MT EDUCARE



MT Educare Limited
Annual Report 2016-17

Valued Assets.
Promising Future.

Contents

Corporate Overview

Corporate Information	01
Valued Assets. Promising Future.	02
Our Knowledge Assets	04
Our Distribution Assets	05
Our Goodwill Assets	06
Our Digital Assets	08
We are MT Educare	09
CSR- Serving the Society	12
Skill Development	13
Business Highlights	14
Letter from the Chairman's Desk	16
Our Achievers	18

Statutory Reports

Management Discussion & Analysis	24
Directors' Report	29
Corporate Governance Report	49

Financial Statement

Standalone Report

Independent Auditors' Report	67
Balance Sheet	72
Statement of Profit and Loss	73
Cash Flow Statement	74
Notes	76

Consolidated

Independent Auditors' Report	100
Balance Sheet	104
Statement of Profit and Loss	105
Cash Flow Statement	106
Notes	108

Cautionary Statement Regarding Forward-Looking Statement

The statements contained in the report contain certain statements relating to the future and therefore are forward looking within the meaning of applicable securities, laws and regulations. Various factors such as economic conditions, changes in government regulations, tax regime, other statues, market forces and other associated and incidental factors may however lead to variation in actual results.

Corporate Information

BOARD OF DIRECTORS

Mr. Mahesh R. Shetty
Chairman and Managing Director

Dr. Chhaya Shastri
Non Independent, Non Executive Director

Mr. Naarayanan Iyer
Non Independent, Non Executive Director

Ms. Drushti Desai
Independent, Non Executive Director

Mr. Yatin Samant
Independent, Non Executive Director

Mr. Uday Lajmi
Independent, Non Executive Director

BOARD COMMITTEES

Audit Committee
Ms. Drushti Desai (Chairperson)
Mr. Uday Lajmi
Dr. Chhaya Shastri.

Remuneration and Nomination Committee
Mr. Uday Lajmi (Chairman)
Mr. Yatin Samant
Ms. Drushti Desai

Stakeholders Relationship Committee
Mr. Yatin Samant (Chairman)
Mr. Drushti Desai
Dr. Chhaya Shastri

Corporate Social Responsibility Committee
Mr. Uday Lajmi (Chairman)
Mr. Mahesh Shetty
Dr. Chhaya Shastri

CHIEF FINANCIAL OFFICER

Mr. Sanjay Sethi (w.e.f. July 1, 2016)

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Dinesh Darji (w.e.f. July 1, 2016)

BANKERS

Kotak Mahindra Bank Limited
ICICI Bank Limited
Axis Bank Limited
IndusInd Bank Limited
HDFC Bank Limited

STATUTORY AUDITORS

M/s. MZSK & Associates
Chartered Accountants
Mumbai

INTERNAL AUDITORS

M/s. Mukund M. Chitale & Co.,
Chartered Accountants
Mumbai

SECRETARIAL AUDITORS

M/s. Manish Ghia & 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

REGISTRAR & TRANSFER AGENTS

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



Valued Assets.
Promising Future.



MT Educare is riding on the next big wave – the education industry. With the Government intensifying its focus on making India a knowledge-based society, the education industry is poised to track high growth trajectory over the next few years. MT Educare, with its nearly three decades of experience and expertise in providing education support and coaching services, is well positioned in the market to leverage its potential on the upcoming opportunities.

We continue to focus on providing high-quality education services integrated with technology-enabled classrooms and digitized content. Our experienced management team, comprising of senior professionals with strong academic background and administration forms our core strength. We have expanded our pan-India presence through various alliances, partnership with government bodies and tie-ups which has helped us to penetrate unexplored territories, giving access to a larger student base and opening up fresh opportunities. Additionally, our digital education platform has helped us in reaching out even to the students who are not enrolled with us as regular students. Besides, our tech-driven teaching modules have rendered students uninterrupted access to continue learning through computer, laptop, mobile, tabs and other hand-held devices and have facilitated anytime, anywhere self-paced learning.



Our Knowledge Assets



At MT Educare, we are not just passionate about imparting education, but we also provide the platform for achieving success. Our core strength lies in the quality of education we deliver across various platforms. Our unique capability of delivering successful careers stems from one of our key assets – our teachers. MT Educare believes that young minds can be nurtured and trained to deliver higher performance if provided with the right training and atmosphere. With more than 28 years of experience, MT Educare has been able to devise teaching modes and modules that are fully equipped in creating achievers. Our teachers are passionate about what they do – they simplify concepts in creative modules, giving a great recall value to the subject. Just as popular movie dialogues, musical concerts and performances, our students enjoy the interaction and are able to grasp and recall the concepts for a longer period of time. Not only have we invested in enriching the traditional classroom experience but have also leveraged the latest tools and technology to improve self-paced learning, anytime and anywhere for maximizing the performance of students.

Over the years, we have registered holistic growth – evolving from school coaching to professional studies; from classroom training to digital learning; from Mumbai city to pan-India presence and from running coaching classes to a holistic, tech-based education provider. Our bouquet of wide product offerings makes us a household name and sets us apart from our competitors. Mahesh Tutorials, our flagship brand, focuses on school coaching as well as science and commerce sections at under-graduate level. We also provide coaching for medical and engineering entrance exams like CET, JEE Mains, JEE Advanced, AIPMT, AIIMs, etc; along with trainings for entrance exams like MBA, CAT, CET, XAT, N-MAT etc. In addition to this, preparation for medical and engineering entrance exams is also provided through 22 integrated and leased campuses in Karnataka. Besides, intermediate and EAMCET test preparation training is also imparted across 60 integrated campuses in Andhra Pradesh and Telangana. Our value-added services like career counseling, 24-hour helpline during exams ('Hum Se Poocho') and tripartite counseling sessions between students, parents and teachers have helped students attain excellence in academics as well as guided them in taking the right decisions to ultimately emerge as winners in life.



We have a teaching strength of more than 1,200, all of whom are eminent tutors and successful professionals in their respective fields. Not only are our teachers good educators but also serve as mentors, guide and above all, a role model to the students – someone the students look up to for advice and guidance. In addition, Robomate+ platform provides more than 45,000 audio video lectures that enables 5,000+ hours of viewing. The system also enables students to enhance their learning through tests, dynamic assessments, question banks etc. This helps our student learn at their own pace, place and comfort and also serves as a tool of valuable assessment not only to the student but also to the teachers and parents alike.

Our Distribution Assets



MT Educare understands that a high quality and reliable distribution network is essential to retain our leadership position. We have presence across 13 states in India at 170 different locations and 266 centres. Since the inception in 1988, we have grown by leaps and bounds, leveraging its various brands and tie-ups and expanding into new territories and fields of education.

We joined hands with the leading educational institutes to provide the best educational services. Diversifying away from the traditional school/college coaching services, our acquisition of Chitale's Personalized Learning and Lakshya Forum gave us headway into other specialized domains – training for professional courses like MBA, Medicine and IIT. Additionally, our tie-up with Sri Gayatri Educational Society in Telangana and Andhra Pradesh has helped us in establishing strong footing across South India. We have also established franchise tie-ups to provide video classrooms for our students in South India to prepare for CA exams.

MT Educare has successfully gained inroads into new geographies, gaining access to more than 45,000 students through its unique pre-university intermediate tie-ups. The pre-university business model is a high-delta asset light model that provides faster scalability and renders easy expansion. Through Mahesh PU, we have teamed up with Aryan Foundation in 22 integrated colleges





across Karnataka. Similarly, through Sri Gayatri Education Society, we have been able to provide service to students across 60 integrated colleges. Moreover, MT Educare is committed to build a skilled workforce in line with the government's skill development objectives. Through MT UVA, we have leveraged our alliance with the government to initiate substantive reform in the education sector. Our strong presence and expertise has helped us in servicing a large number of students over the last two years. Going forward, this relationship is only expected to grow, given the government's thrust on education and skill development of the nation's youth.

Our Goodwill Assets



With more than three decades of consistent performance and high success rates, MT Educare has created a strong goodwill and is a name to reckon with. Year after year, we have delivered top scorers across the board –be it state board exams, CET or IIT JEE, our students have been consistently topping the list and we expect the number to only increase in the future. Given the result-oriented, quality coaching provided and the overall performance, MT Educare has established a strong goodwill and trust among students. Not only have our students aced in the examinations but many of them are now well-placed in their respective careers, creating a huge alumni bank for MT Educare. Given our goodwill, we also enjoy high referrals and word-of-mouth publicity that enhances our reputation as well as provide additional business opportunities to us.

In FY17, we launched a multipronged media campaign that included television commercials running across media channels with Bollywood's iconic celebrity Mr. Amitabh Bachchan as the brand endorser, investing around ₹ 14 Crores for the Robomate+. MT Educare has been successful in leveraging Mr. Bachchan brand and image, and as a result Robomate+ has gained widespread popularity.

Today, MT Educare is a well-established brand, which has been built over the years through excellent academic results of our students as well as extensive marketing undertaken by our team each year. We have been able to generate widespread awareness and interest among both the students and their parents about the quality of education as well as the success rates at MT Educare. Thanks to our excellent academic performance, state-of-the-art infrastructure and goodwill, we enjoy great brand recall and have become a household name today.

MAHESH TUTORIALS
SCHOOL SECTION
THE ACADEMIC PARENTS OF YOUR CHILD!

MAHESH TUTORIALS
SCIENCE
Don't just learn... UNDERSTAND!

MAHESH TUTORIALS
COMMERCE
Discover the new DIMENSION of Commerce

Flagship Brand-School, College

MAHESH PU COLLEGE
EDUCATION AT ITS BEST

Engineering & Medical Test preparation through 22 leased campuses

Lakshya
Forum for Competitions

IIT, Engineering & Medical entrance preparation

MT EDUCARE'S CPLC
Empowering Minds. Building Careers.

MBA, CAT, CET, XAT, N-MAT etc. preparation

MT UVA
SKILL DEVELOPMENT
Transforming Youth

Skill Development programs

SRIGAYATRI ACADEMY

Intermediate & EAMCET test preparation to 60 campuses

Robomate+
Learning Made Simple

Technology driven education

Now your personal study coach Robomate+ is with you 24/7

"Hardwork. Practice. Perseverence. Anyone can say these words, but a good coach will make you live by them. Training is the backbone that helps you stand up to any challenge. Robomate+ is one such new-age study coach that's with you 24/7.



- Audio Visual study content
- Chapter-wise tests, Questions & Answers
- Available as online subscription and on multiple devices like SD cards, Tablets



Available for 7th to 12th, Test Prep. for Med. & Engg., IIT-JEE, CA & MBA entrance.

Robomate+

Learning Made Simple



Our Digital Assets

MT Educare has deployed latest technology to improve the overall learning experience of its students. We have developed Robomate+, an online education portal/ app that facilitates interactive study. Robomate+ is a complete app-based learning module that facilitates self-paced learning and upgradation through dynamic assessment across various streams. Designed to appeal the tech-savvy youth, the application enhances the overall learning experience through optimum mix of conceptual videos, images and graphics through adaptive learning and collaborative tools. The biggest advantage of app-based learning is that it is not confined to the four walls of the classroom. Rather learning can be on-the-go 24x7 and unlimited access ensures that the courseware is available to the student as and when the need arises. The app is backed with the well-researched digitized content designed by our expert faculties. Through innovative technology, we aim to create an enriching learner experience that is not only engaging but also convenient and effective.





We are MT Educare



MT Educare, India's leading educational institutes, established in 1988 and headquartered at Mumbai. Mahesh Tutorials is a flagship brand of the company with a strong presence in 170 locations across 13 states and union territories of India.

We conduct our business under four verticals – School, Science, Commerce/UVA and Robomate+. Our diversified product offerings cater to students, right from Std. V to students appearing for Engineering and Medical Entrance Exams (including IIT Entrance), exams for CA course and MBA.

We continue to focus on result oriented quality coaching with technology enabled classrooms and digitized content and emphasis on teacher training through intensive workshops. We have an experienced management team, consisting of senior professionals, having a strong background in academics and administration.



Vision

Global Reach in Education and Training

Mission

We are committed to take Education to every home through our teachers by using technology in the following areas of the education eco-system:

1. Digital content for Learning, Teaching and Assessment
2. Innovative Learning and teaching methodologies such as blended learning and flipped classrooms
3. Flexible delivery models of education on different technology & end-user platforms

Today, MT Educare is truly a national player with multi-state 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.

School	Jr College		Professional	
IX & X	**XI & XII**	**Entrance Exams**	**MBA**	**CA**
All Subjects	**Science & Commerce**	**West, South & North**	**Chitale's Personalised Learning Pvt. Ltd.**	**Franchisee Tie-ups for video classroom in South India**
State Board • Maharashtra • Gujarat CBSE ICSE	State Board • Maharashtra • Karnataka CBSE	• CA CPT • MH-CET • K-CET • JEE Mains • JEE Advanced (IIT) • AIIMS • NEET	MBA Entrance • CAT/CET	CA Final CA IPCC

Our Strengths

- Well Recognized Brand & Experience
- Organized and Diversified Player
- Digitized Learning (Robomate+)
- Large Pool of Quality Faculty Members
- Corporatized Structure and Experienced Management Team
- Unique Teaching Methodology through 24x7 online teacher support

Key Highlights

159,162
Number of Students Serviced in FY17

1,200+
Number of Faculty

45,000+
Content Library - AV Lectures

40+
IT Services/ Product Development & Support Team

1.5 mn+
Number of App downloads on Google Play Store & iOS

170
Number of Locations

266
Number of Centres (Points of Sale)

1st, 7th and 32nd
AIR* in IIT-JEE (Advanced) in 2017

2nd & 5th
(Total 18 Ranks in Top 50) AIR* in CA Final in May 2017

4 Ranks
in Top 50 AIR* in CA IPCC in May 2017

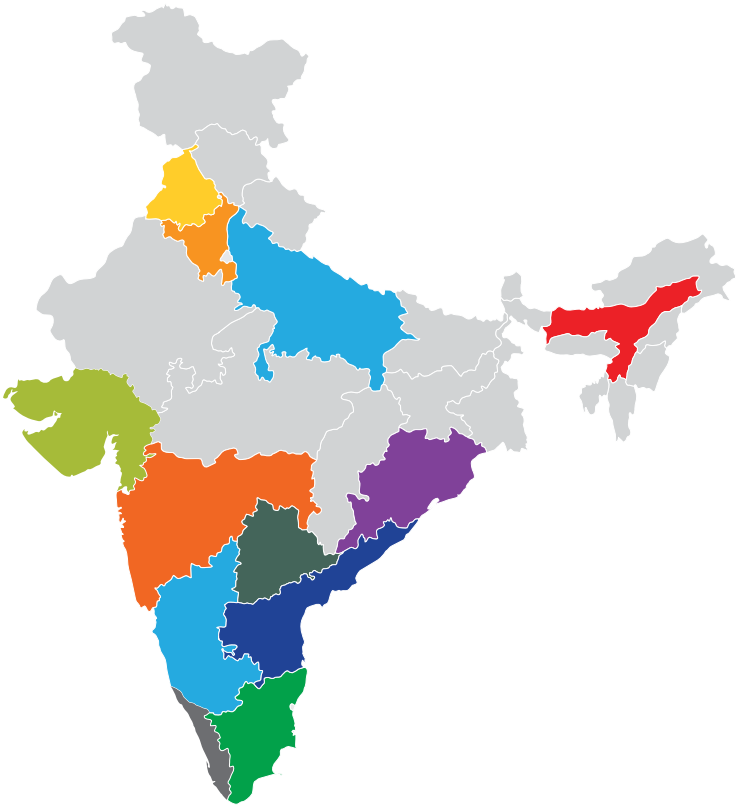
3,000 +
MBA Entrance Top B-School Calls

1,705
Students who scored >90% in 10th Standard in 2017

Note : * AIR stands for All India Rank



Geographical Presence



- Maharashtra
- Gujarat
- Karnataka
- Chandigarh
- Haryana
- Punjab
- Tamil Nadu
- Kerala
- Assam
- Odisha
- Uttar Pradesh
- Andhra Pradesh
- Telangana

No. of Locations over the years

FY	No. of Locations
FY17	170
FY16	161
FY15	128
FY14	136
FY13	122

Our Journey

1988 to 2000

- Mahesh Shetty, a young teacher, started Mahesh Tutorials first branch in Mumbai (Mulund)
- Dominance and Expansion in Mumbai

2001 to 2006

- Introduced coaching for Science & medical & engineering entrance exams
- Introduced Commerce Stream
- Started CA Coaching in 2006

2007 to 2010

- 1st funding from PE-Helix Investments
- Pre-University College tie up
- Technology aided teaching initiated

2011 to 2014

- Acquired Chitale's Personalised Learning (MBA Tutorial)
- Expansion by acquiring Lakshya Forum (North) (IIT- Tutorials)
- Tie-up with Sri Gayatri Educational Society (Telangana & AP)

2015 onwards

- Changing the landscape of Education by introducing Learning Management System: Robomate+

CSR - Serving the Society



Education

A dignified life is the right of every human and education provides the dignity every individual needs. Education also helps people to become the contributing members of the society. Furthermore, education bestows a nation with progress and development. We, at MT Educare Limited, firmly believe that the children of the underprivileged section can become contributing members of the society and provide education to them to lead a dignified life.

- In the academic year 2016-17, MT Educare has coached students from BMC Schools in 4 different medium i.e., English, Marathi, Hindi & Urdu
- The passing percentage for year 2016-17 was 72.69% with 7,972 students scoring passing marks
- 29 students scored 90% and above
- The crowning glory was the BMC school topper from Marathi Medium who scored 93.20%
- Over 180+ teachers are employed with this project
- Installation of Robomate software in 57 BMC schools were initiated in Marathi & English Medium Schools

Medical Help

Patients who require financial assistance are identified through our tie-ups with various hospitals and medical centers. The patients are identified through reference and background checks. Financial assistance is provided to such patients to get treatment and procure medicines. Monetary support is also provided to various blood camps.

Nutrition

We, at MT Educare, know that good nutrition contributes to the physical and mental development of a child. Lack of adequate nutrition leads to children with cognitive impairment. Our objective is to build a strong foundation for all the children and enable them to lead a healthy life.

