

May 27, 2019

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

Dear Sir/ Madam,

**Sub: Clarification to the Exchange in terms of the provisions of Regulation 30 of the Listing Regulations, 2015**

**Ref: E-mail from BSE Ltd and National Stock Exchange of India Ltd dated May 22, 2019**

With reference to the captioned subject we hereby state that MT Educare Limited being a highly reputable company follows all corporate governance norms. The allegations of the whistle-blower on the Company and it's Statutory Auditor M/s MSKA & Associates are malafide, baseless and done with the intention to damage the reputation.

We would like to clarify that the Company, in ordinary course of business has provided an amount of Rs.66,00,00,000 crores (Rupees Sixty Six crores only) to one of the vendor i.e Interria Multibiz Pvt. Ltd. as refundable interest bearing security deposit. The aforesaid amount is given in due compliance with the relevant rules and regulations of Companies Act, 2013 and is accounted as per Indian Accounting Standards, as applicable.

The above referred transaction is purely a Balance Sheet item which does not have any impact on Profit & Loss Account of the Company and hence there is no question of over reporting of profit. MT Educare Limited on consolidated level has made profit after tax of Rs. 4.75 Crores in Q4 FY19.

We would further like to clarify that Deferred Tax Assets (DTA) reflected in the balance sheet was created in FY 2017-18 on account of creation of Provision for doubtful debts and difference in WDV of assets. Closing balance of DTA as on 31-03-2018 was Rs. 91.01 Crores. In FY 2018-19, on account of profits in the company there was reversal of DTA and hence the DTA balance as on 31st March, 2019 came down to Rs. 86.74 Crores. Hence the whistle blower allegation about



company suffering losses on account of deferred tax is false, baseless and without any substance.

The Company is regular in making appropriate disclosures, in accordance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We hereby once again deny all the allegations on the company.

Kindly take the above on record.

Thanking you

Yours faithfully,

**For MT Educare Limited**



**Mandar Chavan**

**Company Secretary**

