(419.23)
Balance at the end		12,386.31	8,739.96
	Internal Rating (IR)	31 March, 2020	31 March, 2019
Gross carrying amount		21,197.83	24,419.63
Provision for doubtful loans and advances	IR 2	(12,386.31)	(8,739.96)
Balance at the end of the year		8,811.52	15,679.66

(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 company'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 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.

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

As at 31 March 2020	Total	Contractual cash flows			₹ in lakhs
		1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings	8,026.28	1,808.15	2,505.12	3,175.36	536.87
Trade Payables	3,618.36	3,618.36	-	-	-
Other current financial liabilities	1,319.25	1,319.25	-	-	-
Lease liability	5,596.31	2,205.75	1,566.77	1,823.80	-
As at 31 March 2019					
	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings	13,257.98	2,841.64	6,789.41	2,571.35	1,055.58
Trade Payables	2,397.38	2,397.38	-	-	-
Other current financial liabilities	1,116.60	1,116.60	-	-	-

Note 42: 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 Group's adjusted net debt to equity ratio is as follows:

	₹ in lakhs	
	As at 31 March, 2020	As at 31 March, 2019
Total borrowings along with accrued interest	8,026.28	13,257.98
Less : Cash and cash equivalents	(340.73)	(295.40)
Adjusted net debt	7,685.55	12,962.58
Equity	7,222.81	7,222.81
Other equity	10,063.39	14,692.66
Total equity	17,286.20	21,915.47
Adjusted net debt to equity ratio	0.44	0.59

Note 43: Acquisition of Labh Ventures Private Limited

On 1 September 2018, the Company purchased 100% shareholding of Labh Ventures India Private Limited by way of execution of Share Purchase Agreement. Accordingly, Labh Ventures India Private Limited has become wholly owned subsidiary of the Company. This acquisition is being accounted in accordance with the acquisition method as described under Ind AS 103 "Business Combinations.

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

The details of purchase consideration, the net assets acquired and bargain purchase are as follows:

Particulars	INR Lakhs
(a) Property, plant and equipment	5,935.79
(b) Non-current investments	0.03
(c) Cash and cash equivalents	48.80
(d) Current Tax assets	67.33
(e) Other current assets	1.10
Total Assets acquired (A)	6,053.05
(a) Non current Borrowings	3,652.87
(b) Other current and non current financial liabilities	308.37
(c) Other current and non current liabilities	262.42
(d) Deferred tax liability	183.18
(d) Trade payables	0.72
Total Liabilities acquired (B)	4,407.56
Net Asset(A-B)	1,645.49
Purchase Consideration	1,628.00
Bargain purchase (c)	17.49

As 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'.

Note 44: 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 31-Mar-20	As at 31-Mar-19
Lakshya Forum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)*	India	Education support and coaching services	1 April 2019 - 31 March 2020	100%	100%
MT Education Services Private Limited	India	Education support and coaching services	1 April 2019 - 31 March 2020	100%	100%
Chitale's Personalised Learning Private Limited	India	Education support and coaching services	1 April 2019- 31 March 2020	100%	100%
Sri Gayatri Educational Services Private Limited	India	Education support and coaching services #	1 April 2019- 31 March 2020	75%	75%
Robomate Edutech Private Limited	India	Education support and coaching services	1 April 2019- 31 March 2020	100%	100%

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

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 31-Mar-20	As at 31-Mar-19
Letspaper Technologies Private Limited	India	Education support and coaching services #	1 April 2019- 31 March 2020	100%	100%
Labh Ventures India Private Limited	India	Acquiring and leasing properties	1 April 2019 - 31 March 2020	100%	100%

* The subsidiary Company has changed the name from Lakshya Educare Private Limited to Lakshya Forum for Competitions Private Limited from 25th January, 2019.

Note 45: Disclosures required by Indian Accounting Standard (Ind AS) 116 - Leases

The following is the movement in lease liabilities for the year ended 31 March, 2020

	₹ in lakhs As at 31 March, 2020
As at 01 April, 2019	3,890.39
Additions	2,848.60
Finance cost accrued during the year	697.15
Deletions	-
Payment of lease liabilities (including interest thereon)	2,904.43
As at 31 March, 2020	4,531.72

Refer note 4(e) for movement in Right of use assets

The table below provides details regarding the contractual maturities of lease liabilities of non-cancellable contractual commitments as on an undiscounted basis

	₹ in lakhs As at 31 March, 2020
Less than one year	2,205.75
One to five years	3,390.91
More than five years	-

Impact on adoption of Ind AS 116 is as follows

	As at 31 March, 2020
Increase in Depreciation expense by	2,524.38
Increase in Finance cost by	697.15
Decrease in Rent	2,904.43
Net impact on Profit/Loss	317.10

Note 46: Impact due to Covid-19

The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. The outbreak of COVID-19 globally and in India continues to cause significant disruption in the operations which has resulted in slowdown in the economic activity. Due to the nation-wide lockdown announced by the Government, the Group's offices and coaching centres had to be closed and physical coaching services were suspended since then. However, during this period, the Group continued to provide coaching for the ongoing courses "on line" and thus transitioned the

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

same from physical coaching model to an “on-line” model. The Group has also taken strategic initiatives to introduce “on line” courses alongside physical classroom courses going forward and thus has taken efforts to keep the disruption in the business to the minimum.