To meet this objective, CSR provides monetary support to NGOs that is utilized to provide healthy and nutritious food to the residents and members. Special sweets are also distributed to children for all festivals and special occasions.

Women Empowerment

We provide assistance to NGOs which encourage women to become self-sufficient and to enable women to lead an independent life and to help them meet growing financial challenges. We believe that women form a key part of a growing nation and the economic growth of women is a vital aspect of economic development. There are more than 200 women who are benefited with the help of JYOT foundation.





Skill Development



Skill development is one of the major areas of concern for India in the contemporary scenario. Skilled workforce are low in numbers in India compared with other countries, with most of the Indian workforce employed in the unorganized sector. Lack of vocational education, high dropout rates in school, inadequate skill training, and lack of industrial and professional courses are some of the major reasons for this situation.

MANAS (Maulana Azad National Academy For Skills) is a single platform for Skills Training at all India level, providing the entire range of skill development programmes, required for different minority communities. Since MANAS is an organisation under the Ministry of Minority Affairs, it provides credibility and reliability, in implementation of the directions/guidelines/norms issued by various Ministries/ Department for ensuring effective implementation of their skill development programmes MANAS operates on the basis of skill development architecture of Ministry of Skills on a standardized platform and procedures

MANAS has been established to meet all Skill Development needs of minority communities which comprise almost 25% to 30% of the overall target group of 50 crore people to be skilled by 2022, by the country.

MT Educare and its subsidiaries have come forward and undertaken government's projects under **"Free Coaching and Allied Scheme"**. They provide coaching and training services to students falling under minority or tribal sector, while helping with skill development of candidates falling under the minority or underprivileged sector across Maharashtra, Gujarat, Assam, UP, Telangana, Tamil Nadu, and Karnataka.

Under the **"Free Coaching and Allied Scheme"**, MT Educare renders free coaching to eligible candidates of minority, tribal, and backward class communities for medical, engineering, management, and chartered accountancy entrance examinations. The Company sources teachers from internal and external sources to carry out the training. The study material provided to the students is created in-house, specifically to cater to the project.

Under **"Skill Development"**, MT Educare has a strong record in providing training in skill sets such as data entry operator, banking and commerce, insurance and beauty & wellness to minority and underprivileged candidates. The Company is responsible for providing training facilities to the eligible candidates.

Under both the schemes, MT Educare acts as an implementing agency for implementation of welfare projects. In this regard, the Company receives a grant-in-aid from the various government ministries and bodies of the respective state where the training is conducted.



Business Highlights of FY17



Operational Highlights:

- ★ Robomate+ app crossed 1.5 million downloads
- ★ Yearly subscription model in retail sales were largely successful, leading to higher ticket size per student
- ★ Robomate+ system launched in June by Mr. Amitabh Bachchan, followed by media campaign in December 2016
- ★ Various operational efficiencies measures have been taken through centre consolidation

Consolidated Financial Highlights

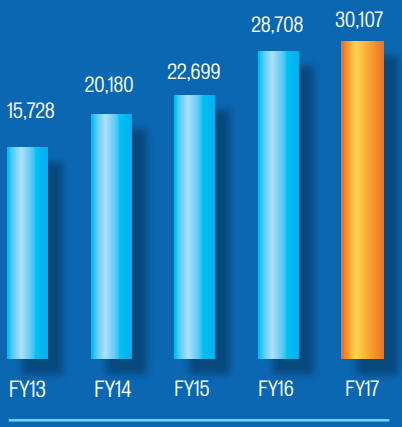
in ₹ Lakhs

Particulars	FY17	FY16	FY15	FY14	FY13
OPERATING RESULTS					
Total Operating Income	30,106.80	28,708.31	22,698.54	20,180.27	15,728.14
EBITDA*	4,909.34	5,787.83	4,658.64	4,234.83	2,932.74
EBITDA Margins* (%)	16.31	20.16	20.52	21.00	18.60
Profit Before Tax	2,796.34	4,749.28	4,073.61	3,189.23	2,538.52
PBT Margin (%)	9.29	16.54	17.95	15.80	16.10
Profit After Tax	1,719.23	3,234.61	2,972.47	2,103.28	1,804.67
PAT Margins (%)	5.71	11.27	13.10	10.40	11.50
Dividend Payout (inclusive of dividend distribution tax)	-	961.51	1,267.11	1,047.41	925.06
Retained Profit	1719.23	2,273.09	1,705.36	1,055.87	879.61
FINANCIAL POSITION					
Paid up Capital	3,982.08	3,982.08	3,979.41	3,978.22	3,954.79
Reserves	12,593.75	10,874.51	8,593.77	7,217.52	6,159.60
Shareholders Fund	16,575.83	14,856.59	12,573.18	11,195.74	10,114.39
Short-term Investments (Liquid)	-	-	12.70	1,127.99	1,531.25
Cash & Cash Equivalents	1,648.14	1,112.94	1,427.99	979.94	2,419.78
Capital Employed	30,945.06	18,360.00	13,070.00	11,200.00	10,110.00
PERFORMANCE INDICATORS					
Earnings Per Share (₹)	4.32	8.12	7.47	5.29	4.55
Dividend Per Share (₹)	-	2.0 0	2.65	2.25	2.00
Book Value Per Equity Share (₹)	41.63	37.31	31.60	28.14	25.58
Total Number of Students Serviced	159,162	153,646	83,972	80,829	70,828
Students Serviced Under School Section (Nos.)	27,661	36,544	34,431	34,841	33,224
Students Serviced Under Science Section (Nos.)	28,318	24,436	22,461	18,595	13,511
Students Serviced Under Commerce Section/UVA Skill Development(Nos.)	80,293	40,338	25,218	27,393	24,093
Students Serviced Under Robomate+ (Nos.)	22,890	52,328	1,862	-	-
PAN India Footprints (Nos.)	170	161	128	136	122

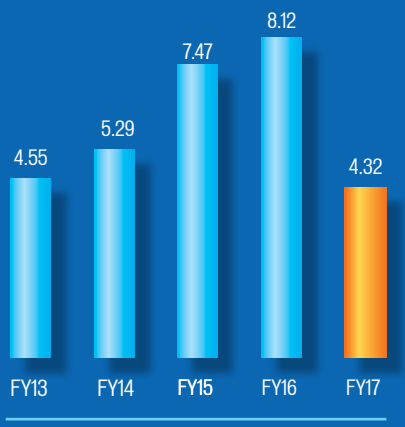
*Normalized EBITDA for FY17 is ₹ 6,311 Lakhs & Normalized EBITDA margin is 21%

Key Parameters

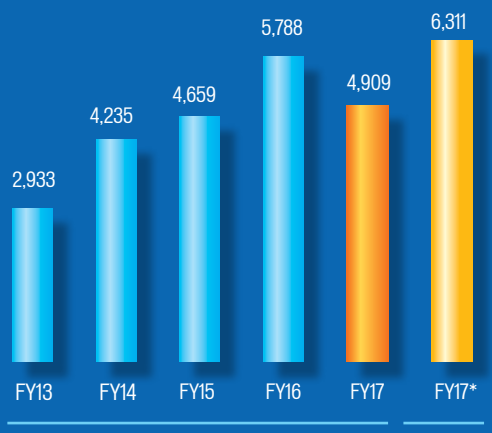
Total Revenue (₹ Lakhs)



Earnings Per Share (₹)

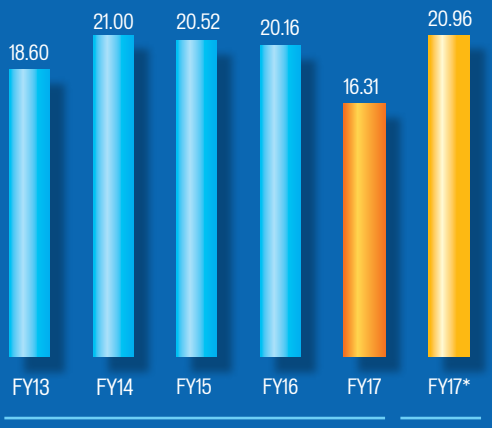


EBITDA (₹ Lakhs)



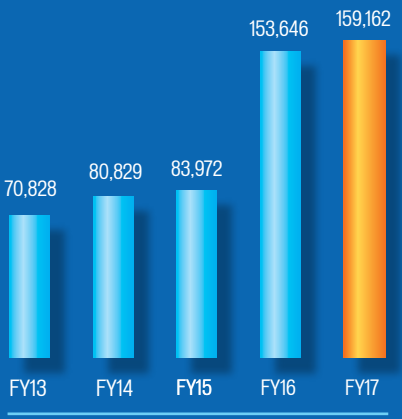
*Normalized

EBITDA Margins (%)

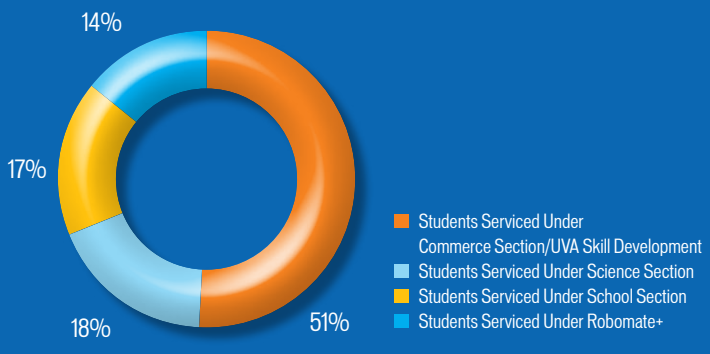


*Normalized

Number of Students Serviced



Stream Wise Break-up of Students



Letter From the Chairman and Managing Director's Desk



Dear Shareholders,

Since its inception, MT Educare has grown by providing high-quality educational services and exploring new ways to enhance the overall learning experience through application of latest technology and digitized content. With nearly three decades of experience and expertise in providing educational support and coaching services, MT Educare has a made a significant difference in the lives of students across the country. It has helped them to chart successful careers and professions.

As India develops into a knowledge-hub, there would be an unprecedented demand for quality education. MT Educare, once again, stands at the forefront of ushering in a new chapter in educational services and facilitating the overall growth of our economy. Backed by a team of highly qualified teaching and management professionals, MT Educare is committed to help students achieve their dreams and aspirations.

Through various public and private partnerships, we have been able to penetrate unexplored geographies, thus reaching out to students across every strata of the society. Thanks to its extensive and reliable distribution network, MT Educare has gained access to more than 1,50,000 students across various territories in India. Along with growing its own network, the company has been establishing alliances with various government and private bodies helping students to realize their dreams in almost every field of professional education.

Over the years, we have established a strong goodwill through consistent performance, and have a huge alumni bank reinstating the credibility and faith people have in us. MT Educare envisions a success path for its students, which is characterized by quality education and skill development aided by digital technology. In the process, we continue to create superior value for all our stakeholders while helping India build a more skilled and talented youth.

MT Educare is riding on the digital media wave in the education industry. MT Educare is well positioned to optimize the growth opportunities that the Indian education industry has to offer, especially in the e-learning and digital media space. High-quality coaching integrated with technology-enabled classrooms and digitized content remain our key focus areas. Through our tech-driven teaching modules, we have provided students with uninterrupted access to learning by using their computers, laptops, mobiles, tabs, and other hand-held devices anytime, anywhere, enabling self-paced learning. Our team of more than 1,200 teaching faculty coupled with our presence across 13 states at 170 different locations and 266 centres makes a reputed player in the educational industry.

Some of MT Educare's successful accomplishments include:

- Training over 1,00,000 students across 13 states (Maharashtra, Gujarat, Karnataka, Chandigarh, Haryana, Punjab, Tamil Nadu, Kerala, Assam, Odisha, Uttar Pradesh, Andhra Pradesh and Telangana)
- Access to more than 45,000 students through pre-university tie-ups
  - Partnered with Aryan Foundation in 22 integrated colleges across Karnataka through Mahesh PU
  - Serviced students across 60 integrated colleges through Sri Gayatri Education Society across Andhra Pradesh and Telangana
- Launched a multipronged media campaign in FY17 with an investment of around ₹ 14 Crores, including television commercials running across media channels with Bollywood's iconic celebrity Mr. Amitabh Bachchan as the brand endorser for the Robomate+ app

During FY17, we have coached around 159,162 students as compared to 153,646 in FY16. Commerce & UVA segment registered the growth of 71%, contributing around 34% of the total revenue. Our revenue increased to ₹ 30,106.80 Lakhs, registering a growth of 5%. EBITDA has been impacted in FY17 due to the launch of state of art learning platform (LMS) Robomate+ through a multi-pronged media campaign which includes TVC's running across television channels which costed around ₹ 14 Crores. We received very good response across market segment and should help to grow business in FY18.

We, at MT Educare, also believe in giving back to the society. Our philosophy is to serve the society in the fields of education, healthcare, women empowerment and sports. We coach students of BMC schools and also provide financial assistance through tie-ups with various hospitals and medical centers to the underprivileged patients. We are also providing support to NGOs those who are working towards providing meal to the underprivileged children and also for women empowerment.

I would like to express my sincere gratitude to each and every stakeholder for their continued trust and support.

Yours Truly,

Mahesh Shetty
Chairman and Managing Director

Our Achievers





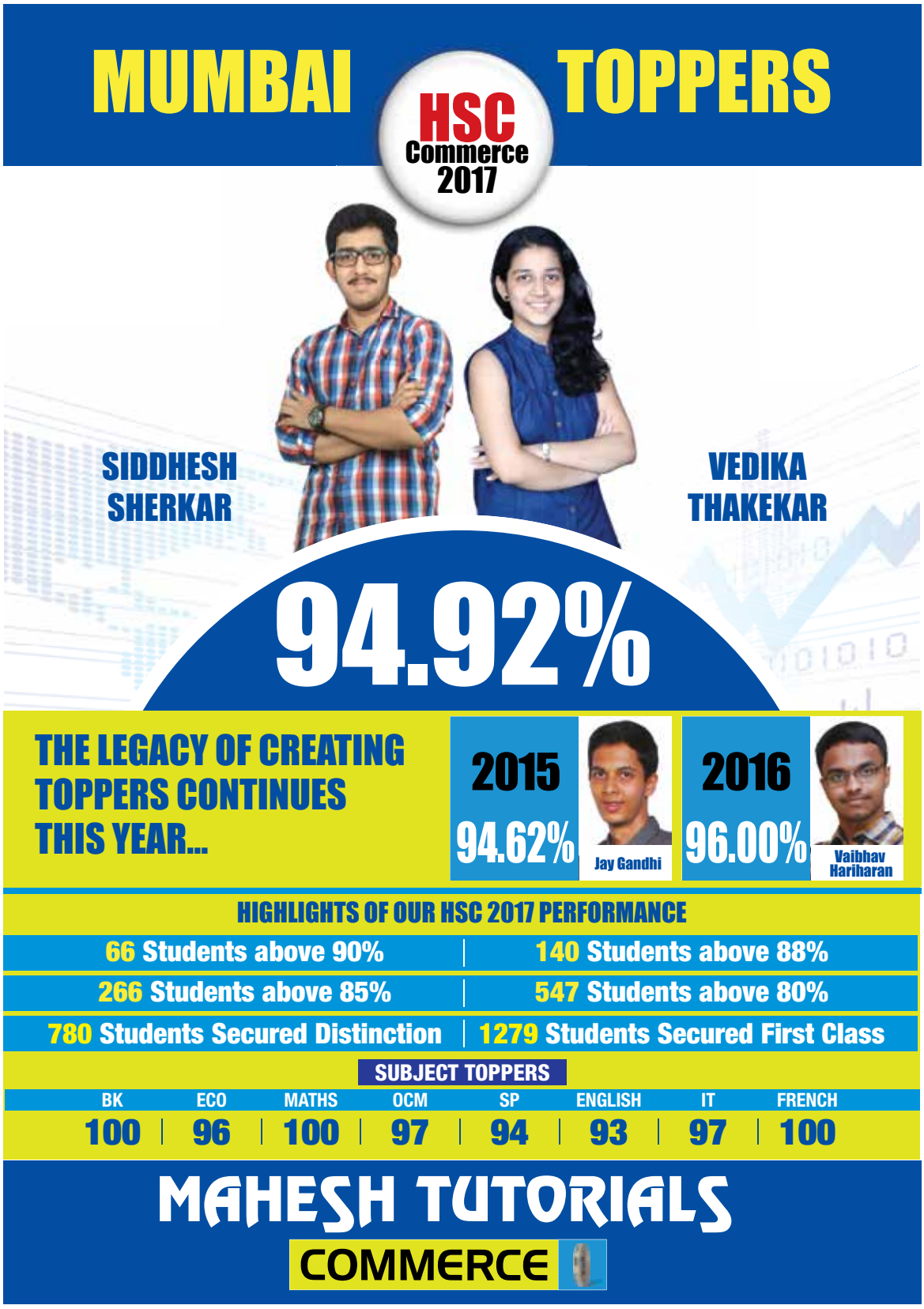
Lakshya
Forum for Competitions

IIT WING OF
MAHESH TUTORIALS

MAHESH
PU COLLEGE
EDUCATION AT ITS BEST



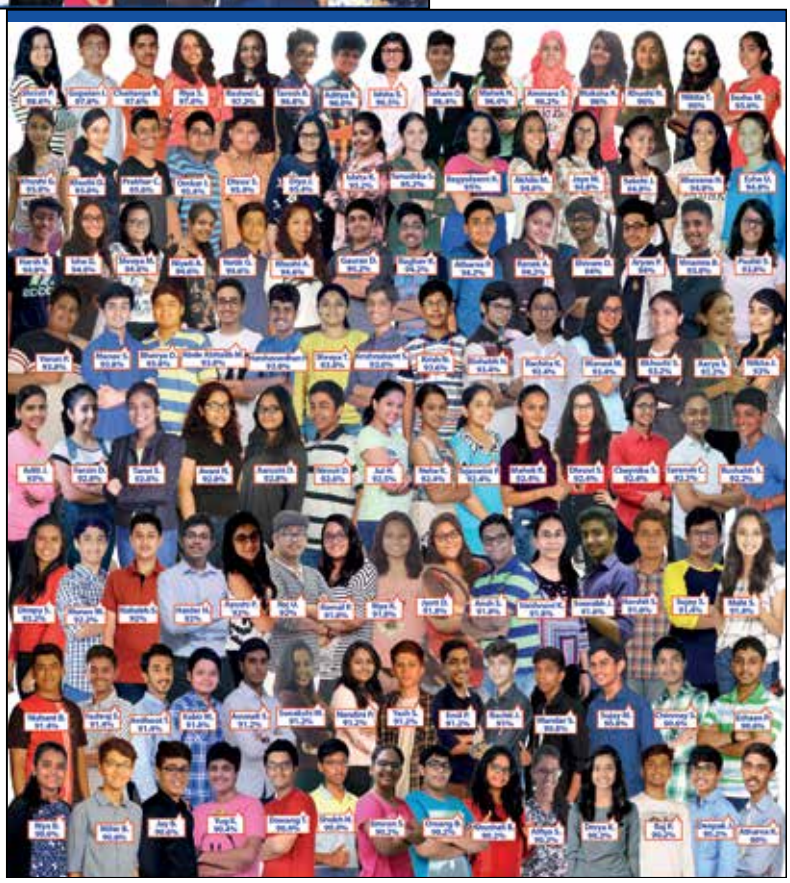

18 IN TOP 50 ALL INDIA RANKERS
CA FINAL MAY 2017
AIR- 5 Aishwarya R.
AIR- 20 Nupur B.
AIR- 33 Lokesh K.
AIR- 44 Dhwip S.
AGATHISWARAN S.
All India Rank
nd
2
AIR- 32 Harish V.
AIR- 49 Vijayakumar
AIR- 15 Sreepadh G.
AIR- 43 Syam B.
AIR- 45 Sai Gireesh
AIR- 23 Krunali S.
AIR- 47 Mayuresh W.
AIR- 49 Meet V.
AIR- 46 Mehul P.
AIR- 17 Shivam A.
AIR- 26 Shweta T.
AIR- 41 Vatsal M.
AIR- 47 Deepak S.
MAHESH TUTORIALS
COMMERCE


