

Ref: MTEL/2022-23/017

February 6, 2023

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

Dear Sir / Madam,

**Sub: Approval of Unaudited Financial Results of the Company for the Third Quarter and Nine Months ended 31<sup>st</sup> December, 2022.**

Pursuant to Regulation 33 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the Unaudited Financial Results (Standalone and Consolidated) of the Company for the Third quarter and Nine months ended 31st December, 2022 along with Limited Review Report on the said Unaudited Financial Results of the Company.

The above financial results were approved by the Directors of the Company at a meeting held on February 6, 2023. Given that the Company is under corporate insolvency resolution process pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016, and with effect from December 16, 2022, its affairs, business and assets are being managed by Interim Resolution Professional who took charge of the affairs on 23<sup>rd</sup> December, 2022, and the powers of the board of directors are vested in, the Interim resolution professional, Mr. Ashwin B Shah (“IRP”), the aforesaid meeting of the Directors was chaired by the IRP of the Company who, relying on the certifications, representations and statements of the Directors and management of the Company and the consequent recommendation of the Directors, took on record the Unaudited Standalone and Consolidated Financial Results for the quarter and nine months of the F Y 2022-23 ended on December 31, 2022.

The meeting commenced at 4.15 p.m. and concluded at 6.05 p.m.

Thanking you.

Yours faithfully,

**For, MT Educare Limited (In CIRP)**

**(Ashwin Bhavanji Shah)**

**Interim Resolution Professional**

AFA Valid Upto 30-Mar-2023

**IP Reg. No: IBBI/IPA-001/IP/P-02648/2021-22/14054001**

Email ID: mteducare.cirp@gmail.com

Contact No: 9769468909

**Note:** Pursuant to the Order dated 16th December, 2022 of the Hon'ble National Company Law Tribunal, Mumbai ("NCLT Order"), Corporate Insolvency Resolution Process ("CIR Process") has been initiated against the Company in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016, ("Code") and related rules and regulations issued thereunder with effect from 16th December, 2022 (Corporate Insolvency Resolution Process Commencement Date). Mr. Ashwin Bhavanji Shah has been appointed as Interim Resolution Professional ("IRP") in terms of the NCLT Order.

**Notes:**

1) Pursuant to an application filed by Connect Residuary Private Limited before the National Company Law Tribunal, Mumbai Bench (“NCLT”) in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder (“Code”), the NCLT had admitted the application and ordered the commencement of corporate insolvency resolution process (“CIRP”) of MT Educare Limited (“Corporate Debtor”, “the Company”) vide its order dated December 16, 2022. The NCLT had appointed Mr. Ashwin B. Shah as the interim resolution professional for the Corporate Debtor vide its order dated December 16, 2022. Interim Resolution Professional took charge of the affairs of the corporate debtor on 23<sup>rd</sup> December, 2022. Director Mr. Vipin Choudhry challenged the order of Hon’ble NCLT dated 16-12-2022 before Hon’ble NCLAT, New Delhi. The Hon’ble National Company Law Appellate Tribunal (“NCLAT”) by an order dated January 6, 2023 had ordered to hold the formation of COC till further hearing i.e till 21<sup>st</sup> February, 2023. In accordance with the order of the Hon’ble NCLAT, the COC is not yet formed.

With respect to the financial results for the Third quarter and Nine months of the financial year 2022-23 ended on December 31, 2022, the IRP has signed the same solely for the purpose of ensuring compliance by the Corporate Debtor with applicable laws, and subject to the following disclaimers:

- i) The IRP has furnished and signed the report in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the IRP in terms of Section 233 of the Code;
- ii) No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the IRP;
- iii) The IRP, in review of the financial results and while signing this financial results, has relied upon the assistance provided by the directors of the Corporate Debtor, and certifications, representations and statements made by the directors of the Corporate Debtor, in relation to these financial results. The financial results of the Corporate Debtor for the third quarter and Nine months of the financial year 2022-23 ended December 31, 2022 have been taken on record by the IRP solely on the basis of and relying on the aforesaid certifications, representations and statements of the aforesaid directors and the erstwhile management of the Corporate Debtor. For all such information and data, the IRP has assumed that such information and data are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the financial results and that they give true and fair view of the position of the Corporate Debtor as of the dates and period indicated therein. Accordingly, the IRP is not making any representations regarding accuracy, veracity or completeness of the data or information in the financial results.

iv) In terms of the provisions of the Code, the Resolution Professional is required to undertake a review to determine avoidance transactions, However, since the formation of COC is stayed by Hon'ble NCLAT, no Resolution Professional is yet appointed and therefore review to determine avoidance transactions is pending.

