

Ref: MTEL/2020-21/022

December 15, 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: Outcome of Board Meeting held on December 15, 2020

This is to inform you that the Board of Directors of the Company at its meeting held today i.e., on December 15, 2020 at 03.15 p.m. and concluded at 06.00 p.m. has:

- 1) Approved Un-audited Financials Results (Standalone and Consolidated) of the Company for the Second quarter and half year of the financial year 2020-21 ended on September 30, 2020 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We hereby enclose:

- a. Un-audited financial Results and Limited Review Report (Standalone and Consolidated) for the second quarter and half year ended on September 30, 2020 as per Regulation 33 of the Listing Regulations.

This is for your information and records.

Thanking you.

Yours faithfully,

For MT Educare Limited



Ravindra Mishra
Company Secretary

Encl: As above





MT EDUCARE LTD.

R. O. : 220, 2nd Flr., "FLYING COLORS", Pandit Din Dayal Upadhyay Marg,
L. B. S. Cross Road, Mulund (W), Mumbai - 400 080.
Ph. : 022-25937700 / 800 / 900 | Fax: 022-25937799
CIN : L80903MH2006PLC163888
Email : info@mteducare.com
Website : www.mteducare.com

Statement of Standalone Unaudited Financial Results for the Quarter and Half Year ended September 30, 2020

Sr. No.	Particulars	(Rs. in Lakhs, except EPS data)					
		Quarter Ended September 30, 2020	Quarter Ended June 30, 2020	Quarter Ended September 30, 2019	Half Year Ended September 30, 2020	Half Year Ended September 30, 2019	Year Ended March 31, 2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	Revenue from operations	1,601.59	1,399.01	4,436.26	3,000.60	8,822.15	14,668.23
	Other income	779.68	420.92	671.49	1,200.60	1,288.64	2,133.69
	Total income	2,381.27	1,819.93	5,107.75	4,201.20	10,110.79	16,801.92
2	Expenses						
	Direct expenses (Refer note 4)	868.10	456.82	1,990.06	1,324.92	4,133.33	6,854.45
	Employee benefits expense	445.35	505.22	648.81	950.57	1,573.06	2,889.90
	Finance costs	351.68	313.38	544.67	665.06	1,066.03	1,981.50
	Depreciation and amortisation expense	597.81	694.30	870.09	1,292.11	1,744.84	3,722.49
	Other expenses	519.26	473.24	644.61	992.50	1,223.48	2,938.61
	Total expenses	2,782.20	2,442.96	4,698.24	5,225.16	9,740.74	18,386.95
3	Profit/(loss) from ordinary activities before exceptional items and tax (1-2)	(400.93)	(623.03)	409.52	(1,023.96)	370.05	(1,585.03)
4	Exceptional items	-	-	-	-	-	3,114.65
5	Profit/(loss) before tax for the period/year (3-4)	(400.93)	(623.03)	409.52	(1,023.96)	370.05	(4,699.68)
6	Tax expense/(credit)	(16.63)	(181.14)	150.49	(197.77)	136.34	530.32
7	Net Profit / (Loss) for the period/year after tax (5-6)	(384.31)	(441.89)	259.03	(826.19)	233.71	(5,230.00)
8	Other comprehensive income (including tax effect)						
	Items that will not be reclassified to profit and loss (net of tax)	36.18	(11.68)	(10.25)	24.50	(6.43)	(46.74)
9	Total comprehensive income/(loss) for the period/year (7+8)	(348.12)	(453.57)	248.78	(801.69)	227.28	(5,276.74)
10	Paid up equity share capital (Face Value Rs. 10 per share)	7,222.81	7,222.81	7,222.81	7,222.81	7,222.81	7,222.81
11	Other equity						9,626.23
12	Earnings per share (Face Value of Rs. 10 each) (Not annualised for the interim period):						
	Basic	(0.53)	(0.61)	0.36	(1.14)	0.32	(7.24)
	Diluted	(0.53)	(0.61)	0.36	(1.14)	0.32	(7.24)

For and on behalf of the Board of Directors

Arun Khetan
Arun Khetan
CEO and Whole-time Director
DIN 02744522

Sujeet Chaudhary
Sujeet Chaudhary
CFO



Mumbai, December 15, 2020



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Unaudited Standalone Statement of Assets and Liabilities as at September 30, 2020