In preparation of these financial statements, the Group has taken into account internal and external sources of information to assess possible impacts of the pandemic, including but not limited to the assessment of liquidity and going concern, recoverable values of its financial and non-financial assets, and the impact on revenues. Based on current indicators of future economic conditions, the Group has sufficient liquidity and expects to fully recover the carrying amount of its assets. Basis the Group's projected cash flows for the next one year, management has concluded that the Group will have sufficient liquidity to continue its operations, although it expects possible delays with respect to collections from its government customers. Accordingly, necessary provisions have been made under the Expected Credit Loss model adopted by the Group.

The extent of the impact on the Group's operations remains uncertain and may differ from that estimated as at the date of approval of these financial statements and will be dictated by the length of time that such disruptions continue, which will, in turn, depend on the currently unknowable duration of COVID-19 and among other things, the impact of governmental actions imposed in response to the pandemic. The Group is monitoring the rapidly evolving situation and its potential impacts on the Group's financial position, results of operations, liquidity, and cash flows.

Note 47: Minimum Public Shareholding

Mr. Mahesh Shetty and Zee Learn Limited form the promoter group of MT Educare Limited ('MTEL'). As per the provisions of the Securities Contracts (Regulations) Rules, 1957 (as amended) (SCRR), MTEL is required to maintain a public shareholding of 25% of the aggregate paid up equity share capital (Minimum Public Shareholding (MPS) Threshold). As per the Share holders agreement entered into between Zee Learn Limited, MT Educare Limited and Mr. Mahesh Shetty, Mr. Mahesh Shetty is required to sell such number of shares to meet the MPS requirement. As at March 31, 2020, the public shareholding of MTEL falls short of the required Minimum Public Shareholding by 2.47%. In order to comply with MPS, MTEL has identified among other options, Sale of shares held by Promoter through the secondary market (Offer for Sale) as the more feasible options to comply with requirement of MPS. However, in view of the low volume of trading in shares of MTEL, Mr. Mahesh Shetty will seek more time to meet the MPS requirement.

Note 48: Exceptional items

The Company had, during earlier years, given loan to a Trust to support its business operations. On account of delays in recovery of the same (including interest accrued thereon), the Company has made provision of Rs. 3,114.65 lakhs against the entire amount of loan receivable (including interest accrued thereon) during the year and disclosed the same as an 'Exceptional item'.

Note 49: Management fees

During the quarter ended 30 September 2019, the Group entered into contracts with a few education trusts to provide management services in respect of operation of their respective educational activities. Based on the scope of work and the corresponding consideration as laid out in the respective contracts, revenue of Rs 910.00 lakhs from management services was recorded by the Group in the third quarter ended 31 December 2019.

However, subsequently, on the requests of these Trusts, the “scope of work” and the basis of measurement of corresponding “consideration” have been renegotiated and redefined which are detailed in the addendums executed to the existing contracts. The new arrangement is applicable from retrospective effect (inception of the contracts).

The change in the basis of measurement of revenue from management services has given rise to reversal of revenue recorded in the third quarter to the extent of Rs 745.33 lakhs. The reversal entry has been recorded in the fourth quarter ended 31 March 2020. The resultant management services revenue for the year, recorded in these financial statements aggregate Rs 164.67 lakhs.”

Note 50: 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.

Note 51: 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 25th September, 2020.

Note 52: Other notes

Previous year's figures have been regrouped / reclassified wherever necessary to makethem comparable with the current year's classification / disclosure.

Notes forming part of the consolidated financial statements for the year ended 31 March, 2020

Name of the entity	% holding	Net assets i.e total assets - total liabilities March 31, 2020		March 31, 2019		Share in consol profit or loss 2019-2020		2018-2019		Share in other comprehensive income 2019-2020		2018-2019		Share in total comprehensive income 2019-2020		2018-2019	
		As a % of consolidated net assets	Amount	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	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss
Parent MT Educare Limited	-	99.19%	16,849.06	101.42%	22,125.79	109.39%	(5,229.99)	79.10%	730.44	130.21%	(46.74)	30.99%	9.95	109.55%	(5,276.73)	77.48%	740.39
Subsidiaries Personalised Learning Private Limited	100%	(0.28%)	(47.21)	(0.45%)	(97.74)	(1.06%)	50.52	3.13%	28.94	-	(0.02)	-	-	(1.05%)	50.50	3.03%	28.94
MT Education Services Private Limited	100%	0.63%	107.75	0.44%	96.04	(0.24%)	11.70	(0.60%)	(5.50)	-	-	-	-	(0.24%)	11.70	(0.58%)	(5.50)
Lakshya Forum for Competitions Private Limited (formerly known as Lakshya Educare Private Limited)	100%	(0.53%)	(90.15)	(1.47%)	(320.53)	(4.59%)	219.50	18.86%	174.13	-30.27%	10.86	14.56%	4.68	(4.78%)	230.37	18.71%	178.81
Sri Gayatri Educational Services Private Limited	75%	(0.02%)	(3.31)	(0.01%)	(2.78)	0.01%	(0.53)	(0.10%)	(0.89)	-	-	-	-	0.01%	(0.53)	(0.09%)	(0.89)
Robomate EduTech Private Limited	100%	0.00%	(0.62)	0.00%	(0.07)	0.01%	(0.55)	(0.03%)	(0.32)	-	-	-	-	0.01%	(0.55)	(0.03%)	(0.32)
Letspaper Technologies Private Limited	100%	0.00%	(0.68)	0.00%	0.15	0.02%	(0.84)	(0.03%)	(0.30)	-	-	-	-	0.02%	(0.84)	(0.03%)	(0.30)
Labh Ventures India Private Limited	100%	1.01%	172.31	0.07%	14.41	(3.54%)	169.30	(0.33%)	(3.08)	0.00%	-	54.45%	17.49	(3.51%)	169.30	1.51%	14.41