2) Figures of the previous period / year have been regrouped and reclassified, wherever required.

3) After review by the Audit Committee, the Directors of the Corporate Debtor have approved the above results at their meeting held on February 6, 2023 which was chaired by Mr. Ashwin B. Shah, Interim Resolution Professional ('IRP') of the Corporate Debtor and IRP took the same on record basis recommendation from the directors. The Statutory Auditors have done Limited Review of the financial results for the third quarter and nine months of the financial year 2022-23 ended December 31, 2022.

Thanking you.

Yours faithfully,

**For, MT Educare Limited (In CIRP)**

**(Ashwin Bhavanji Shah)**

**Interim Resolution Professional**

AFA Valid Upto 30-Mar-2023

**IP Reg. No: IBBI/IPA-001/IP/P-02648/2021-22/14054**

Email ID: mteducare.cirp@gmail.com

Contact No: 9769468909

Place: Mumbai

Date: 6<sup>th</sup> February, 2023

Statement of Standalone Unaudited Financial Results for the quarter and nine-month ended 31 December, 2022

(Rs. in Lakhs, except EPS data)

Sr. No.	Particulars	Quarter ended 31 December 2022	Quarter ended 30 September 2022	Quarter ended 30 June 2022	Quarter ended 31 December 2021	Nine Months ended 31 December 2022	Nine Months ended 31 December 2021	Year ended 31 March 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1</b>	<b>Income</b>							
	Revenue from operations	833.98	820.11	1,107.73	403.75	2,761.82	2,644.55	3,039.92
	Other income	21.45	5.33	173.71	30.61	200.48	470.69	1,004.75
	<b>Total income</b>	<b>855.43</b>	<b>825.44</b>	<b>1,281.44</b>	<b>434.36</b>	<b>2,962.30</b>	<b>3,115.24</b>	<b>4,044.67</b>
<b>2</b>	<b>Expenses</b>							
	Direct expenses (Refer Note No. 3)	479.47	466.17	621.60	253.91	1,567.24	1,130.86	1,565.39
	Employee benefits expense	243.21	289.06	251.83	252.90	784.10	790.66	1,131.90
	Finance costs	181.35	167.60	153.42	148.91	502.37	609.59	837.23
	Depreciation and amortisation expense	228.36	177.00	186.02	292.79	591.38	915.43	1,141.23
	Other expenses	128.26	303.12	202.66	208.20	634.05	822.90	1,431.96
	<b>Total expenses</b>	<b>1,260.65</b>	<b>1,402.95</b>	<b>1,415.53</b>	<b>1,156.71</b>	<b>4,079.13</b>	<b>4,269.44</b>	<b>6,107.71</b>
<b>3</b>	<b>Profit/(loss) before tax for the period/year (1-2)</b>	<b>(405.23)</b>	<b>(577.51)</b>	<b>(134.09)</b>	<b>(722.35)</b>	<b>(1,116.83)</b>	<b>(1,154.20)</b>	<b>(2,063.04)</b>
<b>4</b>	Tax expense/(credit)	(20.60)	(33.16)	(34.84)	(33.91)	(88.61)	(32.08)	453.43
<b>5</b>	<b>Net Profit / (Loss) for the period/year after tax (3-4)</b>	<b>(384.62)</b>	<b>(544.35)</b>	<b>(99.25)</b>	<b>(688.44)</b>	<b>(1,028.22)</b>	<b>(1,122.12)</b>	<b>(2,516.48)</b>
<b>6</b>	<b>Other comprehensive income (including tax effect)</b>							
	Items that will not be reclassified to profit or loss (Net of tax )	(0.00)	(1.06)	1.42	(6.25)	0.36	(18.75)	5.67
<b>7</b>	<b>Total comprehensive income/(loss) for the period/year (5+6)</b>	<b>(384.63)</b>	<b>(545.41)</b>	<b>(97.83)</b>	<b>(694.69)</b>	<b>(1,027.86)</b>	<b>(1,140.87)</b>	<b>(2,510.80)</b>
<b>8</b>	<b>Paid up equity share capital ( Face Value Rs. 10 per share )</b>	7,222.81	7,222.81	7,222.81	7,222.81	7,222.81	7,222.81	7,222.81
<b>9</b>	<b>Other equity</b>							4,148.49
<b>10</b>	<b>Earnings per share (Face Value of Rs. 10 each) (Not annualised for the quarters):</b>							
	Basic	(0.53)	(0.75)	(0.14)	(0.95)	(1.42)	(1.55)	(3.48)
	Diluted	(0.53)	(0.75)	(0.14)	(0.95)	(1.42)	(1.55)	(3.48)