Particulars	(Rs. in Lakhs)	
	As at September 30, 2020	As at March 31, 2020
	Unaudited	Audited
ASSETS		
Non-current assets		
Property, plant and equipment		
Right of use assets	1,647.78	1,865.26
Capital work-in-progress	6,318.06	7,270.23
Intangible assets	0.54	0.54
Intangible assets under development	131.61	213.70
Financial Assets	12.16	11.96
- Investments		
-Loans	3,144.96	3,144.96
Deferred tax assets (net)	2,500.04	2,470.79
Other non-current assets	7,978.95	7,791.25
Other non-current assets	1,149.08	1,122.03
Total non-current assets	22,883.18	23,890.72
Current assets		
Financial Assets		
-Investments		
-Trade receivables	429.07	887.78
- Cash and cash equivalents	2,505.65	2,535.36
- Bank Balances other than Cash and Cash Equivalents	194.43	108.19
-Loans	518.76	518.33
-Other financial assets	1,898.26	1,967.38
Other current assets	6,127.96	5,817.04
Other current assets	192.78	188.74
Total current assets	11,866.91	12,022.82
TOTAL ASSETS	34,750.09	35,913.54
EQUITY AND LIABILITIES		
Equity		
Equity share capital		
Other equity	7,222.81	7,222.81
Total equity	8,824.53	9,626.23
Liabilities		
Non-current liabilities		
Financial Liabilities		
- Borrowings		
- Other financial liabilities (including lease liabilities)	1,262.34	1,668.15
Provisions	4,742.93	5,592.91
Other non-current liabilities	409.06	408.36
Other non-current liabilities	175.08	211.32
Total non-current liabilities	6,589.41	7,880.74
Current liabilities		
Financial Liabilities		
- Trade payables		
Outstanding dues of micro enterprises and small enterprises	60.55	60.44
Outstanding dues of creditors other than micro and small enterprises	5,103.54	3,842.20
- Other financial liabilities (including lease liabilities)	5,269.64	5,186.68
Provisions	145.04	136.93
Other current liabilities	1,534.57	1,957.51
Total current liabilities	12,113.34	11,183.76
Total liabilities	18,702.75	19,064.50
TOTAL EQUITY AND LIABILITIES	34,750.09	35,913.54

For and on behalf of the Board of Directors

Arun Khetan
CEO and Whole-time
Director
DIN 02744522

Sujeet Chaudhary
CFO

Mumbai, December 15, 2020





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Notes to the Statement of Standalone and Consolidated Unaudited Financial Results for the Quarter and Half year ended September 30, 2020:

- 1 These results have been prepared in accordance with the Indian Accounting Standards (INDAS) notified under Companies Indian Accounting Standards Rules, 2015.
- 2 The above Standalone and Consolidated Unaudited Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on December 15, 2020.
- 3 The Group is primarily engaged in one business segment namely coaching services as determined by the chief operating decision maker in accordance with IND AS 108 - "Operating Segments".
- 4 Direct expenses mainly includes fees paid to visiting faculties, purchase and printing of study material which is issued to students as a part of course material, center related utilities etc.
- 5 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. The public shareholding of MTEL falls short of the required Minimum Public Shareholding by 2.47% as at September 30, 2020. Subsequently, Mr Mahesh Shetty has complied with MPS requirements on October 27, 2020.

6 Note on COVID -19

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 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 results, 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 results 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.

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

Mumbai, December 15, 2020

For and on behalf of the Board of Directors


Arun Khetan
CEO and Whole-time Director
DIN 02744522


Sujeet Chaudhary
CFO



MT Educare Limited
Unaudited Standalone Statement of Cash Flows for the Half Year ended September 30, 2020