MUMBAI
HSC
Commerce
2017
TOPPERS
SIDDHESH SHERKAR
VEDIKA THAKEKAR
94.92%
THE LEGACY OF CREATING TOPPERS CONTINUES THIS YEAR...
2015
94.62%
Jay Gandhi
2016
96.00%
Vaibhav Hariharan
HIGHLIGHTS OF OUR HSC 2017 PERFORMANCE
66 Students above 90%
140 Students above 88%
266 Students above 85%
547 Students above 80%
780 Students Secured Distinction
1279 Students Secured First Class
SUBJECT TOPPERS
BK 100
ECO 96
MATHS 100
OCM 97
SP 94
ENGLISH 93
IT 97
FRENCH 100
MAHESH TUTORIALS
COMMERCE


OUR SSC 2017 TOPPERS
211 STUDENTS SCORING 95% AGG & ABOVE
99.80%
PRIYA B.
99.60%
TANVI A.
99.60%
SNEH K.
99.60%
SANIKA R.
99.40%
SANSKAR S.
99.40%
VAIDEHI R.
99.40%
SANSKRUTI M.
99.00%
SHARDUL K.
99.20%
RUCHITA A.



OUR CBSE 2017 TOPPERS - 10/10 CGPA



OUR ICSE 2017 TOPPERS

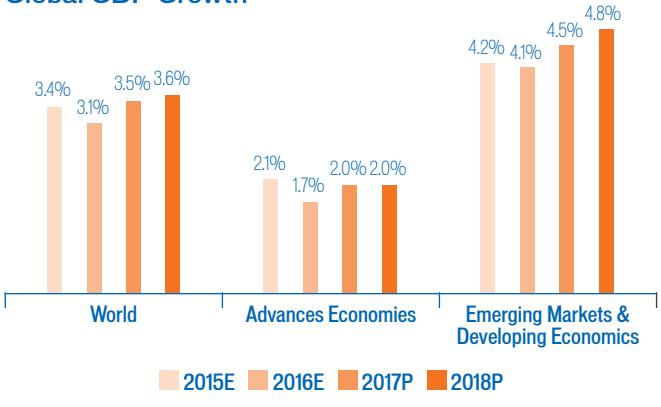
Management Discussion and Analysis

ECONOMIC OVERVIEW

Global Economy

As per the estimation of World Economic Outlook report released by International Monetary Fund on April 2017, the global economy grew by 3.19% in 2016 against a growth of 3.4% in 2015. Emerging Markets & Developing Economies have been estimated to grow by 4.1% in 2016 against 4.2% in 2015 whereas Advanced Economies estimated to grow by 1.7% in 2016 against 2.1% in 2015. In the report, IMF also projected the global economic growth would further gain momentum. The key driving factors are favourable deflationary measures, boost in demand and agreed restrictions on oil supply.

Global GDP Growth



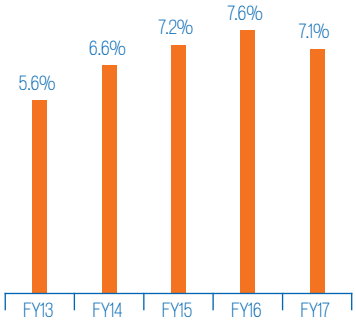
Note: E-Estimated, P-Projected

Source: World Economic Outlook, April 2017

India economy

As per estimation of Central Statistics Office (CSO), the Indian economy grew 7.1% in FY17 against a growth of 7.6% in FY16. The economic growth was mainly affected due to the announcement of demonetization in November 2016. In 2016, the Indian Government has passed new reforms such as Goods and Service Tax (GST) and Bankruptcy law, easing FDI limits in various sectors will propel growth in the coming years.

India's GDP YoY growth



Source: Central Statistics Office (CSO), Government of India

The economic revival activities are picking up with the Government effort towards investment demand supported by the monetary easing cycle, rising FDI, infrastructural investments and public-private partnerships.

EDUCATION SECTOR

Chalking up higher growth

Education industry in India is set to chart higher in the coming years. Growing young population, low gross enrolment ratios, rising income of households and demand for quality education offer tremendous growth opportunities in the sector. Meanwhile, Government initiatives to modernize the sector have also gained ground even as private players and entrepreneurs are making beeline to grab a share of the growing pie. In addition to this, increased penetration of mobile telephony over the last few years has facilitated anytime, anywhere learning through e-learning and m-learning modules. All these factors augur well for the industry, which holds immense potential for further expansion and development.

Government playing a proactive role

Education in India is closely regulated by the central as well as state governments. The government, in recent times, has been taking proactive measures not only to spur growth in the sector but also to improve quality of education and skill development of the younger generation. Some of the key initiatives taken by the Government include an increase in budgetary allocation for the industry. The Union Budget 2017-18 allocated of ₹ 79,685.95 Crore (US$ 11.952 billion) for the education sector for FY 2017-18, marking a 9.9% increase from the previous year's allocation of ₹ 72,394 Crore (US$ 10.859 billion). The government also allocated around ₹ 17,000 Crore (US$ 2.55 billion) towards skill development, employment generation and provision of livelihood to millions of youth, in line with the objectives of its Skill India Initiative – 'Kaushal Bharat, Kushal Bharat'. Under this mission, the government has set a target of training 400 million citizens by 2022 and to enable them find suitable jobs.

Some programs launched under this mission include Pradhan Mantri Kaushal Vikas Yojana, National Policy for Skill Development and Entrepreneurship 2015, Skill Loan Scheme and the National Skill Development Mission. The government has also joined hands with the World Bank under a US$ 201.50 million International Development Association (IDA) credit agreement for Technical Education Quality Improvement Project (TEQIP III) to improve the quality and equity of engineering education across several focus states.

Major Initiatives taken by the Government of India	
Sarva Shiksha Abhiyan	Provide elementary education to all children in the 6-14 age group. Universalize elementary education by community-ownership of the school system.
Unnat Bharat Abhiyan	To enable technical and higher educational institutions to work with the people of rural India in identifying development challenges and evolving appropriate solutions for accelerating sustainable growth.
Pradhan Mantri Kaushal Vikas Yojana	To encourage skill development among the youth by providing monetary rewards for successful completion of approved training programs.
Pradhan Mantri Yuva Yojana	To provide entrepreneurship training to the youth
Pradhan Mantri Gramin Digital Saksharta Abhiyan	To make over 6 Crore households in rural India digitally literate
Pandit Madan Mohan Malaviya National Mission on Teachers and Teaching	To address various shortcomings related to teachers and focus on their professional development
Study Webs of Active-Learning for Young Aspiring Minds (SWAYAM)	E-education platform delivering massive open online courses (MOOCs) to under graduate and post-graduate students
National Institutional Ranking Framework (NIRF)	To rank higher educational institutions in the country based on objective criteria to promote competitive excellence in the higher educational institutions.
IMPRINT (Impacting Research Innovation & Technology)	To promote research with a view to solve major engineering and technology challenges in ten technology domains relevant to India.
Global Initiative of Academic Networks (GIAN) Program	To tap the talent pool of scientists and entrepreneurs, internationally to encourage their engagement with the institutes of Higher Education in India so as to augment the country's existing academic resources, accelerate the pace of quality reform, and elevate India's scientific and technological capacity to global excellence.

Factors driving growth

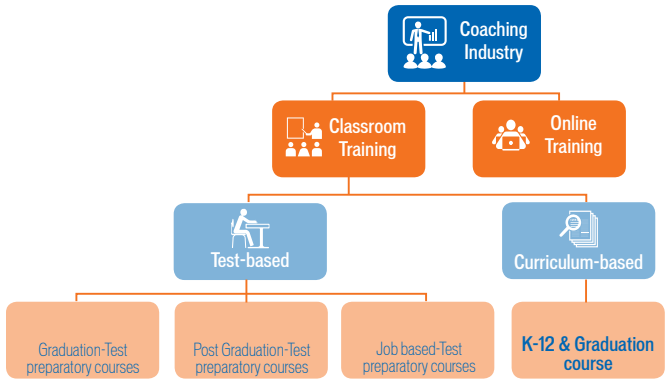
India has over 1.4 million schools with more than 227 million students enrolled. The country has one of the world's largest higher education systems. Official data suggests around 34.2 million students were enrolled in nearly 48,116 colleges and institutions for higher education in 2015. Going forward, the industry is likely to touch US$ 144 billion by 2020 from US$ 97.8 billion in 2016, backed by prospective government reforms and favourable demographic factors, which will drive higher investments into the industry. India enjoys a large, growing population of young individuals – nearly 500 million in the age bracket of 5-24 years in 2016. By 2020, the country will have the world's largest tertiary age population and will also have the second largest graduate talent pipeline globally.

With a present literacy rate of only 73% as compared with the world average of 84%, there exists huge untapped potential in the sector. Moreover, the demand-supply gap is also high with official estimates projecting an additional requirement of 200,000 schools, 35,000 colleges, 700 universities and 40 million seats in the vocational training centres. The demand for quality education is also on rise with increased awareness and rising disposable incomes of average Indians. Initiatives undertaken by the government coupled with policy reformation are likely to increase private sector participation, thereby boosting growth at a faster clip.

Coaching classes: Booming under the shadow

The role of coaching classes and private tutors (often termed as the 'shadow education system') has gained much importance over the last couple of decades. With mainstream education system reaching new heights and competition turning fiercer across the board, most students who wish to excel in academics' resort to private coaching to supplement school-based training. The private coaching sector has grown by leaps and bounds in the past two decades, with coaching institutes providing training for almost all subjects, classes and fields of study including school and college level, civil services exams as well as entrance exams for engineering, medicine law, architecture and management courses. Coaching classes also train students for international entrance tests and language proficiency exams.

Segments of Indian coaching industry



Source: CRISIL

According to CRISIL Research, the Indian coaching industry is an estimated ₹ 1.7 trillion as of 2015-16, clocking a compounded annual growth rate (CAGR) of 16% between 2010-11 and 2015-16. According to the 71st survey conducted by National Sample Survey Organization nearly 26% of the total number of students in the country took private coaching and tuitions with 36% belonging to secondary and higher secondary classes while 20% were graduation students.

Proportion of students taking private coaching for levels of school education

Segments	Share (%)
Primary (refers to Classes I-V)	22%
Upper Primary (refers to Classes VI-VIII)	26%
Secondary and Higher Secondary (refers to Classes IX-XII)	36%
Graduation	20%
Post graduate and above	13%
Overall school education and higher education	26%

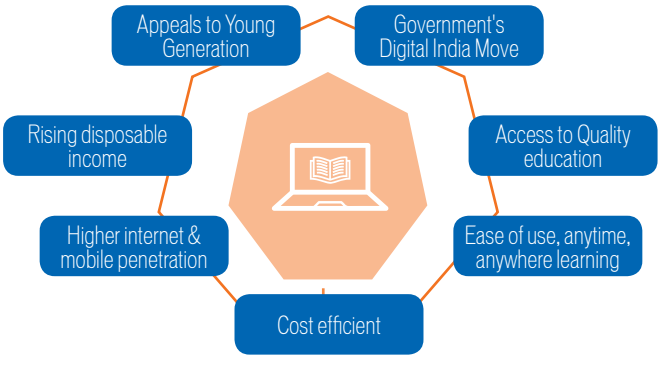
Source: NSSO 71st Survey Key Indicators of Social Consumption in India: Education

Going forward, rising disposable income of households and increased willingness to spend on education, coupled with cut-throat competition and consequent higher cut-off marks required to secure admissions in reputed institutes will continue to drive more students towards private coaching classes. As a result, the coaching industry is set to grow at a steady pace over the next five years, posting an estimated 13% CAGR between 2015-16 and 2020-21 to ₹ 3,280 billion, according to CRISIL Research.

Making inroads digitally

With the advancement of internet technology and growing penetration of mobile telephones and other hand-held devices, the potential of educating through digital media is gaining further ground. India is the second largest market for e-learning after the US. The digital education industry is expected to grow more than ₹ 100 billion by 2020, boosted by robust growth in the private e-learning space.

The concept of anywhere, anytime, self-paced learning through live and interactive digital media is gaining widespread popularity and acceptance among students, especially those who are otherwise unable to receive quality education in physical classrooms. The digital learning system is not only time-efficient, but also lets the learner learn at her own pace and convenience, without having to spend a fortune. Besides, hybrid and collaborative online learning lets students gain on-campus experience as well as the benefits of online learning. Over the next five years, the digital education segment looks set to track higher growth trajectory even as the government intensifies its focus to transform India into a digitally empowered and knowledge-based society. According to CRISIL, revenues from the e-learning segment are expected to grow multifold to ₹ 70-75 billion by 2020 from ₹ 8-9 billion in 2015.



OPERATIONAL REVIEW

School Division

MT Educare has started focusing on developing the CBSE & ICSE business verticals for scaling the operations in the school segment. The Company has increased batch utilization by adding count in existing locations across Mumbai. The number of students serviced has reduced in comparison of last year due to lot of State Board schools converting to CBSE/ICSE, and despite count going down, we have experienced higher fee realization per student in 2016-17 as compared to 2015-16

School Division Performance

Particulars	FY16	FY17	Growth
Revenue (₹ in Lakhs)	8,029	8,028	-
No. of Students Serviced	36,544	27,661	-24%

Science Division

MT Educare conducts JEE Advanced (IIT Entrance Exam) in Mumbai & North under the brand 'Lakshya'. The Company has 22 Pre-University tie-ups across Karnataka under its 'Mahesh PU' brand for K-CET test preparatory coaching. The Company aims to leverage its 'Mahesh PU' brand to strengthen its science division. The Company is a leading test preparation player in Mumbai in the MH-CET space.

Science Division Performance

Particulars	FY16	FY17	Growth
Revenue (₹ in Lakhs)	10,394	9,735	-6%
No. of Students Serviced	24,436	28,318	16%

Commerce & UVA (includes Skill Development) Division

MT Educare has developed expertise in XI and XII for Maharashtra through its experience of more 28 years in teaching. The company is also expanding CA video classrooms in South India through franchise model and has its centre of excellence (COE) in Chennai for CA coaching.

Under the UVA segment, the company undertakes government's skill development projects and free-coaching to minority & underprivileged students. The steep increase in the count & revenues this year, is on account of growing CA business in Chennai & UVA projects across various states in the country.

Commerce & UVA Performance

Particulars	FY16	FY17	Growth
Revenue (₹ in Lakhs)	5,878	10,078	71%
No. of Students Serviced	40,338	80,293	99%

Robomate+ Division

Robomate+ is an educational technology edutech platform, which enables content creation, enhances classroom delivery, report performance analysis and helps in administrative management. The app was launched through a multipronged media campaign which included TVC's running across television channels.

The digital content of Robomate+ received good response from the students and clearly visible through our ranks. The Company is reaching out to Non-MT students for scaling up their business. It is our endeavour to tap the new geographies across India in the coming year. The Company is expanding reach through:

- Tie up with local coaching classes in tier-II and tier-III Cities
- Providing training to teachers
- Appointing Franchisee across India

Robomate+ Division

Particulars	FY16	FY17	Growth
Revenue (₹ in Lakhs)	4,109	2,050	-50%
No. of Students Serviced	52,328	22,890	-60%

The reduction in revenue & students serviced as compared to last year is due to one time deals with certain large group of educational institutions. Adjusted for that, the Robomate business under its B2B & B2C has been growing well.

The Company associated with Amitabh Bachchan as its brand endorser for promotion of Robomate+ & invested ₹ 14 Crores during the year

FINANCIAL REVIEW:

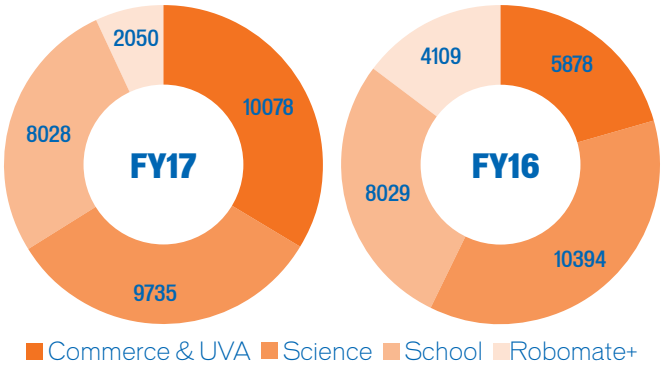
Revenue

The consolidated revenue for the year FY17 grew by 5% to ₹ 30,106.80 Lakhs from ₹ 28,708.31 Lakhs in FY16.