Note: The above figures are before eliminating intra group transactions.

As per our report of even date attached

For **MSKA & Associates**
Chartered Accountants
Firm Registration No.: T05047W

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

Vaijayantimala Belsare
Partner
Membership No.: 049902

Mr Arun Kumar Khetan
CEO & Whole time Director
DIN - 02744522

Mr Surender Singh
Director
DIN - 08206770

Mr Sunil Jain
Chief Financial Officer

Mr Ravindra Mishra
Company Secretary
Membership No. ACS 29159

Place : Mumbai
Date : September 25, 2020

Notice

NOTICE is hereby given that the Fourteenth Annual General Meeting of the members of MT Educare Limited will be held on Thursday, the 24th day of December, 2020 at 01.00 p.m., through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”), 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, 2020 including the Balance Sheet as at March 31, 2020, the Statement of Profit & Loss for the financial year ended on that date and the Reports of the Auditors and Directors thereon.
2. To Re-appoint M/s MGB & Co. LLP, Chartered Accountant (Firm Registration No. 101169W/W-100035), be appointed as statutory auditors of the Company to hold office from the conclusion of this 14th AGM until the conclusion of the 19th AGM:

“**RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) and re-enactment(s) thereof, for the time being in force) and pursuant to the resolution passed by the members at the Extra-ordinary General Meeting held on November 09th, 2020 M/s. MGB & Co. LLP, Chartered Accountants (Firm Registration No. 101169W/W-100035) be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this 14th Annual General Meeting (AGM) till the conclusion of 19th Annual General Meeting to be held for the financial year ending March 31, 2025 and to audit the financial statements of the Company for the financial years from 2020-21 to 2024-25; at such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to the reimbursement of service tax and actual out of pocket expenses incurred in connection with the audit of accounts of the Company.

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary of the Company be and are hereby severally authorized to do all acts and take all such steps, as may be necessary, proper or expedient to give effect to this resolution.”

SPECIAL BUSINESS:

3. 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 Rs.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, 2021 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.”

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 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), Mr Roshan Lal Kamboj (DIN:01076066) who was appointed as an Additional Director of the Company by the Board of Directors with effect from September 26, 2019 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 September 25, 2022”.

5. 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), Mr Dattatraya Kelkar (DIN:00118037) who was appointed as an Additional Director of the Company by the Board of Directors with effect from December 30, 2019 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 December 29, 2022”.

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 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), Ms.Nanette D’sa Ralph (DIN:05261531) who was appointed as an Additional Director of the Company by the Board of Directors with effect from March31, 2020 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 March30, 2023”.

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 149,152 and all other applicable provisions of the Companies Act, 2013 (‘the Act’) and the Rules framed thereunder and the applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Articles of Association of the Company, Mr. Arun Kumar Khetan (DIN -02744522), who was appointed by the Board of Directors, upon recommendation of the Nomination and Remuneration Committee, as an Additional Director of the Company with effect from April 23, 2020 and who holds office up to the date of this Annual General Meeting in terms of Section 161 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 of the Company, be and is hereby appointed as a Director of the Company, who would be liable to retire by rotation.”

8. 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 the Section 2(51), 2(94), 196, 197, 198 and 203 and all other applicable provisions of the Companies Act, 2013 (‘the Act’) read with schedule V to the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members be and is hereby accorded for the appointment of Mr. Arun Kumar Khetan (DIN - 02744522), as a Whole-time Director (designated as Executive Director) of the Company, for a period of 3 (three) years, from the date of appointment i.e. April23, 2020 to April22, 2023, on the terms and conditions including remuneration, as set out in the explanatory statement annexed to the Notice.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) be and is hereby authorized to fix, vary, reduce or amend the remuneration and other terms of his appointment from time to time, as it may deem expedient or necessary during the tenure of his appointment or generally to do and perform or cause to be done all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto, and to settle and finalize all issues that may arise in this regard, without further referring to the Members of the Company, including without limitation, finalizing and executing any agreement, deeds and such other documents as may be necessary and to delegate all or any of the powers vested or conferred herein to any Director(s) or Officer(s) of the Company as may be required to give effect to the above 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 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. Surender Singh (DIN:08206770), who was appointed as an Additional Director of the Company w.e.f. July 24, 2020 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 Non Independent Director of

the Company, whose office is liable to retire by rotation and eligible for re-appointment AND THAT Mr. Surender Singh 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 Non Independent Director or otherwise.”