For, MT Educare Limited (In CIRP)



Ashwin Bhavanji Shah  
Interim Resolution Professional

Nanette D'Sa  
Director  
DIN - 05261531

Mumbai, 6 February, 2023

Statement of Consolidated Unaudited Financial Results for the quarter and nine-month ended 31 December, 2022

(Rs. in Lakhs, except EPS data)

Sr. No.	Particulars	Quarter ended 31 December 2022	Quarter ended 30 September 2022	Quarter ended 30 June 2022	Quarter ended 31 December 2021	Nine Months ended 31 December 2022	Nine Months ended 31 December 2021	Year ended 31 March 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1</b>	<b>Income</b>							
	Revenue from operations	1,359.85	1,705.16	1,840.12	900.15	4,905.13	4,471.10	5,304.99
	Other income	67.92	11.19	189.91	36.39	269.02	629.98	1,497.67
	<b>Total income</b>	<b>1,427.78</b>	<b>1,716.35</b>	<b>2,030.03</b>	<b>936.54</b>	<b>5,174.15</b>	<b>5,101.08</b>	<b>6,802.66</b>
<b>2</b>	<b>Expenses</b>							
	Direct expenses (Refer note 3)	872.61	924.12	1,160.75	605.17	2,957.47	2,249.74	3,105.10
	Employee benefits expense	361.01	426.31	366.69	347.56	1,154.01	1,006.75	1,426.62
	Finance costs	264.82	210.57	186.47	186.55	661.86	810.15	1,062.01
	Depreciation and amortisation expense	272.58	241.43	233.02	397.66	747.03	1,232.51	1,471.76
	Other expenses	203.91	483.88	343.34	381.02	1,031.13	1,142.66	2,023.50
	<b>Total expenses</b>	<b>1,974.93</b>	<b>2,286.31</b>	<b>2,290.27</b>	<b>1,917.96</b>	<b>6,551.50</b>	<b>6,441.81</b>	<b>9,088.99</b>
<b>3</b>	<b>Profit/(loss) before tax for the period/year (1-2)</b>	<b>(547.15)</b>	<b>(569.96)</b>	<b>(260.24)</b>	<b>(981.42)</b>	<b>(1,377.35)</b>	<b>(1,340.73)</b>	<b>(2,286.33)</b>
<b>4</b>	Tax expense/(credit)	6.19	2.03	(52.77)	(21.88)	(44.55)	(39.27)	266.08
<b>5</b>	<b>Net Profit/(loss) for the period/year after tax attributable to the shareholders of the company (3-4)</b>	<b>(553.34)</b>	<b>(571.99)</b>	<b>(207.47)</b>	<b>(959.54)</b>	<b>(1,332.80)</b>	<b>(1,301.46)</b>	<b>(2,552.41)</b>
<b>6</b>	<b>Other comprehensive income (including tax effect)</b>							
	Items that will not be reclassified to profit or loss (Net of tax )	0.95	(2.35)	1.71	4.54	0.31	(12.27)	10.04
<b>7</b>	<b>Total comprehensive income for the period/year(5+6)</b>	<b>(552.39)</b>	<b>(574.34)</b>	<b>(205.76)</b>	<b>(955.00)</b>	<b>(1,332.49)</b>	<b>(1,313.73)</b>	<b>(2,542.37)</b>
<b>8</b>	<b>Profit/(Loss) for the year attributable to:</b>							
	Owners of the Company	(553.34)	(571.99)	(207.47)	(959.54)	(1,332.80)	(1,301.46)	(2,552.41)
	Non controlling interest	-	-	-	-	-	-	-
<b>9</b>	<b>Other comprehensive income/(loss) for the year attributable to:</b>							
	Owners of the Company	0.95	(2.35)	1.71	4.54	0.31	(12.27)	10.04
	Non controlling interest	-	-	-	-	-	-	-
<b>10</b>	<b>Total comprehensive income/(loss) for the year attributable to:</b>							
	Owners of the Company	(552.39)	(574.34)	(205.76)	(955.00)	(1,332.49)	(1,313.73)	(2,542.37)
	Non - controlling interest	-	-	-	-	-	-	-
<b>11</b>	<b>Paid up equity share capital ( Face Value Rs. 10 )</b>	<b>7,222.81</b>	<b>7,222.81</b>	<b>7,222.81</b>	<b>7,222.81</b>	<b>7,222.81</b>	<b>7,222.81</b>	<b>7,222.81</b>
<b>12</b>	<b>Other equity</b>							<b>4,530.74</b>
<b>13</b>	<b>Earnings per share (Face Value of Rs. 10 each) (Not annualised for the quarters):</b>							
	Basic	(0.77)	(0.79)	(0.29)	(1.33)	(1.85)	(1.81)	(3.54)
	Diluted	(0.77)	(0.79)	(0.29)	(1.33)	(1.85)	(1.81)	(3.53)