Sales Vertical wise Split

Direct Expenses

The expense to revenue ratio in respect of rent, rates and



taxes expenses has decreased from 13.88% in FY16 to 13.25% in FY17 largely on account of centre consolidation in Mumbai and bringing operational efficiencies.

The student material and test expenses has remained flat at 3,122.28 as compared to 3,144.12 Lakhs in last year.

Similarly, the expense to revenue ratio has also increased from 79.84% of total operating revenue to 83.69% in FY17 primarily on account of one time media campaign launched with the help of Mr. Amitabh Bachchan for Robomate+ awareness.

Conversely, the Company's digital push to introduce digital content in the teaching methodology has resulted in savings in the teaching and administrative faculty cost (VF/AF cost), which has demonstrated 48 bps of reduction in VF/AF Cost to Revenue ratio.

Employee Benefits and Other Expenses

The employee benefits expense of the Company has grown from ₹ 3,717.55 Lakhs in FY16 to ₹ 4,231.72 Lakhs in FY17 mainly due to certain strategies executed by the Company w.r.t. implementing government projects under UVA segment and setting up Robomate division for retail (B2C) and institutional (B2B) sales. Other expenses, has increased from 10.52% in FY16 to 11.87% in FY17 mainly on account of increase in administrative expenses.

Marketing Costs for the Company has risen from ₹ 1,794.08 Lakhs in FY16 to ₹ 2,696.45 Lakhs in FY17, a growth of 50.3% over the last year. This has largely been on account of one time Robomate+ media campaign of ₹ 14 Crores for Robomate+ awareness.

Capital Expenditure (Fixed Assets) and Depreciation

The gross block of tangible fixed assets increased by ₹ 937.86 Lakhs. There has been deduction of ₹ 895 Lakhs in gross block leading to net addition of ₹ 42.86 Lakhs in gross block. The net block of tangible fixed assets as on March 31, 2017 is ₹ 4,278.69 Lakhs as compared to ₹ 4,700.37 Lakhs as on March 31, 2016.

The Company's investment in development of digital content (Robomate) for use in MT classrooms and sale to MT and non-MT students saw the gross block of intangible fixed assets grow from ₹ 2,609.88 Lakhs in FY16 to ₹ 4,855.80 Lakhs. The net block of intangible fixed assets as on March 31, 2017 is ₹ 2,534.66 Lakhs.

The Company's depreciation expense increased by 22.58% to ₹ 1,913.95 Lakhs as against ₹ 1,561.44 Lakhs mainly on account of amortization of content which as per company policy, sets amortized in 3 years.

Other Balance Sheet Items

The net advance fees (current + non-current) stood at ₹ 3,000 Lakhs as on FY17. The long-term loans and advances have increased to ₹ 11,749.49 Lakhs in FY17 from ₹ 10,563.61 Lakhs in FY16 primarily on account of loans for Strategic tie-ups. The trade receivables (net of provision for bad and doubtful debts) increased from ₹ 4,553.98 Lakhs in the previous year to ₹ 12,102.70 Lakhs in FY17 primarily on account of government projects.

Cash Flow

The Company's cash flow from operating items after tax for the year ended March 31, 2017 is ₹ (5,563.76) Lakhs (previous year ₹ 3233.65 Lakhs) mainly on account of trade receivables from Government projects.

Outlook

The Central and State Government has taken various initiatives to scale the education sector along with new education techniques like digital education. As human

resource is gaining the impetus in the overall development of the country, it is imperative to have more focus on developing educational infrastructure.

MT Educare has consistently invested in the technology infrastructure which has helped them to become the leader in its segment. The company is well prepared to capture the potential opportunities in the key educational sector. Newly developed App **'Robomate'+** is well accepted in the market and expected to contribute majorly in the Company's revenue in the coming years

OPPORTUNITIES

- Good mix of services
- Presence across India
- Usage of Innovative and advanced technology
- Strong faculty Bandwidth
- Strong brand in the education sector

Threats

- Stiff competition due to low capital intensive nature of business, hence lower entry barriers
- Rate of adoption for technological innovation in the sector
- Regulatory changes viz. exam patterns, etc.

Risk Review

The Company has diversified operations across pan India and operates in various segments within the coaching business. Thus the company is exposed to various risks. It becomes very imperative for the Company to have a strong risk mitigation plan.

Competition Risk

Due to low capital intensive and high payback, the coaching has large number of small and medium sized players. This leads to high competition.

Mitigation Plan: The Company has a good brand recall value for its focused and result oriented approach of providing quality teaching for more than 28 years. It's continued focus on blending technology with the teaching method of LMS "Robomate+" has been a key differenciator. MT Educare leverages it goodwill of brand 'Mahesh' through its improved focus on blending technology along with its LMS teaching methods. Thus, it has able to create a point of differentiation creating strong entry barriers to new players.

Attrition Risk

Due to stiff competition among peers and demand for good teacher, there is a constant threat of attrition among the teachers.

Mitigation Plan: The Company offers good salary to its employees & teachers which is above the industry standard remuneration for its high-quality teaching staff

Human Capital

MT Educare has always valued its Human Capital. A lot of initiatives have been taken by the company to attract and retain the best talent. The company motivates and elevates its faculty members to take larger role in the organizations. MT Educare had total strength of more than 2,000 well-trained faculty members and employees during FY17.

Internal Control Systems and Their Adequacy

MT Educare has adequate system of internal controls in place which ensure that all the assets are safeguarded and protected against loss from an unauthorized use or disposition and those transactions are authorized, recorded and reported quickly.

The Company has developed internal financial control framework and timely review the effectiveness of the controls across all critical processes

MT Educare's internal control has an extensive programme of internal audits, timely reviewed by management and policies, guidelines and procedures are documented. The report of findings to the Audit Committee of the Board of Directors by the internal auditors. The internal controls ensure that financial and other records are reliable to prepare the financial information and other data and for maintaining accountability of assets.

CAUTIONARY STATEMENT

The statements contained in the Board's Report and Management Discussion and Analysis contain certain statements relating to the future and therefore are forward looking within the meaning of applicable securities, laws and regulations. Various factors such as economic conditions, changes in government regulations, tax regime, other statues, market forces and other associated and incidental factors may however lead to variation in actual results.

Directors' Report

Dear Shareholders,

Your Directors are pleased to present the Eleventh Annual Report and Audited Financial Statements for the financial year ended March 31, 2017.

FINANCIAL HIGHLIGHTS

Following is the summary of financial performance of the Company during the year under review:

(₹ in Lakhs)

Particulars	2016-17	2015-16
Revenue from operations	24,822.45	24,391.78
Total Expenses	21,142.81	18,922.01
Earnings before Interest, Tax, Depreciation, Amortisation and exceptional items	3,679.64	5,469.77
Less: Financial Expenses	1,356.66	326.70
Less: Depreciation & Amortization	1,729.01	1,465.23
Add: Other Income	1,198.39	821.10
Profit before exceptional items and tax	1,792.36	4,498.94
Provision for tax:		
Current tax	729.53	1,704.18
Deferred tax	(7.73)	(127.62)
Profit after tax	1,070.56	2,922.38
Available for Appropriations	1,070.56	2,922.38
Appropriation:		
Interim dividend	0.00	238.92
DDT on Interim Dividend	0.00	48.64
Proposed Final dividend	0.00	557.49
DDT on Final Dividend	0.00	116.46
Transactional Provision for Depreciation	0.00	0.00
Transfer to General Reserve	1,070.56	1,960.87
	1,070.56	**2,922.38**

OPERATIONS

Revenue from operations, after considering discount and concessions stood at ₹ 24,822.45 Lakhs as against ₹ 24,391.78 Lakhs for the previous year registering a increase of around 2%.Earnings before interest, depreciation, tax and amortization (EBIDTA) decreased by 33% to ₹ 3,679.64 Lakhs mainly on account of one time Robomate+ awareness media campaign as compared to previous year's figure of ₹ 5,469.77 Lakhs. Profit after tax has also decreased by 63% from ₹ 2,922.38 Lakhs in the previous year to ₹1,070.56 Lakhs in the current year.

DIVIDEND

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

TRANSFER TO RESERVE

During the year under review, ₹ 1,070.56 Lakhs was transferred to Reserve.

SHARE CAPITAL

There was no change in share capital of the Company during the Financial Year 2016-17.

CHANGE IN THE NATURE OF BUSINESS

During the year under review, the members of the Company through Postal Ballot Process, the result of which was declared on March 24, 2017 approved the transfer of 'Robomate' business undertaking to its wholly-owned subsidiary viz. Robomate EduTech Private Limited. Apart from the above, there is no change in the nature of business of the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

There are no material changes and commitments affecting financial position between the end of the financial year and date of this report.

CONSOLIDATED FINANCIAL STATEMENTS

As on March 31, 2017, the Company has 7 (seven) subsidiary companies. The details of the above mentioned companies are given in Report on Corporate Governance.

During the year under review, the Board reviewed the affairs of the subsidiaries. The Consolidated Financial Statements of the Company are prepared in accordance with relevant Accounting Standard viz. AS-21 (Consolidated Financial Statements) issued by the Institute of Chartered Accountants of India and forms part of this Annual Report. Further a statement containing the salient features of the Financial Statement of our subsidiaries in the prescribed form AOC 1 is included in this report forming part of the Financial Statements. The Financial statements including the consolidated financial statements, financials statements of subsidiaries and all other documents required to attached in this report have been uploaded on the website of the Company http://www.mteducare.com/investor-relations/reports/financial-reports

These documents will also be available for inspection at the Registered Office of the Company and of the subsidiaries during business hours on all working days and upto the date of Annual General Meeting.

CORPORATE GOVERNANCE

As required under the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Corporate Governance and a certificate confirming compliance with the requirements of Corporate Governance forms part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis for the year under review, as stipulated under Regulation 34(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 as required under Section 92 of the Companies Act, 2013 is included in this report as **Annexure 1** and forms an integral part of this Report.

DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in accordance with the Articles of Association of the Company, Mr. Naarayanan Iyer (DIN: 00295246), Director of the Company retires by rotation and being eligible, offer himself for re-appointment at the ensuing Annual General Meeting ('AGM').

The tenure of Mr. Mahesh Shetty (DIN: 01526975) as Managing Director of the Company expires on July 16, 2017. The Board at its meeting held on May 11, 2017, on recommendation of Nomination and Remuneration Committee has approved the re-appointment of Mr. Mahesh Shetty for a further period of 3 (three) years. His re-appointment and remuneration is in terms of Section 196, 197, 198 and 203 read with provisions of Schedule V of the Companies Act, 2013. The detailed terms and conditions including remuneration have been mentioned in the Notice convening 11th AGM of the Company. The Board of Directors recommends the re-appointment of Mr. Mahesh Shetty as Managing Director.

Brief profile of the Directors proposed to be appointed/ re-appointed as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), are provided in the Notice of 11th AGM of the Company.

All Independent Directors have given a declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

KEY MANAGERIAL PERSONNEL

During the year under review, your Company had following Key Managerial Personnel:

Sr. No.	Name of the Person	Designation
1	Mr. Mahesh R. Shetty	Chairman & Managing Director
2	Mr. Yagnesh Sanghrajka	Chief Financial Officer - upto 30 June, 2016
3	Mr. Sanjay Sethi	Chief Financial Officer - w.e.f. 1 July, 2016
4	Mr. Ashwin M. Patel	Company Secretary - upto 30 June, 2016
5	Mr. Dinesh Darji	Company Secretary - w.e.f. 1 July, 2016

MEETINGS OF THE BOARD

The Board meets at regular intervals to discuss and decide on Company's business policy and strategy apart from other business of the Board. Notice of Meetings of the Board of Directors is circulated well in advance along with the agenda giving detailed explanations, to enable the Board to take an informed decision.

During the year under review, the Board of Directors met Six (6) times, the details of which are given in the Report on Corporate Governance.

BOARD EVALUATION

Pursuant to the provisions of Section 178 of Companies Act, 2013 read with Schedule IV; and Regulation 17(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its committees. The Board of Directors expressed their satisfaction with the evaluation process. The Nomination and Remuneration Committee has formulated criteria for evaluation of performance of independent directors and the Board of Directors; 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.

COMMITTEES OF THE BOARD

There are currently following Committees of the Board:

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination and Remuneration Committee
4. Corporate Social Responsibility Committee

Details of the Committees with respect to their composition, terms of reference, meetings and attendance at the meetings held during the year, are provided in the Report on Corporate Governance, forming part of this Annual Report.

AUDIT COMMITTEE AND ITS COMPOSITION

The Audit Committee is duly constituted as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The composition of the Audit Committee is provided in Report on Corporate Governance.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has established and adopted Vigil Mechanism and the policy thereof for directors and employees of the Company in accordance with the provisions of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to provide a system for reporting of genuine concerns. During the year under review, no personnel of the Company approached the Audit Committee on any issue falling under the said policy and no personnel was denied access to the Audit Committee.

The vigil mechanism policy is available on the website of the company at web link: http://www.mteducare.com/images/Whistle_Blower_Policy_MT_Educare_Ltd.pdf

NOMINATION AND REMUNERATION POLICY

Pursuant to the provisions of Section 178(3) of the Companies Act, 2013, the Board of Directors has framed a policy which lays down a framework in relation to criteria for selection and appointment of Board Members including determination of qualifications, positive attributes, remuneration of Directors, Key Managerial Personnel and Senior Management of the Company, independence of directors and other matters as provided under Section 178(3) of the Companies Act, 2013. The details of this policy are given in the Report of Corporate Governance.

RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties for the year under review are on arm's length basis and in the ordinary course of business and are reported in the Notes to the Financial Statements. During the year under review, the Company has not entered into any material related party transactions and hence no transactions are required to be reported in Form AOC -2. Your Company has developed Standard Operating Procedure for identification and monitoring of such transactions.

The Policy on Related Party Transactions has been uploaded on the website of the Company. The weblink of the same has been provided in the Report of Corporate Governance. None of the Directors have any pecuniary relationship of transactions vis-a-vis the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013, the Board of Directors hereby state :

(i) that in the preparation of the Annual Accounts for the year under review, all applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

(ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for the year ended on that date;

(iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) that the annual accounts have been prepared on a 'going concern' basis;

(v) that the Directors have laid down proper internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(vi) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DETAILS IN RESPECT OF FRAUD REPORTED BY AUDITORS

Pursuant to Section 143(12) of the Companies Act, 2013 there were no frauds reported by the Auditors of the Company during the year under review, to the Audit Committee or the Board of Directors, as such there is nothing to report under Section 134(3)(ca) of the Companies Act, 2013.

AUDITORS

Statutory Auditors and their Report

Members of the Company at the 10th Annual General Meeting (AGM) held on September 28, 2016 had approved the appointment of M/s. MZSK & Associates (FRN: 105047W), as Statutory Auditors of the Company for a period of five consecutive years i.e., up to the conclusion of 15th AGM and to audit the financial statements of the Company for the financial year from 2016-17 to 2020-21. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by members each year at the AGM.

Your Directors recommends the ratification of the appointment of MZSK & Associates, Chartered Accountants, Mumbai as Statutory Auditors of the Company.

There were no qualification, reservation, disclaimer and adverse remarks made by the Statutory Auditors of the Company in their audit report.

Cost Auditors

As per the requirement of the Central Government and pursuant to provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendments Rules, 2014, your Company is required to maintain cost records to drive in transparency and keep a check on its costing.

The Board of Directors on the recommendation of the Audit Committee have appointed M/s. Joshi Apte & Associates, Cost Accountants (Registration No. 00240) as Cost Auditors to audit the Cost Accounts of the Company for the financial year 2017-18 at a remuneration of ₹ 1,00,000/- (Rupees One Lakh only) plus service tax as applicable and reimbursement of out of pocket expenses. Your Directors recommend to the members of the Company to approve the remuneration payable to the Cost Auditors for the Financial Year 2017-18 as stated in the Notice of the ensuing 11th Annual General Meeting.

Secretarial Auditors and their Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company appointed M/s. Manish Ghia & Associates, Company Secretaries, Mumbai to undertake Secretarial Audit of the Company. The Secretarial Audit Report is included as **Annexure 2** and forms integral part of this Report.

In respect to the Secretarial Auditors' remarks in their report, the Directors would like to state as under:

Sr. No.	Qualifications	Directors' Remark
1	Delay in submitting compliance certificate for the half year ended March 31, 2016 & half year ended September 30, 2016 as is required under Reg 7(3) with Stock Exchanges	Delay has been due to inadvertence and unintentional. Necessary monitoring mechanism has been put in place to ensure compliance.
2	Delay in publishing the financials in newspaper pertaining to the quarter & half year ended September 30, 2016 and quarter & Nine Month ended December 31, 2016	Due to certain technical issues at the end of advertising agency's/ newspaper(s), there was unintentional delay in the publication. Suitable steps have been taken to avoid any recurrence of such instances in future

Internal Auditors and Internal Control System & its adequacy

Your Company has an effective internal control and risk-mitigation system, which are assessed and strengthened with standard operating procedures. The Company's internal control system is commensurate with its size, scale and modalities of operation. The Internal Audit is entrusted to M/s. Mukund M. Chitale & Co., Chartered Accountants, Mumbai. The main thrust of the audit is to test and review controls, appraisal of risk and business process.

The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of the internal control system and suggests improvement to strengthen the same. The Company has strong Management Information System, being an integral part of control mechanism.

The Audit Committee, Statutory Auditors and the Business Heads are periodically appraised of the internal audit findings and corrective actions taken. Audit plays an important role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee. Proper steps have been taken to ensure and maintain objectivity and independence of Internal Audit.

RISK MANAGEMENT

Your Company has long been following the principle of risk minimization as is the norm in every industry. The Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the company.