By order of the Board

Place: Mumbai
Date: 25th November, 2020

Ravindra Mishra
Company Secretary
Membership No: A29159

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

Phone No: 022-25937700, 25937700 / 800 / 900,

Fax No: 022-25937799, 25937799

Website: www.mteducare.com

NOTES:

- As you are aware of the global situation arising due to COVID-19 pandemic and the subsequent lockdown imposed by the Government of India, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM only through VC/OAVM.
- Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- Institutional / Corporate Members (i.e. other than individuals / HUF, NRI, etc.) are required to send a certified scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Company at ravindramishra@mteducare.com by email through its registered email address.
- In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Further, the Notice calling the AGM has been uploaded on the website of the Company at www.mteducare.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. NSE Limited and BSE Limited. The AGM Notice is also disseminated on the website of NSDL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evoting.nsdl.com.
- The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
- Members may please note that since the AGM of the Company will be held through VC / OAVM, the Route Map is not annexed in this Notice.
- In pursuance of Regulation 42 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has notified closure of Register of Members and Share Transfer Books from Friday, 18th December, 2020 to Thursday, 24th December, 2020 (both days inclusive) for determining the names of Members eligible for the purpose of Annual General Meeting.
- Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Transfer Agents, Link IntimeIndia Private Limited (“Link Intime”) cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the Members.
- The MCA had notified provisions relating to unpaid/unclaimed dividend under Sections 124 and 125 of

Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed/claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to transfer the shares of shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the shareholders to encash/claim their respective dividend during the prescribed period. The details of the unpaid / unclaimed amounts lying with the Company are available on the website of the Company at www.mteducare.com and on MCA's website. The Member(s) whose dividend / shares are transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPF/refund.html>. The Company will transfer the unclaimed Dividend for FY 2013-14 to the IEPF as per table mentioned in point no. 16 of Corporate Governance (Dividend History & unclaimed Dividend). The Company requests the Members who have not claimed the dividend for the said year to encash the same before the due date.

11. 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 electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form should submit their PAN to the Company / Link Intime.
12. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be obtained from Link Intime.
13. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Link Intime, for consolidation into a single folio.
14. Non-Resident Indian Members are requested to inform Link Intime, immediately of:
 - A. Change in their residential status on return to India for permanent settlement.
 - B. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
15. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
16. Any change of particulars including address, bank mandate and nomination for shares held in Demat form, should be notified only to the respective Depository Participants where the Member has opened his/her Demat account. The Company or its share transfer agent will not act on any direct request from these Members for change of such details. However requests for any change in particulars in respect of shares held in physical form should be sent to Link Intime.
17. RBI vide its Circular No. DPSS. (CO). EPPD. No.191.04.01.01/2009-2010 dated July 29, 2009 has instructed banks to move to the NECS platform from October 1, 2009. Consequently you are requested to provide your new account number allocated to you. After implementation of Core Banking System by your Bank NECS credit to your old account may either be rejected or returned.

Please provide to the Share Registrars and Transfer Agents new Bank Account particulars along with a copy of the cheque duly cancelled by quoting your reference folio number in case of shares held by you in physical form. In case the shares are in Dematerialised form, you may kindly provide the same to your Depository Participant, so that your future dividend payments can correctly be credited to your new account.
18. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agent i.e. Link Intime. The equity shares of the Company are compulsorily traded in demat form. Members desirous of trading in the shares of the Company are requested to get their shares dematerialized.
19. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates.

For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company / Registrar and

Transfer Agent (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to rnt.helpdesk@linkintime.co.in. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to rnt.helpdesk@linkintime.co.in.

- 20.** The Company has listed its shares at NSE Limited and BSE Limited, Mumbai.

The Annual Listing Fees for Both the Stock Exchanges has been paid for the financial year 2019-2020.

- 21.** Members desiring any information as regards Accounts are requested to write to the Company, at least seven days before the date of the meeting so as to enable the Management to keep the information ready.

22. E-Voting:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e voting to its Members in respect of the business to be transacted at the 14th AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by NSDL.

The Members can join the AGM in the VC/DAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/DAVM will be made available to not more than 1000 members on first come first serve basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson

of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first serve basis.

The attendance of the Members attending the EGM/AGM through VC/DAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL

The Company has appointed Mr. Shravan A. Gupta, Practicing Company Secretary as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <http://mteudicare.com>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

- i) The remote e-voting period will commence on Saturday, 19th December, 2020 (9:00 a.m.) and will end on Wednesday, 23rd December, 2020 (5:00 p.m.). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, 16th December, 2020, may cast their vote by remote e-voting. The remote e-voting module will be disabled by NSDL for voting thereafter.
- ii) The voting rights of Members shall be in proportion

of their holding in the paid-up equity share capital of the Company as on the cut-off date i.e. Wednesday, 16th December, 2020.