Particulars	(Rs. in Lakhs)	
	For the half year ended 30 September, 2020	For the year ended 31 March, 2020
	Unaudited	Audited
A. Cash flow from operating activities		
Net Profit/(Loss) before tax		
Adjustments for:	(1,023.97)	(4,699.68)
Depreciation and amortisation		
Interest income	1,292.11	3,722.49
Finance Costs	(817.92)	(1,592.86)
Net gain on sale of investments	665.06	1,981.50
Net gain on fair value changes	(2.71)	(9.47)
Net loss on sale of property, plant and equipment	(8.58)	(8.31)
Allowance for doubtful debts and advances	(0.34)	27.24
Bad debts written off	606.57	3,285.57
Net loss on foreign exchange transactions and translations	-	390.39
Operating profit before working capital changes		0.69
Changes in working capital:	710.22	3,097.55
Decrease/(Increase) in trade receivables and other assets	(421.49)	(1,386.28)
(Decrease)/Increase in trade payables and other liabilities and provisions	(567.36)	622.71
Cash (used in)/generated from operations	(278.63)	5,800.97
Net income tax paid	(27.55)	(104.74)
Net cash (used in)/generated from operating activities (A)	(306.18)	5,696.23
B. Cash flow from investing activities		
Proceeds from sale of property, plant and equipment	0.90	1.39
Purchase of property, plant and equipment/ Intangible assets (including capital advances)	(7.83)	(171.82)
Sale of current investments	469.57	1,025.00
Purchase of current investments	-	(1,650.00)
Loans and advances (given)/received back	327.00	2,760.66
Interest received	-	537.77
Net cash flow (used in)/generated from investing activities (B)	789.64	2,503.00
C. Cash flow from financing activities		
Proceeds/(Repayment) from non-current borrowings	-	(4,181.88)
Proceeds/(Repayment) from current borrowings	-	(110.67)
Payment of Principal lease liability	(176.17)	(2,031.01)
Interest paid on lease liability	(92.19)	(1,000.98)
Finance cost paid	(128.87)	(986.68)
Net cash flow (used in)/generated from financing activities (C)	(397.23)	(8,311.21)
Net increase/(decrease) in Cash and cash equivalents (A+B+C)	86.23	(111.99)
Cash and cash equivalents at the beginning of the period	108.19	220.18
Cash and cash equivalents at the end of the period	194.43	108.19



Independent Auditor's Review Report on the Quarterly / Half Yearly Unaudited Standalone Financial Results of MT Educare Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
MT Educare Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of **MT Educare Limited** (the "Company") for the quarter and half year ended 30 September 2020 ("the Statement") being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of Companies Act, 2013 read with rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. **Basis of qualified conclusion**
(a) The Company has recognized net deferred tax assets of Rs. 7,978.95 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, 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 the Management's assessment of recognition of deferred tax assets as at 30 September 2020. Had the deferred tax asset not been recognized the loss for the quarter and half year ended 30 September 2020 would have been higher by Rs. Rs. 7,978.95 lakhs and total equity would have been lower by Rs. 7,978.95 lakhs.



(b) 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 half year ended 30 September 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 Statement.

5. Qualified conclusion

Based on our review conducted as stated in paragraph 3 above, except for the effects/possible effects of our observation in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard (Ind AS) and other recognised accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. The comparative Ind AS financial information of the Company for the corresponding quarter and half year ended 30 September 2019 included in these standalone Ind AS financial results were reviewed by the predecessor auditor who expressed unmodified conclusion / opinion on the financial information and financial statements on 14 November 2019. The Ind AS financial information of the Company for the quarter ended 31 March 2020 and Ind AS financial statements of the Company for the year ended 31 March 2020 included in these standalone Ind AS financial results were also audited by predecessor auditor who expressed a modified conclusion / opinion on the financial information and financial statements on 25 September 2020.

7. Emphasis of matter

We draw attention to Note 6 to the Statement, which explains the management's evaluation of the financial impact on the Company due to lockdown and other restrictions imposed on account of COVID-19 pandemic situation. The assessment of the impact on the subsequent period is highly subjective and is dependent upon circumstances as they evolve.

Our opinion is not modified in respect of the above matter.

For **MGB & Co. LLP**

Chartered Accountants

Firm Registration Number: 101169W/W-100035




Sanjay Kothari

Partner

Membership Number 048215

Mumbai, 15 December 2020

UDIN: 20048215AAAAKA9771

MT EDUCARE LTD.

Statement of Consolidated Unaudited Financial Results for the Quarter and Half Year ended September 30, 2020