The main objective of this plan is to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the plan establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter-alia are: Regulations, competition, Business risk, Technology obsolescence, Investments, retention of talent and expansion of facilities.

Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk. As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

CORPORATE SOCIAL RESPONSIBILITY

As part of its initiative under the Corporate Social Responsibility ('CSR') the Company has undertaken project of coaching 12,363 students of Standard IX and 10,558 students of Standard X (English / Hindi / Marathi and Urdu medium) of 158 BMC Schools across Mumbai. The projects are in accordance with Schedule VII of the Companies Act, 2013 and the Company's CSR policy. The Company has been conducting Free Grade Improvement Classes for students of Standard X with a vision to achieve 100% results in BMC schools, since last 8 years and over the years the Company has coached approximately 75,000 under-privileged children. Under this project, we mentor, guide and coach the students of Standard IX and X encouraging them to pursue qualitative education and lead a dignified life.

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) Amcha Ghar, (c) Justice Chainani Old Age Home etc. to name a few.

ENVIRONMENT AND SAFETY

The operations of the Company are conducted in such a manner that it ensures safety of all concerned and a pleasant working environment.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has in place and implemented a policy on prevention of sexual harassment at workplace, with a mechanism of lodging & redressing the complaints. An Anti-

Sexual Harassment Committee has been set up to redress the complaints. The redressal of complaint is informed to the concerned employee and also placed on the intranet for the benefits of its employee. During the year 2016-17, the Company has not received any complaint of sexual harassment.

HUMAN RESOURCE AND INDUSTRIAL RELATIONS

The Company takes pride in the commitment, competence and dedication shown by its employee and Visiting Faculties in all areas of operations. The Company has a structured induction process and management development programs /Teacher training workshops to upgrade skills of managers / Faculties. Objective appraisal systems based on Key Result Areas are in place for senior management staff.

The Company is dedicated to enhancing and retaining top talent through superior learning and organizational development, as this being the pillar to support the Company's growth and sustainability in the future.

EMPLOYEE STOCK OPTION SCHEME

The Company implemented the Employee Stock Options Scheme "ESOP 2016" in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. The applicable disclosures as stipulated under the said Regulations as at March 31, 2017 are provided in **Note No. 26.7** of (Standalone) Financial Statements.

STATUTORY INFORMATION

The information on energy conservation, technology absorption and foreign exchange earnings and outgo as required to be disclosed under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is given below:

i. Part A & B of the Rules pertaining to Conservation of Energy and Technology Absorption are not applicable to your Company.

ii. Foreign Exchange Earnings and Outgo:

Earnings: ₹ 28.95 Lakhs - (Previous year ₹ 33.45 Lakhs)

Outgo: **NIL** (Previous year: **NIL**)

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS BY THE COMPANY

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in notes to Financial Statements.

PARTICULARS OF REMUNERATION

The information required under Section 197 (12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2017 is given in a separate **Annexure 4** to this Report.

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 will be provided to the shareholders upon a receipt of written request duly signed, at the Registered Office of the Company.

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 11th AGM and up to the date of the AGM between 11.00 a.m. and 1.00 p.m. on all working days (except Saturday and Public Holidays).

None of the employee listed in 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.

DEPOSITS

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 and Section 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014.

BUSINESS RESPONSIBILITY STATEMENT

The Business Responsibility Reporting is not applicable to your Company for the financial year ending March 31, 2017.

CODE OF CONDUCT COMPLIANCE

A declaration signed by Mr. Mahesh Shetty, Chairman & Managing Director, affirming compliance for the financial year 2016-17, with the Company's Code of Conduct for the Directors and Senior Management as required under Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is annexed and forms part of the Directors' Report.

APPRECIATION

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.

For and on behalf of the Board of Directors

Place: Mumbai
Date: May 11, 2017

Mahesh R. Shetty
Chairman and Managing Director

Annexure 1

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN

As on Financial year ended 31/03/2017

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 Dayal Upadhyay Marg, L.B.S. Cross Road, Mulund (West), Mumbai - 400080.	U80301MH2010PTC199012	Subsidiary Company	100	Section 2(87)
2	Lakshya Educare Pvt. Ltd. 220, 2nd Floor, "FLYING COLORS", Pandit Din Dayal Upadhyay Marg, L.B.S. Cross Road, Mulund (West), Mumbai - 400080.	U80301MH2012PTC238011	Subsidiary Company	100	Section 2(87)
3	Lakshya Forum For Competitions Pvt. Ltd. SCF 101, Chotti Baradari, Patiala 147001.	U80301PB2010PTC034186	Subsidiary Company	100	Section 2(87)

Sr. No	Name and Address of the Company	CIN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
4	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)
5	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)
6	RobomateEduTech 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)
7	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)

IV SHAREHOLDING PATTERN

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

1. Category wise Shareholding

Category code	Category of Shareholders	No.of shares held at the beginning of the year (as on April 1, 2016)				No.of shares held at the end of the year (as on March 31, 2017)				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(A)	**Promoter and Promoter Group**									
1	**Indian**									
(a)	Individuals/HUF	17,036,803.00	-	17,036,803.00	42.78	17,036,803.00	-	17,036,803.00	42.78	-
(b)	Central Govt. /State Govt.	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Banks / FI	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub Total (A)(1)	**17,036,803.00**	**-**	**17,036,803.00**	**42.78**	**17,036,803.00**	**-**	**17,036,803.00**	**42.78**	**-**
2	**Foreign**									
(a)	Individuals (NRI & Foreign)	-	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Qualified Foreign Investors	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub Total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**17,036,803.00**	**-**	**17,036,803.00**	**42.78**	**17,036,803.00**	**-**	**17,036,803.00**	**42.78**	**-**
(B)	**Public shareholding**									
1	**Institutions**									
(a)	Mutual Funds/UTI	305,928.00	-	305,928.00	0.77	1,001,652.00	-	1,001,652.00	2.52	(1.75)
(b)	BANKS / FI	20,216.00	-	20,216.00	0.05	38,963.00	-	38,963.00	0.10	(0.05)
(c)	Central Govt./ State Govt	-	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-
(f)	FII's	8,573,796.00	-	8,573,796.00	21.53	4,952,280.00	-	4,952,280.00	12.44	9.09
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(h)	Qualified Foreign Investors	-	-	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub Total (B) (1)	**8,899,940.00**	**-**	**8,899,940.00**	**22.35**	**5,992,895.00**	**-**	**5,992,895.00**	**15.05**	**7.30**

Category code	Category of Shareholders	No.of shares held at the beginning of the year (as on April 1, 2016)				No.of shares held at the end of the year (as on March 31, 2017)				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
2	**Non-institutions**									
(a)	Bodies Corporate	2,217,893.00	-	2,217,893.00	5.57	2,565,421.00	-	2,565,421.00	6.44	(0.87)
(b)	i. Individuals - shareholders holding nominal share capital up to ₹ 2 Lakh	4,160,032.00	36,190.00	4,196,222.00	10.55	6,752,876.00	36,190.00	6,789,066.00	17.05	(6.50)
	ii. Individual shareholders holding nominal share capital in excess of ₹ 2 Lakh	3,616,776.00	10,890.00	3,627,666.00	9.11	2,451,077.00	10,890.00	2,461,967.00	6.18	2.93
(c)	Qualified Foreign Investors	-	-	-	-	-	-	-	-	-
(d)	Any Other									
i	NRI -Repat	336,028.00	-	336,028.00	0.84	664,723.00	-	664,723.00	1.67	(0.83)
ii	NRI - Non Repat	59,652.00	-	59,652.00	0.15	128,275.00	-	128,275.00	0.32	(0.17)
iii	Foreign Portfolio Invt. (Corporate)	-	-	-	-	27,100.00	-	27,100.00	0.07	(0.07)
iv	Clearing Member	283,284.00	-	283,284.00	0.71	3,308,507.00	-	3,308,507.00	8.31	(7.59)
v	Directors / Relatives	1,918,451.00	-	1,918,451.00	4.82	223,551.00	-	223,551.00	0.56	4.26
vi	Trusts	920,361.00	-	920,361.00	2.31	149.00	-	149.00	0.00	2.31
vii	Foreign Nationals	-	-	-	-	594.00	-	594.00	0.00	(0.00)
viii	Hindu Undivided Family	324,484.00	-	324,484.00	0.81	621,733.00	-	621,733.00	1.56	(0.75)
	Sub Total (B)(2)	**13,836,961.00**	**47,080.00**	**13,884,041.00**	**34.87**	**16,744,006.00**	**47,080.00**	**16,791,086.00**	**42.17**	**(7.30)**
	Total Public Shareholding Public Group (B)=(B)(1)+(B)(2)	**22,736,901.00**	**47,080.00**	**22,783,981.00**	**57.22**	**22,736,901.00**	**47,080.00**	**22,783,981.00**	**57.22**	**0.00**
	Total (A)+(B)	**39,773,704.00**	**47,080.00**	**39,820,784.00**	**100.00**	**39,773,704.00**	**47,080.00**	**39,820,784.00**	**100.00**	**0.00**
(C)	**Shares held by custodians and against which Depository Receipts have been issued**									
i	Promoter and Promoter group	-	-	-	-	-	-	-	-	-
ii	Public	-	-	-	-	-	-	-	-	-
	Sub Total (C)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	GRAND TOTAL (A)+(B)+(C)	**39,773,704.00**	**47,080.00**	**39,820,784.00**	**100.00**	**39,773,704.00**	**47,080.00**	**39,820,784.00**	**100.00**	**0.00**

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			% change in shareholding during the year
		Nos. of Shares	% of total shares of the Company	% of shares pledged/ encum-bered to total shares	Nos. of Shares	% of total shares of the Company	% of shares pledged/ encum-bered to total shares	
1	Mahesh R. Shetty	1,70,36,803	42.78	6.16	1,70,36,803	42.78	33.5	0

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

Sr. No	Particulars	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	Mahesh R. Shetty				
	At the beginning of the year	17036803	42.78	-	-
	Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for Increase / Decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	THERE IS NO CHANGE IN SHAREHOLDING			
	At the end of the year	-	-	1,70,36,803	42.78

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

Sr. No.	For each of the top 10 shareholders	Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	India Max Investment Fund Limited				
	a) At the Beginning of the Year	19,80,000	4.97		
	b) Changes during the Year	(8,60,240)	(2.16)	11,19,760	2.81
	c) At the end of the Year			11,19,760	2.81
2	Banyantree Growth Capital II L.L.C				
	a) At the Beginning of the Year	18,00,000	4.52		
	b) Changes during the Year	(18,00,000)	(4.52)	Nil	Nil
	c) At the end of the Year			Nil	Nil
3	Ashish Kacholia				
	a) At the Beginning of the Year	11,90,003	2.99		
	b) Changes during the Year	(11,90,003)	(2.99)	Nil	Nil
	c) At the end of the Year			Nil	Nil
4	Kotak Mahindra (International) Limited				
	a) At the Beginning of the Year	10,05,000	2.52		
	b) Changes during the Year			No change during the year	
	c) At the end of the Year			10,05,000	2.52
5	Avendus India Opportunities Fund III				
	a) At the Beginning of the Year	9,12,961	2.29		
	b) Changes during the Year	(9,12,961)	(2.29)	Nil	Nil
	c) At the end of the Year			Nil	Nil
6	Grandeur Peak Emerging Markets Opportunities Fund				
	a) At the Beginning of the Year	7,31,731	1.83		
	b) Changes during the Year	(4,71,208)	(1.18)	2,60,523	0.65
	c) At the end of the Year			2,60,523	0.65

Sr. No.	For each of the top 10 shareholders	Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
7	Grandeur Peak Global Opportunities Fund				
	a) At the Beginning of the Year	5,87,689	1.47		
	b) Changes during the Year	(2,62,500)	(0.66)	3,25,189	0.82
	c) At the end of the Year			3,25,189	0.82
8	Premier Investment Fund Limited				
	a) At the Beginning of the Year	5,42,000	1.36		
	b) Changes during the Year	2,38,985	0.6	7,80,985	1.96
	c) At the end of the Year			7,80,985	1.96
9	Grandeur Peak Global Reach Fund				
	a) At the Beginning of the Year	5,29,217	1.33		
	b) Changes during the Year	(3,04,300)	(0.76)	2,24,917	0.56
	c) At the end of the Year			2,24,917	0.56
10	IDBI Trusteeship Services Limited				
	a) At the Beginning of the Year	5,00,496	1.26		
	b) Changes during the Year	(2,78,324)	(0.7)	2,22,172	0.56
	c) At the end of the Year			2,22,172	0.56
11	Shriyam Brkg Intmdy Ltd				
	a) At the Beginning of the Year	-	-		
	b) Changes during the Year	17,00,000	4.27	17,00,000	4.27
	c) At the end of the Year			17,00,000	4.27
12	Antique Stock Broking Limited				
	a) At the Beginning of the Year	-	-		
	b) Changes during the Year	9,19,592	2.31	9,19,592	2.31
	c) At the end of the Year			9,19,592	2.31
13	HDFC Trustee Company Limited - HDFC Tax Saver fund				
	a) At the Beginning of the Year	-	-		
	b) Changes during the Year	8,06,372	2.02	8,06,372	2.02
	c) At the end of the Year			8,06,372	2.02
14	LTS Investment Fund Limited				
	a) At the Beginning of the Year	-	-		
	b) Changes during the Year	5,35,000	1.34	5,35,000	1.34
	c) At the end of the Year			5,35,000	1.34
15	ECAP Equities Limited				
	a) At the Beginning of the Year	-	-		
	b) Changes during the Year	3,64,564	0.92	3,64,564	0.92
	c) At the end of the Year			3,64,564	0.92
16	Madhusudan Kela				
	a) At the Beginning of the Year	-	-		
	b) Changes during the Year	3,19,000	0.8	3,19,000	0.8
	c) At the end of the Year			3,19,000	0.8

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	42.78	1,70,36,803	42.78
2	Mr. Naarayanan Iyer	1,98,000	0.49	1,98,000	0.49

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
3	Dr. Chhaya Shastri			17,551	0.04
	At the beginning of the year	17,17,551	4.31		
	Changes during the year	(17,00,000)	(4.27)	17,551	0.04
	At the end of the year			17,551	0.04
4	Ms. Drushti Desai	Nil	Nil	Nil	Nil
5	Mr. Yatin Samant				
	At the beginning of the year	2,900	0.01	Nil	Nil
	Shares purchased during the year	5,100	0.01	8,000	0.02
	At the end of the year			8,000	0.02
6	Mr. Uday Lajmi	Nil	Nil	Nil	Nil
7	Mr. Yagnesh Sanghrajka (resigned w.e.f. June 30, 2016)	Nil	Nil	N.A.	N.A.
8	Mr. Sanjay Sethi (appointed w.e.f. July 1, 2016)	N.A.	N.A.	Nil	Nil
9	Mr. Ashwin M. Patel (resigned w.e.f. June 30, 2016)	10,000	0.03	N.A.	N.A.
10	Mr. Dinesh Darji	N.A.	N.A.	Nil	Nil
	(appointed w.e.f. July 1, 2016)				

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	3499	-	-	3499
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	**3499**	**-**	**-**	**3499**
Change in indebtedness during the year				
Additions	27399.23	-	-	27399.23
Reductions	16547.24	-	-	16547.24
Net Change	**10851.99**	**-**	**-**	**10851.99**
Indebtedness at the end of the financial year		-	-	
i. Principal Amount	14350.99	-	-	14350.99
ii. Interest due but not paid	142.34	-	-	142.34
iii. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	**14493.34**	**-**	**-**	**14493.34**

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 (CMD)	Total Amount (in Lakhs)
1	Gross Salary	
	a. Salary as per provision contained in Section 17(1) of the Income Tax Act, 1961	155
	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

B. Remuneration of Other Directors

Sr. No	Particulars of Remuneration	Name of Directors			Total Amount (₹)
1	Independent Directors	Ms. Drushti Desai	Mr. Yatin Samant	Mr. Uday Lajmi	
	Fees for attending Board / Committee meetings	5,55,000	4,05,000	5,55,000	15,15,000
	Commission	-	-	-	-
	Others, please Specify	-	-	-	-
	Total (A)	**5,55,000**	**4,05,000**	**5,55,000**	**15,15,000**
2	Other non-Executive Directors	Mr. Naarayanan Iyer	Dr. Chhaya Shastri	-	
	Fees for attending Board / Committee meetings	2,40,000	6,30,000	-	8,70,000
	Commission	-	-	-	-
	Others, please Specify	-	-	-	-
	Total (B)	**2,40,000**	**6,30,000**	**-**	**8,70,000**
	Total (A + B)				**23,85,000**

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

Sr. No	Particulars of Remuneration	Key Managerial Personnel				Total Amount (₹)
		Mr. Yagnesh Sanghrajka - CFO (upto June 30, 2016)	Mr. Ashwin Patel - CS (upto June 30, 2016)	Mr. Sanjay Sethi - CFO (w.e.f. July 1, 2016)	Mr. Dinesh Darji - CS (w.e.f. July 1, 2016)	
1	Gross Salary					
	a. Salary as per provision contained in Section 17(1) of the Income Tax Act, 1961	19,80,000	14,81,816	53,84,003	20,24,950	103,70,769
	b. Value of perquisites u/s 17(2) of the Income Tax Act, 1961	5,00,000	-	5,00,000	-	10,00,000
	c. Profit in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2	Stock Options	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission					
	a. As % of profit	-	-	-	-	-
	b. Others, specify	-	-	-	-	-
5	Others, please specify	-	-	-	-	-

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

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

[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
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MT Educare Limited** (CIN:L80903MH2006PLC163888)and having its registered office at 220, 2nd Floor, "Flying Colors ", Pandit Din Dayal Upadhyay Marg, L.B.S Cross Road, Mulund (West), Mumbai- 400080 (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 our 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable to the Company during the audit period);**

(v) The following Regulations 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, 2009;

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the audit period);**

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company 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 to the Company during the audit period);**

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the audit period); and**

  (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(vi) there are no laws that are specifically applicable to the company based on their sector/industry.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Standards etc. mentioned above subject to the following observations pertaining to SEBI (Listing Obligation and Disclosure Requirement)

Regulation, 2015:

a) the Company has delayed by 3 days in submitting the compliance certificate for the half year ended March 31, 2016 and by 45 days for the half year ended September 30, 2016 with the stock exchanges as is required under Regulation 7(3); and

b) the Company has delayed by 2 days in publishing the financials in the newspaper pertaining to the Quarter and Half year ended September 30, 2016 and by 1 day in publishing the financials in the English newspaper for the Quarter and Nine month ended December 31, 2016 as is required under regulation 47(3).