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**Notes to the Statement of unaudited standalone and consolidated financial results for the quarter ended and nine months ended 31 December, 2022 :**

- 1 Pursuant to an application filed by Connect Residuary Private Limited before the National Company Law Tribunal, Mumbai Bench ("NCLT") in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder ("Code"), the NCLT had admitted the application and ordered the commencement of corporate insolvency resolution process ("CIRP") of MT Educare ("Corporate Debtor", "the Company") vide its order dated 16 December, 2022. The NCLT had appointed Mr. Ashwin Bhavanji Shah as the Interim Resolution Professional (IRP) for the Corporate Debtor vide its order, dated 16 December, 2022. Subsequently, the Corporate Debtor filed an appeal in The Hon'ble National Company Law Appellate Tribunal ("NCLAT") on 3 January, 2023. NCLAT by an order dated 6 January, 2023 stayed the constitution of Committee of Creditors ("COC") meeting till next date of hearing i.e 21 February, 2023.

With respect to the standalone and consolidated financial results for the quarter and nine months ended 31 December, 2022, the IRP has signed the same solely for the purpose of ensuring compliance by the Corporate Debtor with applicable laws, and subject to the following disclaimers

- a. The IRP has furnished and signed the report in good faith and accordingly, no suit, prosecution or other legal proceedings shall lie against the IRP in terms of Section 233 of the Code;
- b. No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the IRP including, his authorized representatives and advisors;
- c. The IRP, in review and signing of the standalone and consolidated financial results for the quarter and nine months ended 31 December, 2022, has relied upon the assistance provided by the directors of the Corporate Debtor, and certifications, representations and statements made by the directors of the Corporate Debtor, in relation to these standalone and consolidated financial results. For all such information and data, the IRP has assumed that such information and data are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the standalone and consolidated financial results and that they give true and fair view of the position of the Corporate Debtor as of the dates and period indicated therein. Accordingly, the IRP is not making any representations regarding accuracy, veracity or completeness of the data or information in the standalone and consolidated financial results.
- d. Considering various factors including admission of the Corporate Debtor, there are various claims submitted by the operational creditors, the financial creditors including corporate guarantees, employees and other creditors. The overall obligations and liabilities including obligation for interest on loans shall be determined during the CIRP and accounting impact if any will be given on completion of CIRP.
- 2 The financial results have 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 the Companies Act, 2013 (the 'Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
- 3 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.
- 4 The Group / Company has loans, trade receivables and other receivables of Rs. 10,738.36 lakhs / 4,333.48 lakhs (net of provisions) outstanding as at 31 December, 2022 from other parties having operations in the education sector, which are overdue/rescheduled. The management is of the opinion that COVID-19 pandemic and the subsequent lockdowns have disrupted the operations of parties in education sector. Although, even after the withdrawal of lockdown, the Group / Company is facing difficulties in ramping up the business which has resulted in deferment of recovery process beyond what has been envisaged. We anticipate progress in business in the coming quarters which will enable recovery of the receivables in an orderly manner. At this present juncture, the management considers the outstanding dues to be good and recoverable.
- 5 The Group / Company had undertaken various Central and State Government, projects in education/skill development sector. Most of these projects are complete and partial recoveries have been made during the period. However, as at 31 December, 2022, Rs. 2,142.47 lakhs / 1,395.94 lakhs (net of provisions) is still receivable from the concerned department/ agency which is mainly on account of delays/ long process. In the opinion of the management, such balances are fully recoverable. However, necessary provision has been made wherever required.