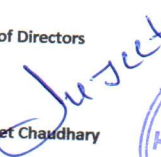
Sr. No.	Particulars	Quarter Ended September 30, 2020	Quarter Ended June 30, 2020	Quarter Ended September 30, 2019	Half Year Ended September 30, 2020	Half Year Ended September 30, 2019	Year Ended March 31, 2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	Revenue from operations	3,498.94	2,335.09	6,440.78	5,834.03	12,707.87	20,516.47
	Other income	926.22	585.46	826.39	1,511.68	1,637.79	2,626.19
	Total income	4,425.16	2,920.55	7,267.17	7,345.71	14,345.66	23,142.66
2	Expenses						
	Direct expenses (Refer note 4)	1,795.73	887.81	2,984.13	2,683.54	6,085.50	10,389.06
	Employee benefits expense	460.82	548.69	767.51	1,009.51	1,798.39	3,192.73
	Finance costs	430.66	415.06	657.44	845.72	1,262.86	2,403.24
	Depreciation and amortisation expense	697.75	779.61	986.43	1,477.36	1,945.46	4,287.99
	Other expenses	655.52	573.37	1,098.15	1,228.89	1,946.20	3,637.59
	Total expenses	4,040.48	3,204.54	6,493.66	7,245.02	13,038.41	23,910.61
3	Profit/(loss) from ordinary activities before exceptional items and tax (1-2)	384.68	(283.99)	773.51	100.69	1,307.25	(767.95)
4	Exceptional items	-	-	-	-	-	3,114.65
5	Profit/(loss) before tax for the period/year (3-4)	384.68	(283.99)	773.51	100.69	1,307.25	(3,882.60)
6	Tax expense/(credit)	378.93	(94.51)	242.09	284.42	375.29	710.78
7	Net Profit/(loss) for the period/year after tax attributable to the shareholders of the company (5-6)	5.75	(189.48)	531.42	(183.73)	931.96	(4,593.38)
8	Other comprehensive income (including tax effect)						
	Items that will not be reclassified to profit and loss (net of tax)	32.33	(8.97)	(11.87)	23.36	(6.43)	(35.89)
9	Total comprehensive income for the period/year(7+8)	38.08	(198.45)	519.55	(160.37)	925.53	(4,629.27)
10	Paid up equity share capital (Face Value Rs. 10)	7,222.81	7,222.81	7,222.81	7,222.81	7,222.81	7,222.81
11	Other equity						10,063.39
12	Earnings per share (Face Value of Rs. 10 each) (Not annualised for the interim period):						
	Basic	0.01	(0.26)	0.74	(0.25)	1.29	(6.36)
	Diluted	0.01	(0.26)	0.73	(0.25)	1.29	(6.36)

Unaudited Consolidated Statement of Assets and Liabilities as at September 30, 2020

Particulars	(Rs. in Lakhs)	
	As at September 30, 2020	As at March 31, 2020
	Unaudited	Audited
ASSETS		
Non-current assets		
Property, plant and equipment		
Right of use assets	4,528.30	3,790.61
Capital work-in-progress	3,581.56	4,555.71
Investment Property	0.54	676.11
Goodwill	3,485.04	3,868.06
Other Intangible assets	1,627.52	1,627.52
Intangible assets under development	142.37	244.59
Financial Assets	12.16	11.96
- Investments		
- Loans	0.34	0.34
Deferred tax assets (net)	6,288.75	6,421.87
Non-current tax assets	8,368.30	8,154.54
Other non-current assets	1,259.58	1,502.84
	1.28	1.78
Total non-current assets	29,295.74	30,855.93
Current assets		
Financial Assets		
- Investments		
- Trade receivables	429.07	642.78
- Cash and cash equivalents	3,315.76	3,593.36
- Bank Balances other than Cash and Cash Equivalents	763.90	340.73
- Loans	690.30	686.52
- Other financial assets	3,112.28	2,389.65
Other current assets	5,059.44	3,578.33
Asset classified as held for sale	309.64	545.04
Total current assets	13,680.39	11,840.66
TOTAL ASSETS	42,976.13	42,696.59
EQUITY AND LIABILITIES		
Equity		
Equity share capital		
Other equity	7,222.81	7,222.81
Total equity	9,903.02	10,063.39
Liabilities		
Non-current liabilities		
Financial Liabilities		
- Borrowings		
- Other financial liabilities (including lease liabilities)	5,829.32	6,217.35
Provisions	1,934.80	2,855.35
Other non-current liabilities	428.60	432.44
Total non-current liabilities	342.26	322.39
Current liabilities		
Financial Liabilities		
- Trade payables		
Outstanding dues of micro and small enterprises	77.02	75.37
- Other financial liabilities (including lease liabilities)	6,091.26	5,468.97
Provisions	7,828.63	6,283.71
Other current liabilities	212.19	183.85
Current tax liabilities	2,772.98	3,559.35
Total current liabilities	333.24	11.59
Total liabilities	17,315.32	15,582.86
TOTAL EQUITY AND LIABILITIES	25,850.30	25,410.39
	42,976.13	42,696.59

For and on behalf of the Board of Directors


Arun Khetan
CEO and Whole-time
Director
DIN 02744522


Sujeet Chaudhary
CFO


Mumbai, December 15, 2020

MT Educare Limited
Unaudited Consolidated Statement of Cash Flows for the Half Year ended September 30, 2020