- iii) Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date shall be entitled to vote. If a person was a Member on the date of the Book Closure as aforesaid but has ceased to be a Member on the cut-off date, he/she shall not be entitled to vote. Such person should treat this notice for information purpose only.
- iv) The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting and shall make, not later than forty eight hours from the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- v) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company, www.mteducare.com and on the website of NSDL e-Voting immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to NSE Limited and BSE Limited.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

The remote e-voting period begins on Saturday, December 19th, 2020 at 09:00 A.M. and ends on Wednesday, December 23rd, 2020 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

- Step 1:** Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>
- Step 2:** Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by

typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical

Your User ID is:

- | | |
|--|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID
For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID
For example if your Beneficiary ID is 12***** then your user ID is 12***** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company
For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |
5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

- c) How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all

the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs.shravangupta.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to Ms. Pallavi Mhatre or Mr. Amit Vishal at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned

copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to ravindramishra@mteducare.com.

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to ravindramishra@mteducare.com.

The Instructions For Members For E-Voting On The Day Of The Agm Are As Under:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

Instructions For Members For Attending The Agm Through Vc/Oavm Are As Under:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile

Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at ravindramishra@mteducare.com. The same will be replied by the company suitably.

Explanatory Statement Pursuant To Sections 102(1) Of The Companies Act, 2013

Item No. 2

Though not mandatory, this statement is provided for reference. M/s. MGB & Co LLP, Chartered Accountants (Firm Registration No. 101169W/W-100035) were appointed as statutory auditors of the company, w.e.f November 09th, 2020 to fill the casual vacancy caused by the resignation of Existing Auditor of the Company M/s MSKA & Associates to hold the office of the Statutory Auditor of the Company till the Conclusions of the 14th AGM.

Accordingly, as per the said requirements of the Act, M/s. MGB & Co. LLP, Chartered Accountants (Firm Registration No. 101169W/W-100035) is proposed to be appointed as statutory auditors of the company, for a period of 5 years, commencing from the conclusion of 14th AGM till the conclusion of the 19th AGM. M/s. MGB & Co. LLP, Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act.

They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

None of the Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item No. 2 of the notice. The Board recommends the Resolution at Item No.2 to be passed as an ordinary resolution.

Item No. 3

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, 2021 on a remuneration of Rs. 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. 3 of the Notice for ratification of the remuneration payable to the Cost Auditor for the Financial Year ending March 31, 2020.

Your Board recommends the ordinary resolution as set out in Item No. 3 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. 3

Item No. 4

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company appointed Mr. Roshan Lal Kamboj as an Additional Director of the Company in the category of Independent Director effective from September 26, 2019. Pursuant to the provisions of Section 161 of the Act and Article 101 of the Articles of Association of the Company, Mr. Roshan Lal Kamboj 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 Rs. 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, Mr. Roshan Lal Kamboj being appointed as an Independent Director recommended by the Nomination and Remuneration Committee at its meeting held on September 26, 2019, the requirement of deposit of amount for his candidature does not arise.

The Company has received from Mr. Roshan Lal Kamboj (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 Mr. Roshan Lal Kamboj as an Independent Director of the Company, not liable to retire by rotation, for a period of three (3) years commencing from September 26, 2019 until September 25, 2022. In the opinion of the Board, Mr. Roshan Lal Kamboj fulfils 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 Mr. Roshan Lal Kamboj 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 Mr. Roshan Lal Kamboj are provided as below:

Name of Director	Roshan Lal Kamboj
Directors Identification Number (DIN)	01076066
Date of Appointment	26/09/2019
Qualification	Graduate
Expertise in Specific functional Areas	Mr. Roshanlal Khamboj is a Commerce Graduate. He is an Industrialist and serves as a Whole time Director of Gold Laminates (India) Limited. Further, he is also a Partner and Producer in Roshan Lal and Ravi Raj creations. He is not associated or related to any of the directors of the Company.
No. of Equity Shares held	Nil
Directorships Held in Indian Public Companies as on date of Notice	3
Relationship with any other Director inter-se	NA

Accordingly, the Board of Directors recommends the Ordinary Resolution at Item no. 4 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. Roshan Lal Kamboj (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. 5

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company appointed Dr. Dattatraya Kelkar as an Additional Director of the Company in the category of Independent Director effective from December 30, 2019. Pursuant to the provisions of Section 161 of the Act

and Article 101 of the Articles of Association of the Company, Dr. DattatrayaKelkar 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 Rs. 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. DattatrayaKelkar being appointed as an Independent Director recommended by the Nomination and Remuneration Committee at its meeting held on December 30, 2019, the requirement of deposit of amount for his candidature does not arise.

The Company has received from Dr. DattatrayaKelkar (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. DattatrayaKelkar as an Independent Director of the Company, not liable to retire by rotation, for a period of three (3) years commencing from December 30, 2019 until December 29, 2022. In the opinion of the Board, Dr. DattatrayaKelkar fulfils 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. DattatrayaKelkar 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. DattatrayaKelkar are provided as below:

Name of Director	DattatrayaKelkar
Directors Identification Number (DIN)	00118037
Date of Appointment	30/12/2019
Qualification	Graduation
Expertise in Specific functional Areas	Mr. Dattatraya R Kelkar is a Arts Graduate from Rajaram College. Coming from an HR Background and also served as a Director of real estate venture promoted by the Kirloskar Group. From last 33 years he has been engaged in his own business in the fields of real

estate, manufacturing and trading. He is not associated or related to any of the directors of the Company.