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings; agenda and detailed notes on agenda were sent at least seven days 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.

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the minutes.

We 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.

We further report that during the audit period the Company has:

1. appointed M/s. MZSK & Associates, Chartered Accountant as Statutory Auditors to fill casual vacancy caused by resignation of M/s. Shaparia Mehta & Associates LLP, Chartered Accountant in it's Extra-Ordinary General meeting held on August 10, 2016;
2. incorporated two wholly owned subsidiaries namely Robomate Edutech Private Limited on October 5, 2016 and Letspaper Technologies Private Limited on December 28, 2016; and
3. obtained the approval of members under section 180(1)(a) of the Act (by a special resolution passed through postal ballot process,the results of which was declared on March 24, 2017) for transfer of 'Robomate' Business Undertaking to its wholly owned subsidiary namely 'Robomate EduTech Private Limited' .

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

For **Manish Ghia & Associates**
Company Secretaries

Manish L. Ghia
Partner
M. No. FCS 6252 C.P. No. 3531

Place : Mumbai
Date: May 11, 2017

'Annexure A to Secretarial Audit Report'

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

1. Maintenance of secretarial records 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 processes 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 processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book 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, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial audit report 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 **Manish Ghia & Associates**
Company Secretaries

Manish L. Ghia
Partner
M. No. FCS 6252 C.P. No. 3531

Place : Mumbai
Date: May 11, 2017

Annexure 3

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILTY (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. Mr. Uday Lajmi - Chairman

b. Mr. Mahesh Shetty - Member

c. Dr. Chhaya Shastri - Member

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

Financial year	Net Profit (₹ in Lakhs)
2015-16	4,838.42
2014-15	4,178.23
2013-14	3,312.11
Average Profit of 3 years	4,109.59

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

The Company is required to spend ₹ 82.19 Lakhs towards CSR.

5. Details of CSR spend for the financial year:

a. Total amount spent for the financial year: ₹ 92.92 Lakhs

b. Amount unspent, if any: Nil

c. Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR Project / Activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount Outlay (Budget) Project or Programs Wise (₹ in Lakhs)	Amount Spent on the project or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads	Cumulative Expenditure Up to reporting period (₹ in Lakhs)	Amount spent: Direct or through implementing agency
1	Imparting education to students of BMC Schools	Education	Mumbai, Maharashtra	73.02	Direct Expenditure	73.02	Implementing Agency - Global Education Trust
2	Rehabilitation	Charity	Mumbai, Maharashtra	6.5	Direct Expenditure	6.5	Implementing Agency - Global Education Trust
3	Medical	Health care	Mumbai, Maharashtra	1.6	Direct Expenditure	1.6	Implementing Agency - Global Education Trust

Sr. No.	CSR Project / Activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount Outlay (Budget) Project or Programs Wise (₹ in Lakhs)	Amount Spent on the project or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads	Cumulative Expenditure Up to reporting period (₹ in Lakhs)	Amount spent: Direct or through implementing agency
4	Tailoring	Women Empower-ment	Mumbai, Maharashtra	3.2	Direct Expenditure	3.2	Implementing Agency – Global Education Trust
5	Old age homes, CRY, Save the Child, Amcha Ghar etc.	Other CSR projects	Mumbai, Maharashtra	8.6	Direct Expenditure	8.6	Implementing Agency – Global Education Trust
		TOTAL		92.92		92.92	

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 – Not Applicable

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

Mahesh Shetty
Chairman & Managing Director
DIN:01526975

Uday Lajmi
Chairman of CSR Committee
DIN: 03529980

Place: Mumbai
Date: May 11, 2017

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	Ratio of remuneration to the median remuneration of the employees
1	Mr. Mahesh Shetty	109.54:1

(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, Managing Director	0
2	Mr. Yagnesh Sanghrajka (CFO upto June 30, 2016)	Not Comparable
3	Mr. Sanjay Sethi (CFO w.e.f. July 1, 2016)	Not Comparable
4	Mr. Ashwin Patel (CS upto June 30, 2016)	Not Comparable
5	Mr. Dinesh Darji (CS w.e.f. July 1, 2016)	Not Comparable

(iii)	The percentage increase in the median remuneration of employees in the financial year	9.79%
(iv)	The number of permanent employees on the rolls of the Company	936
(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. However, the number of employees has changed as compared to the financial year 15-16. During the year under review, there is no increase in the remuneration of the Managing Director.

We hereby confirm that the remuneration is as per the remuneration policy recommended by Nomination and Remuneration Committee of the Company and adopted by the Company.

Mr. Mahesh Shetty
Chairman & Managing Director
DIN:01526975

Mr. Uday Lajmi
Chairman of Nomination & Remuneration Committee
DIN: 03529980

Place: Mumbai
Date: May 11, 2017

Corporate Governance Report

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2017.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance is a set of principles, processes and systems to be followed by the Directors, Management and all employees of the Company for enhancement of shareholder value, keeping in view interest of other stakeholders.

The objective of good corporate governance is to have transparency, fairness, accountability and integrity in all dealing with customers, suppliers, employees and other stakeholders. These principles and objects are embodied in your Company's philosophy on the code of Corporate Governance to attain equilibrium among enhancement of stakeholder value, achievement of financial objective and corporate social responsibility.

GOVERNANCE STRUCTURE

MT Educare's Governance structure broadly comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This structure brings about a blend in governance as the Board sets the overall corporate objectives and provides strategic guidance and independent views to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable profitable growth.

BOARD OF DIRECTORS:

Composition and size of the Board:

In compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has optimum combination of Executive and Non-Executive Directors along with two women Directors. The Board consists of eminent individuals from Industry, Financial and Marketing. The Company is managed by the Board of Directors in co-ordination with the senior management team. The Board periodically evaluates the need for change in its composition and size. As on March 31, 2017 the total Board strength comprises of the following:

Executive Directors	1
Non-Executive Non-Independent Directors	2
Independent Directors	3
Total	6

DIRECTOR'S PROFILE:

Mr. Mahesh Shetty is the Chairman and Managing Director of the Company. He is also the Promoter of our Company. He has over 32 years of experience and holds a bachelor's degree in Science and education from University of Mumbai. His foresight of delivering quality education with unique innovation ahead of the market has resulted in your Company being the premier institution in the Education sector and a household name. He started the business of providing coaching services to students in School Section in 1988 under the brand of 'Mahesh Tutorials'. Prior to this, he was associated with Shetty's Academy as a faculty member for a period of three years. He was awarded the "Edupreneurs 2013" award by The Times of India.

Mr. Mahesh Shetty is a Promoter of the Company and holds 1,70,36,803 Equity Shares of the Company as on March 31, 2017.

Mr. Naarayanan Iyer is a Non-independent and Non-executive Director. He has been associated with our Company since its incorporation. He holds a bachelor's degree in mechanical engineering from the University of Madras. He has to his forte a rich 25 years of experience in the education sector and was instrumental in establishing a culture of training and development in the Company. He holds 1,98,000 Equity Shares of the Company as on March 31, 2017.

Dr. Chhaya Shastri is a Non-independent and Non-executive Director. She was appointed as a Director of our Company on April 8, 2011. She holds a Bachelor's degree in Dental Surgery from University of Bombay and a Bachelor's degree in Law (General) from the University of Bombay. She has successfully completed the executive programme in business management from IIM Calcutta. She has over 22 years of experience in various sectors such as education, media, healthcare, constructions and manufacturing. She started her working career with her own family concerns in 1996. In 2005, she started advising MT Educare in her capacity as a promoter director of Prosynapse Consultants India Private Limited in various fields like media, healthcare, constructions and manufacturing. She joined our business in 2005 in the capacity of an advisor on behalf of Prosynapse Consultants India Private Limited, pursuant to a retainership arrangement. She has played a major role in establishing our Company as a corporate entity and formulating strategic expansion plans of our Company.

She holds 17,551 Equity Shares of the Company as on March 31, 2017.

Ms. Drushti Desai is an Independent Director of the Company. She was appointed as a Director of our Company on April 8, 2011. She holds a bachelor's degree in commerce from Sydenham College of Commerce and Economics, Mumbai. She is also a fellow chartered accountant of ICAI. She has 20 years of experience in the field of chartered accountancy, taxation, restructuring advisory and valuation. She is a partner of Bansi S. Mehta & Co., B. S. Mehta & Co., and BSM Associates, Chartered Accountants.

She is a director of MPIL Corporation Limited, Global Logic Technologies Limited, Global Logic India Limited, Kewal Kiran Clothing Limited and Narmada Gelatines Limited. She does not hold any Equity shares of the Company as on March 31, 2017.

Mr. Yatin Samant is an Independent Director of the Company. He was appointed as a Director of our Company on April 8, 2011. He holds a Bachelor's degree in Engineering (Production) from V.J. Technical Institute, University of Bombay, and a Master's degree in Management Studies from Jamnalal Bajaj Institute of Management Studies, University of Bombay. He has over 29 years of varied experience in sales, marketing, business development and general management across industries, geography & cultures in India & abroad. He is a trained Coach and specializes in Organisation and Leadership development and consults corporate on Growth strategies and Leadership Development. He presently, works as a CEO of a Facility Management Company based in Bangalore and also coaches, conducts developmental workshops for senior business leaders in different industries. He had been associated with (i) Herbertsons Limited as group product manager from June 1984 to February 1989; (ii) Warner Lambert (I) Limited as Associate Director - Product Management from March 1989 to April 1995; (iii) Mafatlal Industries Limited as General Manager - Suitings from May 1995 to June 1996; (iv) Allergan India Limited as Director - Sales & Marketing from July 1996 to March 2000; (v) Allergan Asia Pacific as Area Director - South East Asia from May 2000 to March 2004; (vi) Allergan India Limited as Managing Director from April 2004 to July 2008; (vii) Clinton Foundation as Country Director from April 2008 to December 2008; and (ix) Shalina Healthcare Limited as Director - Strategy, Business Development from March 2009 to February 2010 and (ix) Smmart Training & Consultancy Private Limited as CEO – Customer excellence from August 2013 to April 2015.

He holds 8,000 Equity Shares of the Company as on March 31, 2017.

Mr. Uday Lajmi is an Independent Director of the Company. He was appointed as a Director of our Company on June 2, 2011. He holds a master's degree in marketing management and a doctorate degree in physical chemistry from the Institute of Technology Mumbai. He has over 26 years of experience in various capacities in industry and academics. He is presently, the Dean - Management Education & Assistant Vice President (Training & Development) with Reliance Infrastructure Limited, a Reliance ADAG company. He was in the past, associated with (i) Hindustan Dorr-Oliver Limited as Senior Scientist – Environmental Science & Management from February 1992 to August 1995; (ii) Reliance Industries Limited as Technical Officer-polymer processing from December 1995 to June 2005; (iii) Welingkar Institute of Management Development and Research, Mumbai as reader in marketing management from June 2000 to December 2001; (iv) Narsee Monjee Institute of Management Studies as associate professor of Marketing from January 2002 to February 2003; (v) Dr. D.Y. Patil Institute of Management Studies, Mumbai as Dean from March 2003 to September 2005; and (vi) Thakur Institute of Management Studies and Research, Mumbai as Director from October 2005 to September 2007.

He does not hold any Equity shares of the Company as on March 31, 2017.

INDEPENDENT DIRECTOR

The Non-Executive Independent Directors of the Company fulfills the condition of independence specified in Section 149(6) of the Companies Act, 2013 and Rules made thereunder and meet the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A Formal letter of Appointment to Independent Directors as provided in the Companies Act, 2013 has been issued and disclosed on the website of the Company at http://www.mteducare.com/images/Letter_of_appointment_of_Independent_Director.pdf

BOARD MEETING AND PROCEDURES:

The Board meets at regular intervals to discuss business strategies / policies and reviews financial performance of the Company and its subsidiaries. The Board Meetings are pre-scheduled and a tentative calendar is circulated to all the Directors well in advance, to facilitate the Directors to plan their schedule. In case of business exigencies the Board's approval is taken through circular resolutions, which are noted at the subsequent Board Meetings.

The Agenda along with other relevant notes and material information are sent in advance and in exceptional cases tabled at the meeting. This ensures timely and informed decision by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/targets.

The Companies Act, 2013 read with relevant rules made thereunder, now facilitates the participation of a Director in Board/Committee Meetings through video conferencing or other audio visual mode. Accordingly, the option to participate in the meeting through video conferencing was made available for the Directors except in respect of such Meetings/Items which are not permitted to be transacted through video conferencing.

During the financial year 2016-17 the Board met 5 times. The meetings were held on, May 17, 2016, June 30, 2016, August 10, 2016, November 11, 2016, February 14, 2017 and March 06, 2017. The interval between the two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The attendance record of the Directors at the Board Meetings and at previous AGM is as under:

Sr. No.	Name of the Director	Category	Attendance at meetings		Directorship(s) in other Public companies as on March 31, 2017*	Chairmanship(s) and membership(s) of Board Committees in other Companies as on March 31, 2017	
			Board	AGM		Chairman	Member
1	Mr. Mahesh Shetty (DIN: 01526975)	Chairman and Managing Director	6	Yes	8	Nil	Nil
2	Mr. Naarayanan Iyer (DIN: 00295246)	Non-Executive, Non-Independent	6	Yes	1	Nil	Nil
3	Dr. Chhaya Shastri (DIN: 01536140)	Non-Executive, Non-Independent	6	Yes	6	Nil	Nil
4	Ms. Drushti Desai (DIN: 00294249)	Non-Executive, Independent	6	Yes	7	Nil	2
5	Mr. Yatin Samant (DIN:01088817)	Non-Executive, Independent	6	Yes	1	Nil	Nil
6	Mr. Uday Lajmi (DIN: 03529980)	Non-Executive, Independent	6	Yes	1	Nil	Nil

Note:

a. Directorship excludes Private Limited Companies, Foreign Companies, Companies incorporated under Section 8 of the Companies Act, 2013 and Alternate Directorship but however includes directorship in deemed public companies.

b. Membership/Chairmanship in Audit Committee and Stakeholders Relationship Committee of all Public Limited Companies other than MT Educare Limited are considered.

c. Members of the Board of the Company do not have membership of more than 10 (ten) Board level Committee or Chairman of more than 5 (five) such Committees.

d. No Director is related to any other Director on the Board in terms of the definition of 'Relative' given under the Companies Act, 2013.

e. The Company was already in compliance with the requirement of Section 149(3) of the Companies Act, 2013 and Regulation (17)(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as Dr. Chhaya Shastri and Ms. Drushti Desai are (Women) Director on the Board of the Company.

Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under Schedule IV of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on July 05, 2016 to review the performance of Non-Independent Directors (including the Chairman) and the Board as whole and also the flow of information from and to the Board/ Management.

Information given to the Board

The Company provides information to the Board and Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers of the respective meetings or by way of presentations and disclosures during the meetings.

Post Meeting Mechanism

The important decisions taken at the Board/Board Committees meetings are communicated to the concerned department.

Board Support

The Company Secretary attends the Board Meetings and Committee Meetings and advises on compliances and applicable laws and governance.

Familiarization Programme for Directors

MT Educare Limited believes on having high quality individuals / professionals of repute on board. Familiarization programme for Directors aims to familiarize new and existing Directors with the Company, its business model, new developments, their roles & responsibilities etc. The Company has formulated the Directors Familiarization Programme and uploaded on the website of the Company at http://www.mteducare.com/images/investor/statutory_comm/Directors%20Familiarization%20Programme.pdf

GOVERNANCE CODES

Conflict of Interest

Each director informs the Company on an annual basis about the Board and Committee positions he / she occupies in other companies including Chairmanship and notifies changes during the year. Members of the Board while discharging

their duties, avoid conflict of interest in the decision making process. The members of the Board restrict themselves from any discussion and voting in transactions in which they have concern / interest.

Code of Conduct

The Board of Directors has laid down a Code of Conduct for Business and Ethics ('the Code') for all the Board members and all the employees in the management grade of the Company. The Code covers Company's commitment to honest and ethical personal conduct, fair competition, corporate social responsibility, sustainable environment, health and safety, transparency and compliance of laws and regulations etc. All the Board members and senior management personnel have confirmed compliance with the code. A declaration by Mr. Mahesh Shetty, Chairman & Managing Director of the Company affirming the compliance of the same in respect of the financial year ended on March 31, 2017 by the members of the Board and Senior Management Personnel, as applicable to them, is also annexed to this Annual Report.

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All the Directors, Designated employees who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code.

COMMITTEES OF THE BOARD:

The Board of Directors has constituted Board Committees to deal with specific areas and activities which concern the Company and need a closer review. The Board Committees are formed with approval of Board and functions under the respective Charters. These Board Committees play an important role in overall management of day to day affairs and governance of the Company. The Board Committees meet at regular intervals; take necessary steps to perform its duties. To ensure good governance, the minutes of the Committee meetings are placed before the Board for their noting.