Particulars	(Rs. in Lakhs)	
	For the half year ended September 30, 2020	For the year ended March 31, 2020
	Unaudited	Audited
A. Cash flow from operating activities		
Net Profit/(Loss) before tax	100.69	(3,882.60)
Adjustments for:		
Depreciation and amortisation	1,477.36	4,287.99
Interest income	(1,125.83)	(2,062.16)
Finance Costs	845.72	2,403.24
Net gain on fair value changes	(8.58)	(8.31)
Allowance for doubtful debts and advances	695.99	2,971.97
Bad debts written off	101.39	567.72
Net gain on sale of investments	(2.71)	(9.47)
Net loss on sale of property, plant and equipment	(0.34)	27.24
Net loss on foreign exchange transactions and translations	-	0.69
Operating profit before working capital changes	2,083.69	4,296.31
Changes in working capital:		
(Increase)/ Decrease in trade receivables and other assets	(1,247.50)	1,193.84
Increase in trade payables, other liabilities and Provisions	253.73	2,612.23
Cash generated/(used in) operations	1,089.92	8,102.38
Net income tax paid	(127.53)	(172.74)
Net cash generated/(used in) operating activities (A)	962.39	7,929.64
B. Cash flow from investing activities		
Proceeds from sale of property, plant and equipment	54.00	2.43
Capital expenditure on property, plant and equipment, including	(24.21)	(623.35)
Sale of current investments	213.72	1,025.00
Purchase of current investments	-	(1,650.00)
Interest received	-	718.30
Loans and advances received back/(given)	(116.66)	1,198.90
Investment in fixed deposits with banks	-	1,327.46
Investment in margin money deposit with banks	(3.78)	(40.07)
Net cash flow from investing activities (B)	123.06	1,958.67
C. Cash flow from financing activities		
Repayment of current borrowings (Net)	-	(5,225.53)
Payment of principal lease liability	(241.94)	(2,207.27)
Interest expense on lease liability	(62.22)	(697.15)
Finance cost paid	(358.13)	(1,713.03)
Net cash flow used in financing activities (C)	(662.28)	(9,842.98)
Net increase in cash and cash equivalents (A+B+C)	423.17	45.33
Cash and cash equivalents at the beginning of the period	340.73	295.40
Cash and cash equivalents at the end of the period	763.90	340.73



Independent Auditor's Review Report on the Quarterly / Half Yearly Unaudited Consolidated Financial Results of MT Educare Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
MT Educare Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of **MT Educare Limited** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter and half year ended 30 September 2020 ("the Statement") being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of Companies Act, 2013 read with rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

Holding Company: MT Educare Limited

Subsidiaries:

- i. MT Education Services Private Limited
- ii. Lakshya Forum For Competitions Private Limited (formerly Lakshya Educare Private Limited)



- iii. Chitale's Personalised Learning Private Limited
- iv. Sri Gayatri Educational Services Private Limited
- v. Robomate Edutech Private Limited
- vi. Letspaper Technologies Private Limited
- vii. Labh Ventures India Private Limited

5. Basis of Qualified conclusion

- (a) The Group has recognized net deferred tax assets of Rs. 8,368.30 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, 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 the Management's assessment of recognition of deferred tax assets as at 30 September 2020. Had the deferred tax asset not been recognized the loss for the quarter and half year ended 30 September 2020 would have been higher by Rs. 8,368.30 lakhs and total equity would have been lower by Rs. 8,368.30 lakhs.
- (b) The Group 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 half year ended 30 September 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 Statement.

6. Qualified conclusion

Based on our review conducted as stated in paragraph 3 above, except for the effects/possible effects of our observation in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard (Ind AS) and other recognised accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. The comparative Ind AS financial information of the Group for the corresponding quarter ended 30 September 2019 included in these consolidated Ind AS financial results were reviewed by the predecessor auditor who expressed unmodified conclusion / opinion on the financial information and financial statements on 14 November 2019. The consolidated Ind AS financial information of the Group for the previous quarter ended 31 March 2020 and the consolidated Ind AS financial statements of the Group for the year ended 31 March 2020 included in these consolidated Ind AS financial results were also audited by predecessor auditor who expressed a modified conclusion / opinion on the consolidated financial information and consolidated financial statements on 25 September 2020.

8. Emphasis of matter

We draw attention to Note 6 to the Statement, which explains the Management's evaluation of the financial impact on the Group due to lockdown and other restrictions imposed on account of COVID-19 pandemic situation. The assessment of the impact in the subsequent period is highly subjective and is dependent upon circumstances as they evolve.

Our conclusion on the Statement is not modified in respect of the above matter.

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


Sanjay Kothari
Partner
Membership Number 048215



Mumbai, 15 December 2020

UDIN: 20048215AAAAKB2880