No. of Equity Shares held	Nil
Directorships Held in Indian Public Companies as on date of Notice	2
Relationship with any other Director inter-se	NA

Accordingly, the Board of Directors recommends the Ordinary Resolution at Item no. 5 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. DattatrayaKelkar (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. 6

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company appointed Ms. Nanette D'sa Ralph as an Additional Director of the Company in the category of Independent Director effective from March 31, 2020. Pursuant to the provisions of Section 161 of the Act and Article 101 of the Articles of Association of the Company, Ms. Nanette D'sa Ralph 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 Rs. 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, Ms. Nanette D'sa Ralph being appointed as an Independent Director recommended by the Nomination and Remuneration Committee at its meeting held on March 31, 2020, the requirement of deposit of amount for his candidature does not arise.

The Company has received from Ms. Nanette D'sa Ralph (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 Ms. Nanette D'sa Ralph as an Independent Director of the Company, not liable to retire by rotation, for a period of three (3) years commencing from March 31, 2020 until March 30, 2023. In the opinion of the Board, Ms. Nanette D'sa Ralph fulfils 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 Ms. Nanette D'sa Ralph 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 Ms. Nanette D'sa Ralph are provided as below:

Name of Director	Nanette D'sa Ralph
Directors Identification Number (DIN)	05261531
Date of Appointment	30/12/2019
Qualification Expertise in Specific functional Areas	Masters in Marketing Ms. Nanette D'Sa has approx. 3 decades of rich experience in Academics, Business, Marketing, Branding, Franchising and Licensing with leadership roles in organizations she has worked with including the Education sector. She has done her EDP from Northwestern University, USA and has a Masters in Marketing Management from NMIMS. She has been recognized as an Achiever for marketing, licensing and franchising with several awards and has been associated with international brands like Disney, Mattel, Star TV and leading Indian brands, Pre-schools with Brainworks (a Kangaroo Kids associated company) and Sanjeev Kapoor Restaurants.
No. of Equity Shares held	Nil
Directorships Held in Indian Public Companies as on date of Notice	3
Relationship with any other Director inter-se	NA

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 Ms. Nanette D'sa Ralph (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 & 8

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors on April 23, 2020 approved the induction of Mr. Arun Kumar Khetan (DIN: 02744522), who was hitherto working as Chief Executive Officer (CEO) of the Company w.e.f April 15th, 2020.

Pursuant to Section 161(1) of the Act, Mr. Arun Kumar Khetan holds office as an Additional Director till this AGM. The Company has received appropriate notice from a member proposing appointment of Mr. Arun Kumar Khetan as a Director of the Company and requisite consent has been received from Mr. Arun Kumar Khetan, pursuant to Section 152 of the Act for the said appointment. Mr. Arun Kumar Khetan is not debarred from holding the office of Director pursuant to any SEBI order or any other such authority.

As per the provision(s) of the Act, an 'Executive Director' means a 'Whole-Time Director' and 'Whole-Time Director' includes a Director in the whole-time employment of the Company. Accordingly, your Board, basis the recommendation of the Nomination and Remuneration Committee, appointed Mr. Arun Kumar Khetan as an Executive Director (in the capacity of Whole-time Director) of the Company, subject to your approval and such other regulatory approval(s), as may be required in this context.

Mr. Arun Kumar Khetan is an Independent Professional without any direct or indirect interest in the share capital of the Company and/or its subsidiary (ies) and is not related to any of the Directors or Promoters of the Company or its subsidiary (ies).

Mr. Arun Kumar Khetan is also working as the Chief Executive Officer of your Company in the category of Whole-time Key Managerial Personnel with effect from April 15, 2020 and April 23rd, 2020 respectively. He has experience of over 3 decade in leading Manufacturing, Media, Education & Real-state Industries. Some of his key leadership stints included working with Lodha Group as a Consultant in Director's office, Sports Education Development India Limited & Physical Education & Sports Solutions Pvt Ltd as Chief Executive Officer (Consultant), New Age Knowledge Solutions Ltd as CEO & Managing Director, Educomp Solution Limited as President (Education Projects), Zee Interactive Learning Systems as Chief Executive Officer, Zee Entertainment Enterprises Limited as Vice President Finance & Accounts and Ralliwolf Limited as General Manager Finance & Accounts.

The Board proposes to appoint Mr. Arun Kumar Khetan as an Executive Director (in Whole-time capacity) of the Company, for

a period of 3 years from April 23, 2020 to April 22, 2023, liable to retire by rotation.

Pursuant to the provision of Section 196 of the Act, the appointment of a whole-time director including the terms and conditions thereof is required to be approved by the members of the Company.