- 6 The pandemic Covid-19 has caused an adverse impact on the business operations of the Group / Company and its financial health. Even after withdrawal of lockdown, it is facing difficulties in ramping the business to pre COVID level. Further, the Group / Company has defaulted in its debts/other obligations and the NCLT had admitted the application and ordered the commencement of CIRP as referred in point 1(a). These indicates the existence of uncertainty that may cast significant doubt on the Company/ Group's ability to continue as a going concern. The appropriateness of assumption of going concern is dependent upon improvement in cash flows from normal operations in post COVID-19 and timely monetization of assets and ongoing CIRP.
- 7 After review by the Audit Committee, the Directors of the Corporate Debtor have approved the above results at their meeting held on 6 February, 2023 which was chaired by Mr. Ashwin Bhavanji Shah, IRP of the Corporate Debtor and IRP took the same on record basis recommendation from the directors. The Statutory Auditors have done Limited Review of the standalone and consolidated financial results for the quarter and nine months ended 31 December, 2022.



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

9 The figures for the previous year/periods have been regrouped and reclassified wherever necessary.

Mumbai, 6 February, 2023



  
**Ashwin Bhavanji Shah**  
Interim Resolution Professional

**For, MT Educare Limited (In CIRP)**

  
**Nanette D'Sa**  
Director  
DIN - 05261531

**Limited Review Report on the Quarterly and Nine Months Ended 31 December 2022 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/Interim Resolution Professional (IRP) of  
**MT Educare Limited**

1. The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") admitted an Insolvency and Bankruptcy petition filed by an operational creditor against MT Educare Limited ("The Company") and appointed Interim Resolution Professional (IRP) who has been vested with management of affairs and powers of the Board of Directors with direction to initiate appropriate action contemplated with extant provisions of the Insolvency and Bankruptcy Code, 2016 and other related rules.
2. We have reviewed the accompanying statement of standalone unaudited financial results of the Company for the quarter and nine months ended 31 December 2022 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
3. This Statement, which is the responsibility of the Company's Management and has been approved by the Company's Board of Directors and taken on record by the IRP in their meeting held on 6 February 2023 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, as amended, 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.
4. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**5. Basis of qualified conclusion**

- (a) The Company have recognized net deferred tax assets of Rs. 6,707.75 lakhs based on the estimate that sufficient taxable profits would be available in future years against which deferred tax assets can be utilized. In our opinion, due to uncertainty over the estimated profits for the future years and the existence of unutilized tax losses available, it is uncertain that the Company would achieve sufficient taxable profits in future against which deferred tax assets can be utilized. Accordingly, we are unable to obtain sufficient appropriate audit evidence to corroborate the Management's assessment of recognition of deferred tax assets as at 31 December 2022. Had the deferred tax assets not been recognized, the net loss for the period ended 31 December 2022 would have been higher by Rs. 6,707.75 lakhs and Net worth of the company as on 31 December 2022 would have been lower by Rs. 6,707.75 lakhs.
- (b) The Company has loans, trade receivables and other receivables of Rs 4,333.48 Lakhs (net of provisions) from other parties having operations in the education sector outstanding as at 31 December 2022, which are overdue/ rescheduled. The management considers that COVID-19 have disrupted the operations of parties in education sector and such outstandings have arisen primarily due to lockdowns. Even after



withdrawal of lockdown, it is facing difficulties in ramping the business and the management considers that it has resulted in deferment of recovery process than envisaged but the same is considered as good and recoverable. Accordingly, owing to the aforementioned overdues/ reschedulement, we are unable to comment upon adjustments, if any, that may be required to the carrying value of the outstanding receivables and further provisions, if any, required and the consequential impact on the accompanying standalone financial results.