The Board has currently the following Committees:

A. AUDIT COMMITTEE:

Composition

The Audit Committee of the Board of Directors (the "Audit Committee") is entrusted with the responsibility to supervise Company's internal controls and financial reporting process. The composition, quorum, power, role and scope are in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All members of the Audit Committee are financially literate and possess experience in the field of finance, taxation, risk management, economics, etc. Mr. Dinesh Darji, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

Meeting and Attendance

During the financial year 2016-17, the Audit Committee met 5 (Five) times on May 17, 2016, June 30, 2016, August 10, 2016, November 11, 2016 and February 14, 2017. As stipulated, the gap between two committee meetings did not exceed one hundred and twenty days. The requisite quorum was present at all the meetings. The Chairperson of the Audit Committee was present at the previous Annual General Meeting of the Company. The table below provides the attendance of the Audit Committee members:

Sr. No.	Name of the Member	Status	Category	Attendance out of five meetings held
1	Ms. Drushti Desai	Chairperson	Independent Non-Executive Director	5
2	Mr. Uday Lajmi	Member	Independent Non-Executive Director	5
3	Dr. Chhaya Shastri	Member	Non Independent Non-Executive Director	5

Terms of Reference

The terms of reference of the Audit Committee, inter alia, includes:

i. recommendation for appointment, remuneration and terms of appointment of auditors of the company;

ii. review and monitor the auditor's independence and performance, and effectiveness of audit process;

iii. examination of the financial statement and the auditors' report thereon;

iv. approval or any subsequent modification of transactions of the company with related parties;

v. scrutiny of inter-corporate loans and investments;

vi. valuation of undertakings or assets of the company, wherever it is necessary;

vii. evaluation of internal financial controls and risk management systems;

viii. monitoring the end use of funds raised through public offers and related matters.

Powers of the Committee:

The Audit Committee shall have following powers:

i. To investigate any activity/matter within its terms of reference and have full access to information contained in the records of the company.

ii. To seek information from any employee.

iii. To obtain outside legal or other professional advice.

iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of the Committee:

The role of the Audit Committee shall, inter alia, include the following:

1. Review and discuss with the Management, the statutory auditor and the internal auditor, the annual audited financial statements (including the related notes) and quarterly audited / unaudited financial statements, including the form of audit opinion to be issued by the auditors on the financial statements before submission to the Board, with particular reference to:
    a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
    b) Changes, if any, in accounting policies and practices and reasons for the same;
    c) Major accounting entries involving estimates based on the exercise of judgment by management;
    d) Significant adjustments made in the financial statements arising out of audit findings;
    e) Compliance with listing and other legal requirements relating to financial statements;
    f) Disclosure of any related party transactions;
    g) Qualifications/modified opinion(s) in the draft audit report;
2. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements depict transparent, correct, sufficient and credible information about the Company's performance;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Review and discuss with Management and the statutory auditors all releases, including the type of information to be included and its presentation, to ensure all compliances with the Corporate policies;
5. Formulating, implementing and monitoring of the budget for the forthcoming year and monitoring on a quarterly basis;
6. Reviewing and discussing with the Management the reasons for the significant variance noticed between the budgeted and actual performance;
7. Recommendation for appointment, remuneration and terms of appointment of auditors;
8. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
9. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee;
10. Reviewing of the Internal Audit Report and action taken thereon;
11. Reviewing the adequacy of internal audit function, including the scope of Audit, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the officials heading the Department, reporting structure, coverage and frequency of internal audit;
12. To discuss and deliberate with the Internal Auditors on the significant findings and follow-up thereon;
13. Reviewing with the Management, the performance of Statutory and Internal Auditors, the adequacy of internal control systems;
14. Reviewing the findings of any internal investigations by the Internal Auditors into the 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;
15. Reviewing with the management, the quarterly financial Statements before submission to the Board for approval;
16. To look into the reason for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of repayment of declared dividends) and creditors;
17. Consider and review the following with the Management, internal auditor and the statutory auditor:
    a) Significant findings during the year/period, including the status of action taken report and recommendations of previous audit;
    b) Any major issues regarding accounting principles and financial statement presentation, including any significant changes in the Company's selection or application of accounting principles;
    c) Effect of regulatory and accounting initiatives and off-balance sheet structures on the Company's financial statements;
    d) Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information, and Management's response;
    e) Any significant disagreements between management and the statutory auditor; and
    f) Any changes required in the planned scope of the internal audit plan.
18. The adequacy and effectiveness of internal controls, including any significant deficiencies or material weaknesses in the framework or operation of, and any material changes in, the Company's internal controls and any special audit steps adopted in light of any material control deficiencies, and any fraud involving Management or other employees with a significant role in such internal controls.
19. Evaluate the qualifications and Matters of emphasis as highlighted by the Auditors.
20. To review and monitor the auditor's independence and

performance, and effectiveness of audit process.

21. To review and discuss with the management on the Letter of Representation issued by the Auditors from time to time.
22. Discussion with statutory auditors before the commencement of audit, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
23. Review with the Auditor on the coordination of audit efforts to assure completeness of coverage, reduction of redundant efforts and the effective use of all audit resources.
24. Consider and pre-approve all audit and other necessary non-audit services to be provided by the auditors within the permissible regulatory ambit, and establish policies and procedures for the committee's pre-approval of permitted services by the Company's statutory auditors on an ongoing basis.
25. Review and pre-approve/ratify all related party transactions of the Company including subsequent modification of transactions of the Company with related parties. For this purpose, the committee may, if required, designate one of its members who shall be responsible for pre-approving related party transactions.
26. To review, discuss and deliberate on the details of material transactions with related parties or others, which are not on arm's length basis and seek justification from the Management for the same.
27. To assess and review the details and basis of material transactions with related parties which are not in the normal course of business.
28. To approve appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
29. Reviewing the functioning and compliances as regards the Company's Whistle Blower Policy/mechanism.
30. Reviewing, 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.
31. Reviewing the effectiveness of the system for monitoring compliance with laws and regulations and the results of Management's investigation and follow-up (including recommending disciplinary action) of any instances of non-compliance.
32. Reviewing the findings of any examinations by regulatory agencies and any auditor observations.
33. Provide an open avenue of communication between the statutory auditor, internal auditor and the Board.
34. Oversee compliance with the requirements of Securities and Exchange Board of India (SEBI), and the applicable regulations as the case may be, for disclosure of auditors' services and audit committee members, member qualifications and activities.
35. Review, in conjunction with Management and the statutory auditor, if required, any correspondence with regulators or governmental agencies and any published reports that raise material issues regarding the Company's financial statements or accounting policies. Similarly, review, in conjunction with the counsel/legal dept., any legal matters that could have a significant impact on the Company's financial statements or the Company's compliance procedures.
36. As appropriate, engage independent counsel or other advisors as it deems necessary or appropriate to carry out its duties. The committee shall set the compensation, and oversee the work of, any independent counsel or other advisors retained by it. The Company will provide appropriate funding, as determined by the committee, to pay the independent auditor, any other accounting firm, any independent counsel and any other outside advisors hired by the committee and any administrative expenses of the committee that are necessary or appropriate in carrying out its activities.
37. Establish procedures for receiving, retaining and treating complaints received by the Company regarding accounting, internal accounting controls or auditing matters and procedures for the confidential, anonymous submission by employees, of concerns regarding questionable accounting or auditing matters.
38. Report periodically to the Board on significant results of the foregoing activities.
39. Carry out additional functions as may be delegated by the Board or contained in the listing agreement or other regulatory requirements applicable to the Company or as mentioned the in terms of reference of the Audit Committee.

Review of information by Audit Committee

The audit committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee.

6. 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) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   b. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Chairman, the Chief Financial Officer (CFO), the Internal Auditor attends the Meetings of the Audit Committee. The Chief Internal Auditor reports directly to the Audit Committee.

B. NOMINATION AND REMUNERATION COMMITTEE

Composition

The Nomination and Remuneration Committee has been duly constituted pursuant to the provisions of Section 178(1) of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Dinesh Darji, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

Meeting and Attendance

During the Financial year 2016-17, the Nomination and Remuneration Committee met 2 (twice) on May 17, 2016 and June 30, 2016. Necessary quorum was present at the meetings. The Chairman of the Nomination & Remuneration Committee was present at the previous Annual General Meeting of the Company.

The table below provides the attendance of the Nomination and Remuneration Committee members:

Sr. No.	Name of the Member	Status	Category	Attendance out of two meetings held
1	Mr. Uday Lajmi	Chairman	Independent Non-Executive Director	2
2	Mr. Yatin Samant	Member	Independent Non-Executive Director	2
3	Ms. Drushti Desai	Member	Independent Non-Executive Director	2

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee are as follows:

i. Reviewing the overall compensation policy, service agreement and other employment conditions of Managing / Whole-time Directors and senior Management (one level below the Board);

ii. To help in determining the appropriate size, diversity and composition of the Board;

iii. To recommend to the Board appointment / re-appointment and removal of Directors;

iv. To frame criteria for determining qualification, positive attributes and independence of Directors;

v. To recommend to the Board remuneration payable to the Directors;

vi. To extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

vii. To create an evaluation framework for independent Directors and the Board;

viii. To provide necessary evaluation report to the Chairman after the evaluation process is complete by the Directors;

ix. To assist in developing a succession plan for the Board;

x. To assist the Board in fulfilling responsibilities entrusted from time to time;

xi. Delegation of any of its powers to any Member of the Committee or the Compliance Officer; and

xii. Formulation of the criteria for determining qualifications, positive attributes and independence of directors and recommended to Board of Directors a policy relating to the remuneration of the Directors, KMP and other employees.

NOMINATION AND REMUNERATION POLICY

Remuneration paid to Executive Director

The Nomination and Remuneration Committee recommends the appointment and remuneration of executive Directors including Chairman and Managing Director to the Board of Directors and same is subject to approval of shareholders of the Company. The Remuneration of Executive Director(s) comprises of salary, perquisites, allowances and contribution to provident and other retirement funds as approved by the Shareholders in the General Meetings. Annual increments are linked to the performance and are decided by the Nomination and Remuneration Committee and recommended to the Board of Directors for approval thereof.

The aggregate value of salary and perquisites paid/payable to Mr. Mahesh Shetty for the year ended March 31, 2017 is detailed below. Presently, the Company does not have a scheme for grant of stock options or performance linked incentive for its Directors

Particulars	Mr. Mahesh Shetty (Chairman & Managing Director)
Fixed Components:	
Salary and allowances	1,55,00,004
Monetary Value Perquisites	0
Reimbursement of Expenses	0
Variable Components:	
Commission	0
Bonus / Incentive / Variable Pay	0
Total	
Leave Encashment	0
Gross Total	
Director's Sitting Fees for FY 2016-17	0
Outstanding Stock Options as at March 31, 2017	0
Shareholding as at March 31, 2017	1,70,36,803

The remuneration paid to Mr. Mahesh R. Shetty during the year 2016-17 is ₹155.00 Lakhs (previous year ₹155.00 Lakhs).

Criteria for making payment to Non Executive Directors

The criteria for making payment to Non-Executive Directors and Independent Directors of the Company are as follows:

- Independent Directors ("ID") and Non-Independent Non-Executive Directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of the Committees of Board of which they may be members) and commission within regulatory limits. Quantum of sitting fees may be subject to review on a periodic basis, as required.
- Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company.
- The aggregate commission payable to all the NEDs and IDs will be recommended by the Nomination and Remuneration Committee to the Board based on Company's growth, performance, profits, and any other significant qualitative parameters as may be decided by the Board of the Company from time to time.
- In addition to the sitting fees and commission, the Company may pay and/or reimburse to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending board meetings, committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training (organised by the Company for Directors) and in obtaining professional advice from independent advisors in furtherance of his/her duties as a director.

Remuneration and shareholding of Non-executive Directors:

The non-executive directors are only paid sitting fees for attending meetings of the board and committee(s) thereof. Keeping in view industry practices being the criteria relied upon by the board, the board unanimously decides the amount of sitting fees to be paid from time to time, based on the power conferred by the Articles of Association of the Company. The sitting fee presently fixed does not require prior approval of the shareholders. The information on amount of sitting fees paid to the non-executive directors for attending meetings of the board and committee(s) thereof held during the year ended on March 31, 2017 is as under:

Sitting fees paid to the Non-executive Directors for 2016-17 are as detailed below:

Non-Executive Director	Sitting Fees (Amount in ₹)	Nos. of shares held
Mr. Naarayanan Iyer	2,40,000	1,98,000
Dr. Chhaya Shastri	6,30,000	17,551
Ms. Drushti Desai	5,55,000	Nil
Mr. Yatin Samant	4,05,000	8000
Mr. Uday Lajmi	5,55,000	Nil

Besides dividend on equity shares held, if any, by the non-executive directors no other payments have been made or transaction of a pecuniary nature entered into by the Company with the said directors.

There were no Service Contracts or severance Fees paid to Non Executive Director.

PERFORMANCE EVALUATION

Pursuant to the provision of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of the Board Committee. A structured questionnaire was prepared covering various aspects of the Board functioning such as execution and performance of specific duties, obligations and governance. The performance evaluation of the Chairman and Managing Director and the non-independent Directors was carried out by the independent Directors. The Directors express satisfaction with the evaluation process.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Composition

The Stakeholders' Relationship Committee is duly constituted as per the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Dinesh Darji, Company Secretary & Compliance Officer of the Company oversees the redressal of the investors' grievances.

Attendance

During the financial year 2016-17, the Stakeholders' Relationship Committee met 4 (Four) times on May 17, 2016, August 10, 2016, November 11, 2016 and February 14, 2017. The necessary quorum was present for all meetings. The Chairman of Stakeholders Relationship Committee was present at the previous Annual General Meeting.

The table given below highlights the attendance of the members at the Committee meetings.

Sr. No	Name of the Member	Status	Category	Attendance out of four meetings held
1	Mr. Yatin Samant	Chairman	Independent Non-Executive Director	4
2	Ms. Drushti Desai	Member	Independent Non-Executive Director	4
3	Dr. Chhaya Shastri	Member	Non Independent Non-Executive Director	4

Terms of Reference:

The Board has clearly defined the terms of reference for this Committee. The Committee Looks into the matters of shareholders / Investors Grievance along with other matters listed below:

- Approval for transfer of shares, issue of duplicate / split / sub-division of shares certificate;
- Non-receipt of Annual Report
- Non-receipt of dividend and
- Oversee the performance of the Company's Registrar and Transfer Agents
- Any other investors' grievance raised by any shareholder.

The secretarial Department of the Company and the Registrar and Share Transfer Agents, Link Intime (India) Private Limited attend all grievances of the shareholders received directly through SEBI, Stock Exchanges, Registrar of Companies, Ministry of Corporate Affairs etc.

Details of Shareholders' Complaint received, resolved and pending, if any, during the financial year 2016-17

Nature of Complaints	Opening	Received during the year	Resolved	Pending at the end of year
Non-receipt of Share Certificate	Nil	Nil	Nil	Nil
Non-receipt of Dividend	Nil	Nil	Nil	Nil
Non-receipt of Annual Report	Nil	Nil	Nil	Nil
Others	Nil	03	03	Nil
Total	**Nil**	**03**	**03**	**Nil**

D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Composition and Attendance

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Board of Directors has duly the CSR Committee. During the financial year 2016-17 the CSR Committee met 4 (Four) times on May 17, 2016, August 10, 2016, November 11, 2016 and February 14, 2017. The necessary quorum was present for all the meetings. The Composition of the CSR Committee as at March 31, 2017 and the details of the meeting of the Committee are as under:

Sr. No.	Name of the Member	Status	Category	Attendance out of four meetings held
1	Mr. Uday Lajmi	Chairman	Independent Non-Executive Director	4
2	Mr. Mahesh Shetty	Member	Executive, Non-Independent Director	4
3	Dr. Chhaya Shastri	Member	Non-Executive, Non-Independent Director	4

The terms of reference of the CSR Committee broadly comprises:

- To review the existing CSR policy of the Company and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor process.
- To recommend the amount of expenditure to be incurred on CSR activities.

SUBSIDIARY COMPANIES

As on March 31, 2017, the Company had 7 (Seven) Subsidiary Companies as given below:

1. Chitale's Personalised Learning Private Limited
2. Lakshya Educare Private Limited
3. Lakshya Forum for Competitions Private Limited
4. MT Education Services Private Limited
5. Sri Gayatri Educational Services Private Limited
6. Robomate EduTech Private Limited
7. Letspaper Technologies Private Limited

During the year under review, Robomate EduTech Private Limited and Letspaper Technologies Private Limited were incorporated as Wholly-owned Subsidiaries of the Company on October 05, 2016 and December 28, 2016 respectively.

The Company does not have any material subsidiary as defined under regulation 16 of SEBI (LODR) Regulations, 2015.

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_Subsidiary_Policy.pdf

DIVIDEND HISTORY AND UNCLAIMED DIVIDEND

Section 124 and Section 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules') mandates that companies transfer dividend that has remained unclaimed for 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 ₹)	Due Dates for transfer to IEPF
2012-13	Interim	1.00	December 8, 2020
2012-13	Final	1.00	October 20, 2020
2013-14	Interim	1.25	December 20, 2021
2013-14	Final	1.25	October 30, 2021
2014-15	Interim	0.60	December 18, 2022
2014-15	Final	2.05	September 12, 2022
2015-16	Interim	0.60	December 14, 2023
2015-16	Final	1.40	November 3, 2023

SHAREHOLDERS INFORMATION

1. GENERAL BODY MEETINGS:

A. The last three Annual General Meetings were held as under:

Financial Year	AGM	Date and Time	Whether any special resolution passed	Location
2015-16	10th	September 28, 2016 at 11.30 a.m.	No	Jainam Banquet Hall, Jainam Arcade, BTM Compound, 100 L.B.S. Road, Bhandup (West), Mumbai 400078.
2014-15	9th	August 07, 2015 at 11.30 a.m.	i. Approval of Cost Auditor's Remuneration ii. Adoption of new Articles of Association iii. Revision in Salary payable to Mr. Mahesh Shetty	
2013-14	8th	September 24, 2014 at 11.30 a.m.	Considering issuance of Shares through Qualified Institutional Placement (QIP)	

B. Postal Ballot:

During the financial year 2016-17, the Company conducted Postal Ballot process only once for the following business:

i. Transfer of Undertaking u/s 180(1)(a) of the Companies Act, 2013.

ii. Rectification of exercise period in the resolution nos. 1 & 2 passed in the Extra- Ordinary General Meeting of the members of the Company held on February 17, 2016

The voting pattern and procedure for Postal Ballot, adopted in the above, consisted of:

- The Board of Directors of the Company, at its meeting held on February 14, 2017, had appointed CS Manish L. Ghia, Partner, M/s. Manish Ghia & Associates, Company Secretaries, Mumbai as the Scrutinizer for conducting the postal ballot voting process.
- The Company had completed the dispatch of the Postal Ballot Notice dated February 14, 2017 together with the Statement on February 20, 2017, along with forms and business reply envelopes to all the shareholders whose name(s) appeared on the Register of Members/list of beneficiaries as on February 10, 2017.
- The voting under the postal ballot was kept open from February 21, 2017 to March 22, 2017 (both physically and through electronic mode).