The information / statements pertaining to the terms and conditions of the appointment of Mr. Arun Kumar Khetan including remuneration thereof and information / statements pursuant to Paragraph (B) of Section II of Part II of Schedule V of the Act are given hereunder:

I. General Information:

- a) Nature of Industry: MT Educare Ltd (a subsidiary of Zee Learn Ltd and an integral part of the prestigious Essel Group) is one of the leading education support and coaching services provider in School, Science and Commerce streams. Based out of Maharashtra (headquartered in Mumbai), MTEL has significant presence in Gujarat and Maharashtra in Western India; Karnataka, Tamil Nadu, Andhra Pradesh & Telangana in Southern India; Punjab, Haryana & Uttar Pradesh in Northern India; Assam, Meghalaya, Manipur & Arunachal Pradesh in Eastern (North East) India. MT Educare offers specialized coaching from Class VIII to Class XII along-with national level examinations like the JEE Advanced and Mains as well as State-level exams (MHT-CET, K-CET, EAM-CET) for Engineering, NEET & AIIMS for Medical, Foundation / Intermediate / Final for CA & commerce, CAT/CET for MBA aspirants, Skill Development courses to deprived youth and civil services' exams.
- b) Date or expected date of commencement of commercial production: Not applicable (Company is an existing company which started its production on August 19, 2006)
- c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
- d) Financial Performance based on given indicators: For Financial Year 2019-20 (Rs. In Lakhs)

Total Revenue	14,668
EBIDTA	4,119
Profit Before Taxes	(4,700)
Profit After Taxes	(5,230)
Basic/Diluted (In Rs.)	(7)
Total Assets	35,914
Shares Outstanding (No.)	72,228,054

The detailed balance sheet, profit & loss account and other financial statement forms part of the Annual Report 2019-20.

- e) Foreign investments or collaborations, if any: Nil

II. Information About Appointee:

- a. Background details: Mr. Arun Kumar Khetan is a Chartered Accountant with over 3 decades of Post Qualification experience with significant business management experience in leading Manufacturing, Media, Education & Real-state Industries. Some of his key leadership stints included working with Lodha Group as a Consultant in Director's office, Sports Education Development India Limited & Physical Education & Sports Solutions Pvt Ltd as Chief Executive Officer (Consultant), New Age Knowledge Solutions Ltd as CEO & Managing Director, Educomp Solution Limited as President (Education Projects), Zee Interactive Learning Systems as Chief Executive Officer, Zee Entertainment Enterprises Limited as Vice President Finance & Accounts and Ralliwolf Limited as General Manager Finance & Accounts.
- b. Past Remuneration: Nil as the Company has proposed to Pay Mr. Arun Kumar Khetan as Chief Executive Officer of the Company with an additional role of Whole Time Director of the Company without any extra pay.
- c. Recognition or Awards: Nil
- d. Job Profile and its suitability:

Mr. Arun Kumar Khetan devotes his whole time and attention to the business of the Company and perform such duties as may be entrusted to him by the Board, from time to time, and separately communicated to him and exercise such powers as may be assigned to him, subject to the superintendence, control and direction of the Board in connection with and in the best interests of the business of the Company, including performing duties as assigned by the Board, from time to time, of serving on the Boards of such associated companies and / or subsidiaries or any other executive body or any Committee of such company. In view of Mr. Arun Kumar Khetan's rich experience, dynamism and recognition, the Board of Directors of the Company believes that Mr. Arun Kumar Khetan would be the most suitable person to be appointed as Executive Director of the Company. Mr. Arun Kumar Khetan brings along with him an unparalleled industry insight, exemplary managerial capability and domain expertise which will continue to help the Company achieve its desired objectives and will continue to take progressive strides for the progress of the Company as well as the Education industry.

- e. Remuneration Proposed: Mr. Arun Kumar Khetanis receiving remuneration from the Company in the capacity of Chief Executive Officer of the Company and on his appointment as the Executive Director with effect from April 23, 2020, the Board decided that Mr. Arun Kumar Khetan will not be paid any extra remuneration to work as Whole Time Director of the Company, however the remuneration drawn by him hitherto as Chief Executive Officer, is as under:

Fixed CTC: Rs 60.00 lakhs p.a.;
Annual Performance Pay: Rs. 15.00 lakhs p.a.
TCTC: Rs. 75.00 lakhs p.a.

In addition to the above TCTC he shall also be eligible for below perquisites as under:

- a) Mr. Arun Kumar Khetan will also be provided with a 2 BHK company accommodation with a maximum rent outgo of Rs 50,000 per month during the terms of his employment. The rent would be paid by the Company to the Landlord along with the security deposit.
- b) On Medical Insurance, the employee has to bear the insurance premium for their dependent parents, however for self, spouse and two dependent children's there an upper limit on coverage of Rs 4 lakhs premium on which is borne by Company.

Other Terms and Conditions:

- In the event of absence or inadequacy of profits in any financial year during the tenure, Mr. Arun Kumar Khetan shall be entitled for remuneration upto double of minimum remuneration (as specified in clause A and B of Section II of Schedule V read with Section 196 and 197 of the Act by way of Fixed and variable pay as may be approved by the members.
- The Board of Directors be and is hereby authorised to determine any merit based revisions from time to time within the range of Rs. 75.00 Lakhs to Rs. 1.10 Lakhs.
- No sitting fees shall be paid for attending the meetings of the Board of Directors or Committees thereof.
- Mr. Arun Kumar Khetan shall be eligible for Stock Options as per policy of the Company.
- The terms of appointment shall be subject to retirement by rotation.

- All other existing terms and conditions as approved by Board shall remain valid for the period of proposed appointment.