- (c) We draw attention to Note No. 1 of the Statement regarding admission of the Company into Corporate Insolvency Resolution Process (“CIRP”), and pending determination of obligations and liabilities with regard to various claims submitted by the Operational/Financial/Other creditors and employees including claims for guarantee obligation and interest payable on loans. We are unable to comment the accounting impact there of pending reconciliation and determination of final obligation. Further, the Company has not provided interest on borrowings amounting to Rs. 74.10 lakhs and Rs. 220.53 lakhs for the quarter and nine months ended 31 December 2022 respectively calculated based on basic rate of interest as per terms of loan. Had such interest expenses been recognized, the reported net loss for the quarter and nine months ended 31 December 2022 would have been higher by Rs. 74.10 lakhs and Rs. 220.53 lakhs (cumulative Rs. 753.39 lakhs) respectively and net worth of the company as on 31 December 2022 would have been lower by Rs. 753.39 lakhs as per claims submitted. Non provision of interest is not in compliance with Ind AS 23 “Borrowing Costs”.
- (d) In the absence of comprehensive review of carrying amount of all assets (including investments, Loans and advances, Trade receivables and other receivables) and liabilities and non-provision for impairment of carrying value of the assets and write back of liabilities if any, we are unable to comment that whether any adjustment is required in the carrying amount of such assets and liabilities and consequential impact, if any, on the reported losses for the quarter and nine months ended 31 December 2022. Non-determination of fair value of financial assets and liabilities and impairment of carrying amount for other assets and liabilities are not in compliance with Ind AS 109 “Financial Instruments”, Ind AS 36 “Impairment of Assets” and Ind AS 37 “Provisions, Contingent Liabilities & Contingent Assets”.

Our conclusion on the standalone unaudited financial results for the quarter ended 31 December 2021, quarter and half year ended 30 September 2022 and our opinion on the standalone audited financial results for the year ended 31 March 2022 were also qualified in respect of matters stated in (a), (b) and (c) above.

## 6. Qualified Conclusion

Based on our review conducted as stated above except for the effects/ possible effects of our observations stated in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable Indian Accounting Standard (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with rules issued thereunder and other recognised accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

## 7. Material Uncertainty relating to Going Concern

The pandemic Covid-19 has caused an adverse impact on the business operations of the Company and its financial health. Even after withdrawal of lockdown, it is facing difficulties in ramping the business to pre COVID level. Further, the Company has defaulted in its debt/ other obligations and on account of admission of the company into CIRP before the National Company Law Tribunal, Mumbai Bench (“NCLT”). These indicate the existence of uncertainty that may cast doubt on the Company’s ability to continue as a going concern.

The appropriateness of assumption of going concern is dependent upon improvement in cash flows from normal operations, timely monetization of assets and ongoing CIRP process as referred in note no. 1.

Our opinion is not modified in respect of this matter.

#### 8. Emphasis of Matter

- (a) Pursuant to applications filed by Connect Residuary Private Limited before the National Company Law Tribunal, Mumbai Bench ("NCLT") in terms of section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder ("Code"), the NCLT had admitted the applications and ordered the commencement of Corporate Insolvency Resolution Process ("CIRP") of MT Educare Limited ("The Company" or the "Corporate Debtor") vide its order dated 16 December 2022. The NCLT had appointed Mr. Ashwin B. Shah as the interim resolution professional for the Corporate Debtor vide its order dated 16 December 2022. Interim Resolution Professional took charge of the affairs of the corporate debtor on 23 December 2022. Director Vipin Choudhary challenged the order of Hon'ble NCLT dated 16 December 2022 before Hon'ble NCLAT, New Delhi. Hon'ble NCLAT by an order dated 6 January 2023 stayed the constitution of Committee of Creditors ("COC") till next date of hearing i.e. 21 February 2023.
- (b) As per Regulation 33 of the Listing Regulations, the standalone unaudited financial results of the Company submitted to the stock exchange shall be signed by the Chairperson or Managing Director or Whole Time Director or in absence of all of them, it shall be signed by any Director of the Company who is duly authorized by the Board of Directors to sign the standalone unaudited financial results. As mentioned in Note No 1 of the statement, in view of the ongoing CIRP, the powers of the board of directors stand suspended and are exercised by the Interim Resolution Professional.