- f. Comparative Remuneration profile with respect to industry, size of the Company, profile of the position and person:

Operating in the business of Education, the business is highly capital intensive in nature requiring large out-flows of funds. Therefore, the Company requires strong and exceptionally proven and experienced managerial personnel to monitor and successfully manage the interest of the Company. Mr. Arun Kumar Khetan's experience and the contributions to the Company's business and keeping in view the similar or higher levels of remuneration in India at these levels, the remuneration proposed is moderate in comparison to the remuneration packages of similar senior level personnel in other similar Companies in the Industry.

The Nomination and Remuneration Committee perused remuneration of managerial persons in the industry and other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mr. Arun Kumar Khetan, before approving the remuneration as proposed hereinabove.

- g. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Mr. Arun Kumar Khetan has no other pecuniary relationship with the Company or with the managerial personnel, except the remuneration being paid to him as Chief Executive Officer of the Company.

III. Other Information:

- a. Reasons for loss or inadequate profit:
The reasons for Revenue decline can be attributed mainly to the following two factors:
 - (i) The overall enrolment registered a decline of approx. 15% to 16% in its coaching business in comparison to previous year;
 - (ii) Under specific Govt. project, in Q4 of each year, we coach students mainly in second half of March month. But this year, we were not able to coach students for any significant hours in Q4 of FY-20 due to Covid-related lockdown predicament which was prevailing since mid of March 2020.
- b. Steps taken or proposed to be taken for improvement:

MT Educare Limited footprint is largely Brick & Mortar COCO Model, however due to Covid-19 impact future outlook is still unpredictable as we may have to continue to co-exist with Covid-19 for next 1 to 2 years or even beyond. Going forward the Company would also like to add Hybrid Model to further leverage its existing footprint and simultaneously also exploring to get into Live Online Classes thereby gradually to move the delta towards blended learning model (mix of offline and online). Relevant strategy is also being worked upon to partially shift the focus from COCO centre model to strategically integrated FOFO/FOCO model to further expand its footprint.

- c. Expected increase in productivity and profits in measurable terms:

Under the leadership of Mr. Arun Kumar Khetan, the Company has commenced its journey towards creating a positive environment, with various measures to operate through Online mode and will start physical mode (as soon as possible, after removal of various restriction on account of COVID-19 Pandemic). The Company expects to continue with the performance level it has achieved in the previous year. This is expected to impact the overall profit on a positive basis.

The terms and conditions of his appointment including the Remuneration may be altered and varied by the Board within the overall limit approved by the Members. Further, in the event of loss or inadequacy of profits in any financial year, the remuneration along with variable pay as detailed herein (with such increase as may be approved by the Board, within overall limit) will be payable as minimum remuneration subject to the provisions of Schedule V of the Act.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Act.

All documents referred to in the above item will be available for inspection at the Company's Registered Office for inspection on all working days, except Saturdays, Sundays and Public Holidays, between 2.00 PM to 4.00 PM up to the date of the AGM.

A brief profile and other information as required under Regulation 36 of the Listing Regulations and Secretarial Standard-2 issued by ICSI is provided in Corporate Governance Report. Your Board recommends the Ordinary Resolution and Special Resolution as set out in Item No. 7&8 respectively, for your approval.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives, except Mr. Arun Kumar Khetan (whose appointment is proposed in this resolution) are in any way concerned or interested in the resolution.

Item No. 9:

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company appointed Mr. Surender Singh with effect from July 24, 2020 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. Surender Singh as a Director (categorised as 'Non-Executive Non-Independent Director') of the Company. Mr. Surender Singh 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. Surender Singh are provided as below:

Name of Director	Surender Singh
Directors Identification Number (DIN)	08206770
Date of Appointment	24/07/2020
Qualification	Post Graduation
Expertise in Specific functional Areas	Mr. Surender Singh, BA (Hon's) in Political Science and MA in History, is a Retired IPS with experience in all matters pertaining to Security management including cyber security and forensic; risk analysis; data analysis; intelligence; security audit; protection of intellectual property and people/ asset management.

Apart from the education qualification mentioned above and after graduating from the National Police Academy, Hyderabad, Mr. Singh had attended many courses / development programs including inter alia Course of Indian Revenue Services - Income tax, Basic course at Civil Defence & Fire Service, Management Development Program at Indian Institute of Public Administration, Overseas Command Course at Wakefield, UK; Major Case Management Course at Washington DC under the aegis of Federal Bureau of Investigation (FBI) etc.

Mr. Surender Singh had an illustrious career of over three

decades in Indian Police Services (IPS), including inter alia as

- Head/Joint Director/ Additional Director/Special Director of Intelligence Bureau;

- First Secretary (Consular) in the High Commission of India at Dhaka- Bangladesh;

- Director General of CISF etc

During his professional career, Mr. Singh was awarded India Police Medal for Meritorious Service (2001) and President's Police Medal for Distinguished Service (2007).

Presently, Mr. Singh hold Directorship in Mobius Research and Knowledge Services India Private Limited. Mr. Singh does not hold any shares in the Company.

No. of Equity Shares held	Nil
Directorships Held in Indian Public Companies as on date of Notice	3
Relationship with any other Director inter-se	NA

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 Mr. Surender Singh (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

Ravindra Mishra
Company Secretary
Membership No: A29159

Place: Mumbai
Date: 25th November, 2020

Registered Office:
220, Flying Colors, 2nd Floor,
Pandit Din Dayal Upadhyay Marg,
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Mumbai - 400080

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