**For MGB & Co LLP**

Chartered Accountants

Firm Registration Number 101169W/W-100035

  
**Sanjay Kothari**  
Partner

Membership Number 048215

Mumbai, 6 February 2023

UDIN: 23048215BGXGUX2717



**Limited Review Report on the Quarterly and Nine Months Ended 31 December 2022 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/Interim Resolution Professional (IRP) of  
**MT Educare Limited**

1. The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") admitted an Insolvency and Bankruptcy petition filed by an operational creditor against MT Educare Limited and appointed Interim Resolution Professional (IRP) who has been vested with management of affairs and powers of the Board of Directors with direction to initiate appropriate action contemplated with extant provisions of the Insolvency and Bankruptcy Code, 2016 and other related rules.
2. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of MT Educare Limited ("the Parent Company") and its subsidiaries (the Parent Company and its subsidiaries together referred to as the "Group") for the quarter and nine months ended 31 December 2022 ("the Statement") attached herewith, being submitted by the Parent Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
3. This Statement, which is the responsibility of the Parent Company's Management and approved by the Parent Company's Board of Directors and taken on record by the IRP in their meeting held on 6 February 2023, 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, as amended, 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.
4. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



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

**A. Holding Company**

MT Educare Limited

**B. Subsidiaries**

- i. MT Education Services Private Limited
- ii. Lakshya Forrum for Competitions Private Limited
- iii. Chitale's Personalised Learning Private Limited
- iv. Sri Gayatri Educational Services Private Limited
- v. Robomate Edutech Private Limited
- vi. Letspaper Technologies Private Limited
- vii. Labh Ventures India Private Limited

6. **Basis of qualified conclusion**

- a) The Group have recognized net deferred tax assets of Rs. 7,319.28 lakhs based on the estimate that sufficient taxable profits would be available in future years against which deferred tax assets can be utilized. In our opinion, due to uncertainties over the estimated profits for the future years and the existence of unutilized tax losses available, it is uncertain that the Group would achieve sufficient taxable profits in future against which deferred tax assets can be utilized. Accordingly, we are unable to obtain sufficient appropriate audit evidence to corroborate the Management's assessment of recognition of deferred tax assets as at 31 December 2022. Had the deferred tax assets not been recognized, the net loss for the period ended 31 December 2022 would have been higher by Rs. 7,319.28 lakhs and Net worth of the group as on 31 December 2022 would have been lower by Rs. 7,319.28 lakhs.
- b) The Group has loans, trade receivables and other receivables of Rs. 10,738.36 lakhs (net of provisions) from other parties having operations in the education sector outstanding as at 31 December 2022, which are overdue / rescheduled. The management considers that COVID-19 have disrupted the operations of parties in education sector and such outstanding have arisen primarily due to lockdowns. Even after withdrawal of lockdown, it is facing difficulties in ramping the business and the management considers that it has resulted in deferment of recovery process than envisaged but the same is considered as good and recoverable. Accordingly, owing to the aforementioned overdues/reschedulement, we are unable to comment upon adjustments, if any, that may be required to the carrying value of the outstanding receivables and further provisions, if any, required and the consequential impact on the accompanying consolidated financial results.
- c) We draw attention to Notes No. 1 of the Statement regarding admission of the Parent Company into Corporate Insolvency Resolution Process ("CIRP"), and pending determination of obligations and liabilities with regard to various claims submitted by the Operational/Financial/Other creditors and employees including claims for guarantee obligation and interest payable on loans. We are unable to comment the accounting impact there of pending reconciliation and determination of final obligation. Further, the Group has not provided interest on borrowings amounting to Rs. 115.49 lakhs and Rs. 344.26 lakhs for the quarter and nine months ended 31 December 2022 respectively calculated based on basic rate of interest as per terms of loan. Had such interest expenses been recognized, the reported net loss for the quarter and nine months ended 31 December 2022 would have been higher by Rs. 115.49 lakhs and Rs. 344.26 lakhs (cumulative Rs. 1,054.88 lakhs) respectively and net worth of the Group as on 31 December 2022 would have been lower by Rs. 1,054.88 lakhs

as per the claims submitted. Non provision of interest is not in compliance with Ind AS 23 "Borrowing Costs".

- d) In the absence of comprehensive review of carrying amount of all assets (including investments, Loans and advances, Trade receivables and other receivables) and liabilities and non-provision for impairment of carrying value of the assets and write back of liabilities if any, we are unable to comment that whether any adjustment is required in the carrying amount of such assets and liabilities and consequential impact, if any, on the reported losses for the quarter and nine months ended 31 December 2022. Non-determination of fair value of financial assets and liabilities and impairment of carrying amount for other assets and liabilities are not in compliance with Ind AS 109 "Financial Instruments", Ind AS 36 "Impairment of Assets" and Ind AS 37 "Provisions, Contingent Liabilities & Contingent Assets".

Our conclusion on the consolidated unaudited financial results for the quarter ended 31 December 2021, quarter and half year ended 30 September 2022 and our opinion on the consolidated audited financial results for the year ended 31 March 2022 were also qualified in respect of matters stated in (a), (b) and (c) above

## **7. Qualified Conclusion**

Based on our review conducted as stated above except for the effects/ possible effects of our observations stated in paragraph 6 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable Indian Accounting Standard (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with rules issued thereunder and other recognised accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

## **8. Material Uncertainty relating to Going Concern**

The pandemic Covid-19 has caused an adverse impact on the business operations of the Parent Company and its financial health. Even after withdrawal of lockdown, it is facing difficulties in ramping the business to pre COVID level. Further, the Parent Company has defaulted in its debt/ other obligations and on accounts of admission of the parent company into CIRP before the National Company Law Tribunal, Mumbai Bench ("NCLT"). These indicate the existence of uncertainty that may cast doubt on the Parent Company's ability to continue as a going concern. The appropriateness of assumption of going concern is dependent upon improvement in cash flows from normal operations, timely monetization of assets and ongoing CIRP process as referred in note no. 1.

Our opinion is not modified in respect of this matter.

## **9. Emphasis of Matter**

- (a) Pursuant to applications filed by Connect Residuary Private Limited before the National Company Law Tribunal, Mumbai Bench ("NCLT") in terms of section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder ("Code"), the NCLT had admitted the applications and ordered the commencement of Corporate Insolvency Resolution Process ("CIRP") of MT Educare Limited ("The Parent Company" or the "Corporate Debtor" ) vide its order dated 16 December 2022. The NCLT had appointed Mr. Ashwin B. Shah as the interim resolution

professional for the Corporate Debtor vide its order dated 16 December 2022. Interim Resolution Professional took charge of the affairs of the corporate debtor on 23 December 2022. Director Vipin Choudhary challenged the order of Hon'ble NCLT dated 16 December 2022 before Hon'ble NCLAT, New Delhi. Hon'ble NCLAT by an order dated 6 January 2023 stayed the constitution of Committee of Creditors ("COC") till next date of hearing i.e. 21 February 2023.

- (b) As per Regulation 33 of the Listing Regulations, the consolidated unaudited financial results of the Parent Company submitted to the stock exchange shall be signed by the Chairperson or Managing Director or Whole Time Director or in absence of all of them, it shall be signed by any Director of the Parent Company who is duly authorized by the Board of Directors to sign the consolidated unaudited financial results. As mentioned in Note No 1 of the statement, in view of the ongoing CIRP, the powers of the board of directors stand suspended and are exercised by the Interim Resolution Professional.

**For MGB & Co LLP**

Chartered Accountants

Firm Registration Number 101169W/W-100035



**Sanjay Kothari**

Partner

Membership Number 048215

Mumbai, 6 February 2023

UDIN: 23048215BGXGUW4949