- The postal ballot forms were kept under his safe custody in sealed and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms.
- All postal ballot forms received upto 5.00 p.m. on March 22, 2017, being the last date and time fixed by the Company for receipt of the forms, had been considered for the scrutiny.
- Envelopes containing postal ballot forms received after close of working hours on March 22, 2017 had not been considered for his scrutiny.
- On March 24, 2017, Mr. Mahesh Shetty, Chairman & Managing Director of the Company, announced the results of the postal ballot as per the Scrutinizer's Report:

Voting Pattern:-

Particulars	Special Resolution u/s 180(1)(a) of the Companies Act, 2013 for transfer of 'Robomate' Business Undertaking to its wholly owned subsidiary namely, 'Robomate EduTech Private Limited'.							
Category	**Mode of Voting**	**No. of shares held**	**No. of valid votes polled**	**% of votes Polled on outstanding shares**	**No. of Votes in favour**	**No. of votes - against**	**% of votes in favour on votes polled**	**% of votes against on votes polled**
Promoter and Promoter Group	E-Voting	17036803	0	0	0	0	0	0
	Ballot forms		17036803	100	17036803	0	100	0
	Total (A)	**17036803**	**17036803**	**100**	**17036803**	**0**	**100**	**0**
Public-Institutions	E-Voting	7985176	3083249	38.61	3083249	0	100	0
	Ballot forms		0	0	0	0	0	0
	Total (B)	**7985176**	**3083249**	**38.61**	**3083249**	**0**	**100**	**0**
Public-Non Institutions	E-Voting	14798805	67616	0.46	4904	62712	7.25	92.75
	Ballot forms		3651223	24.67	3651153	70	99.998	0.002
	Total (C)	**14798805**	**3718839**	**25.13**	**3656057**	**62782**	**98.31**	**1.69**
Total (A+B+C)		**39820784**	**23838891**	**59.87**	**23776109**	**62782**	**99.74**	**0.26**

Particulars	**Special Resolution for Rectification of typographical error in respect of the Exercise period in the Resolution nos. 1 & 2 passed in the EGM of the members of the Company held on February 17, 2016.**							
Category	**Mode of Voting**	**No. of shares held**	**No. of valid votes polled**	**% of votes Polled on outstanding shares**	**No. of Votes in favour**	**No. of votes - against**	**% of votes in favour on votes polled**	**% of votes against on votes polled**
Promoter and Promoter Group	E-Voting	17036803	0	0	0	0	0	0
	Ballot forms		17036803	100	17036803	0	100	0
	Total (A)	17036803	17036803	100	17036803	0	100	0
Public-Institutions	E-Voting	7985176	3083249	38.61	3083249	0	100	0
	Ballot forms		0	0	0	0	0	0
	Total (B)	7985176	3083249	38.61	3083249	0	100	0
Public-Non Institutions	E-Voting		67616	0.46	67033	583	99.14	0.86
	Ballot forms	14798805	3651165	24.67	3651063	102	99.997	0.003
	Total (C)	14798805	3718781	25.13	3718096	685	99.98	0.02
Total (A+B+C)		39820784	23838833	59.87	23838148	685	99.997	0.003

The aforesaid resolutions were passed with requisite majority.

C. Extra Ordinary General Meeting:

An Extra-Ordinary General Meeting of the Company was held on August 10, 2016 at Jainam Banquet Hall, Jainam Arcade, BTM Compound, 100 L.B.S. Road, Bhandup (West), Mumbai – 400 078 at 11.30 a.m. for appointment of Statutory Auditor to fill casual Vacancy.

The Board of Directors had appointed CS Manish L. Ghia, Partner, M/s. Manish Ghia & Associates, Company Secretaries, Mumbai as Scrutinizer for conducting the e-voting and voting by poll at the meeting. As per the Scrutinizer's Report dated August 10, 2016, the same was approved by the members with requisite majority.

None of the businesses proposed to be transacted in the ensuing Annual General Meeting requires passing a Special Resolution.

MEANS OF COMMUNICATION

a. The Unaudited quarterly/half yearly results are announced within forty-five days from the close of the quarter. The audited annual results are announced within sixty days from the closure of financial year as per the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

b. The approved financial results are forthwith sent to the Stock Exchanges and are published in English and regional language newspapers (Free Press Journal & Navshakti respectively) within forty-eight hours of the approval thereof. At present the same are not sent to the shareholders separately.

c. The Company's financial results and official press releases are displayed on the Company's website viz. www.mteducare.com under the 'Investor Relations' section.

d. Any presentations made to the Institutional Investors and analysts are also posted on the Company's website.

e. Management Discussion and Analysis forms part of the Annual Report, which is sent to the Shareholders of the Company.

f. The quarterly results, shareholding pattern, quarterly compliances and all other statutory communication are electronically filed with the Stock Exchanges viz. the BSE Limited and the National Stock Exchange of India Limited.

ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR 2016-17

Day and Date	September 6, 2017	
Time	10.30 a.m.	
Venue	Anthurium Banquet, 5th floor, Hotel Shilpa Residency, L.B.S. Marg, Mulund (W), Mumbai - 400080	
Book Closures date	31/08/2017 to 06/09/2017 (both days inclusive)	
Last date of receipt of Proxy Forms	05/09/2017	
Financial Calendar (Tentative)	First Quarter Results	by September 14, 2017
	Second Quarter & Half Yearly Results	by December 14, 2017
	Third Quarter & Nine months Results	by February 14, 2018
	Fourth Quarter and Annual Results	by May 30, 2018

DIVIDEND

During the financial year 2016-17, to conserve the resources for future, your Directors have not declared dividend.

Distribution of Shareholding as of March 31, 2017:

Range of equity shares held	No. of holders	% of shareholders	No. of equity shares held	% of capital
01 - 500	14,392	80.63	20,87,050	5.24
501 - 1000	1,556	8.72	12,60,017	3.16
1001 - 2000	964	5.40	14,42,752	3.62
2001 - 3000	295	1.65	7,72,750	1.94
3001 - 4000	150	0.84	5,34,514	1.34
4001 - 5000	124	0.70	5,87,568	1.48
5001 - 10000	195	1.09	14,27,648	3.59
10001 & above	173	0.97	3,17,08,485	79.63
Total	**17,849**	**100.00**	**3,98,20,784**	**100.00**

Category of Shareholders as on March 31, 2017:

Category	No. of shares held	% to total
Promoter	1,70,36,803	42.78
Directors and their relatives	2,23,551	0.56
Mutual Funds	10,01,652	2.52
Banks, Financial Institutions, Insurance Companies	38,963	0.10
Foreign Institutional Investors (FIIs)	11,19,760	2.81
Other Bodies Corporate	25,65,421	6.44
Indian Public	92,51,033	23.23
Non Resident Indians, Overseas Corporate bodies / Foreign Corporate Bodies (NRI's / OCBs / FCBs)	46,53,212	11.69
Clearing Members, Hindu Undivided Family and Trusts	39,30,389	9.87
Total	**3,98,20,784**	**100.00**

Dematerialization of shares:

Category	Number of shares	% of total shares	Number of shareholders	% of shareholders
Electronic Form	3,97,73,704	99.88	17,795	99.70
Physical Form	47,080	0.12	54	0.30
Total	**3,98,20,784**	**100.00**	**17,849**	**100.00**

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

As stipulated by SEBI, a Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total listed and issued capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the shares of the Company are listed. The Audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in Dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

Top 10 shareholders as on March 31, 2017 other than Promoter / Promoter group is as under:

Sr. No	Name of the Shareholder	No. of shares held	% of holding
1	Shriyam Broking Intmdy Ltd	17,00,000	4.27
2	India Max Investment Fund Limited	11,19,760	2.81
3	Kotak Mahindra (International) Limited	10,05,000	2.52
4	Antique Stock Broking Limited	9,19,592	2.31
5	HDFC Trustee Company Limited - HDFC Tax Saverfund	8,06,372	2.03
6	Premier Investment Fund Limited	7,80,985	1.96
7	LTS Investment Fund Ltd	5,35,000	1.34
8	Ecap Equities Limited	3,64,564	0.92
9	Grandeur Peak Global Opportunities Fund	3,25,189	0.82
10	Madhusudan Kela	3,19,000	0.80

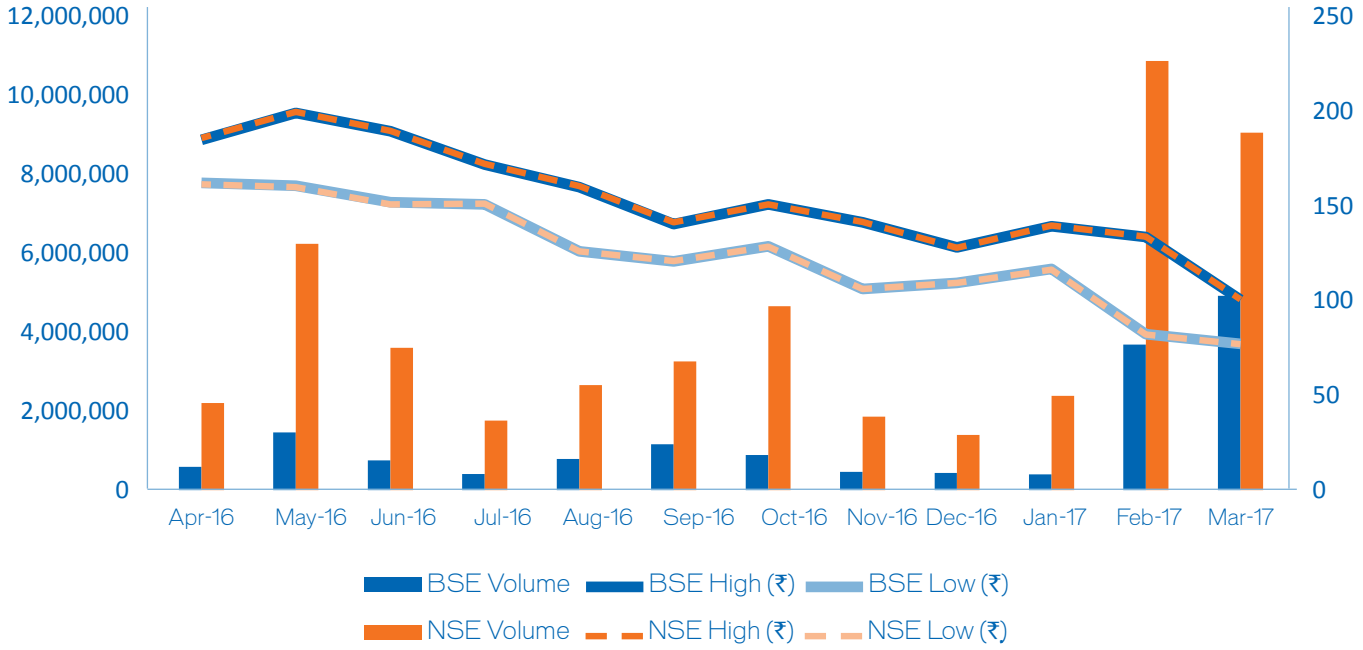
Details of shares listed on Stock Exchanges as on March 31, 2017 is as under:

Listing on Stock Exchange	The BSE Limited (BSE)	
	The National Stock Exchange of India Limited (NSE)	
	The Company has paid the annual listing fees for the period April 1, 2017 to March 31, 2018 to both the Stock Exchanges	
Stock Code	BSE	NSE
	534312	MTEDUCARE
ISIN Number of the Equity Shares having nominal value of ₹ 10/-	INE472M01018	

SHARE PRICE DATA

The high and low prices and the volume of the Company's equity shares (of face value of ₹ 10/- each) on The BSE Limited (BSE) and on The National Stock Exchange of India Ltd. (NSE) during each month in the financial year 2016-17 were as under:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (Shares)	High (₹)	Low (₹)	Volume (Shares)
April, 2016	185.00	162.40	5,92,627	186.00	161.50	22,09,832
May, 2016	199.30	160.90	14,59,797	199.90	160.10	62,43,591
June, 2016	189.60	152.10	7,55,025	189.75	151.00	36,06,505
July, 2016	171.90	151.00	4,13,001	172.30	151.35	17,65,575
August, 2016	160.00	126.10	7,91,887	160.60	126.10	26,64,818
September, 2016	140.55	120.80	11,61,569	141.55	121.00	32,59,471
October, 2016	151.00	128.80	8,88,698	151.00	128.70	46,66,681
November, 2016	141.50	106.35	4,59,485	141.65	106.25	18,63,944
December, 2016	128.30	109.55	4,32,311	128.00	109.55	13,98,632
January, 2017	139.40	116.80	3,99,632	139.70	116.50	23,95,238
February, 2017	133.80	82.40	36,89,344	134.00	82.15	1,08,82,546
March, 2017	100.50	77.25	49,30,992	100.75	77.10	90,67,321



Share Transfer System

The transfer of Shares in Physical form is processed and completed by Registrar & Transfer Agents within a period of fifteen days from the date of receipt thereof, provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL / CDSL through respective Depository Participants. In compliance with the provisions of Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a practicing Company Secretary carries out audit of the system of transfer and a certificate to that effect is issued on half yearly basis which is filed with the Stock Exchanges.

Nomination

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares in electronic form is also available with the Depository Participant as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination form can be obtained from Company's Registrar and Share Transfer Agent.

Electronic Clearing Services

The Securities and Exchange Board of India (SEBI) had made it mandatory for all companies to use the bank account details furnished by the Depositories for depositing dividends. Dividend will be credited to member's bank account through NECS wherever complete core banking details are available with the Company. In case where the core banking details are not available dividend warrant will be issued to the member. The Company complies with the SEBI requirements.

Go Green Initiative

As a part of its green initiative, the Company has taken necessary steps to send documents viz. notice of the general meeting, Annual Report, etc. at the registered email addresses of shareholders. Those who have not yet registered their email ids are requested to register the same with the Registrar & Share Transfer Agents/Depository, to enable the Company to send the documents by the electronic mode. Physical copies shall be sent to all those members whose email addresses are not registered with the Company and to those who have requested the Company that they wish to receive the documents in physical mode.

Address for Correspondence

Compliance Officer	Registrar and Share Transfer Agents
Mr. Dinesh Darji MT Educare Limited 220, 2nd Floor, "FLYING COLORS" Pandit Din Dayal Upadhyay Marg, L.B.S Cross Road, Mulund (West), Mumbai - 400 080	Link Intime India Private Limited (Unit - MT Educare Limited) C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083

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. 26.8 (Standalone) and note no. 26.8 (consolidated) of significant accounting policies and notes forming part of the financial statements in accordance with "Accounting Standard 18". 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. Consequently there are no penalties or strictures 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 behavior, 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. **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.

f. **Risk Management -** Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

g. **Details of Compliance with Mandatory / Non- Mandatory Requirements under Regulation 27 read with Schedule II Part E of the Listing Regulations**

   The Company has complied with all the mandatory requirements of the Listing Regulations except as mentioned herein below:

   - Delayed submission of Compliance Certificates under Regulation 7(3) of Listing Regulations for the half year ended March 31, 2016 and September 30, 2016 to the Stock Exchanges.
   - Delayed submission of Outcome of Board Meeting held on May 17, 2016 to the Stock Exchanges.
   - Delayed submission of Certificate under Regulation 40(9) for half year ended March 31, 2016 to the Stock Exchanges.
   - Delayed publication of financial results for quarter and half year ended September 30, 2016 and quarter and nine months ended December 31, 2016 in the newspapers.

   The aforesaid non-compliances were purely unintentional and inadvertently missed out.

The status of compliance with non-mandatory recommendations and steps adopted by the Company is provided below:

- Chairman: Mr. Mahesh Shetty is a Chairman & Managing Director of the Company.
- Shareholder Rights: The Quarterly/Half-yearly/Annual financial results of the Company are published in the newspapers and also hosted on its website – www.mteducare.com
- 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.
- Modified opinion(s) in audit report: The Company ensures that the financial statements are with unmodified audit opinion.
- Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

h. Disclosure on Commodity price risk or foreign exchange risk and hedging activities

As such the nature of the business of the Company is not exposed to any commodity price risk/hedging activities.

i. Compliance with Regulation 39(4) of the Listing Regulations - Pursuant to Regulation 39(4) of Securities of Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule VI thereof, the Company reports that there are no outstanding unclaimed shares for the period April 01, 2016 to March 31, 2017.

AUDITOR'S CERTIFICATE REGARDING COMPLIANCE OF CORPORATE GOVERNANCE

To,
The Members of
MT Educare Limited

We have examined the compliance of conditions of Corporate Governance by MT Educare Limited for the year ended on 31st March, 2017, as stipulated under relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from 1st April, 2016 to 31st March, 2017.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said Listing Regulations.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated in relevant regulation(s) of above mentioned Listing Regulations.

We state that such compliance 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 **Manish Ghia & Associates**
Company Secretaries

Manish L. Ghia
Partner
M. No. FCS 6252 C.P. No. 3531

Place: **Mumbai**
Date: **May 11, 2017**

Compliance with Code of Business Conduct and Ethics

I, Mahesh Shetty, Chairman and Managing Director do hereby declare that as provided under regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct and Ethics for the year ended 31st March, 2017.

For **MT Educare Limited**

Place: **Mumbai**
Date: **May 11, 2017**

Mahesh R. Shetty
Chairman and Managing Director

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)

We, Mahesh R. Shetty, Chairman & Managing Director and Sanjay Sethi, Chief Finance Officer of MT Educare Limited, certify that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2017 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, 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.

Place : Mumbai
Date : May 11, 2017

Mahesh R. Shetty
Chairman & Managing Director

Sanjay Sethi
Chief Financial Officer

Independent Auditors' Report

TO THE MEMBERS OF MT EDUCARE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of MT Educare Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the year ended on that date.

Other Matter

The standalone financial statements of the Company for the year ended March 31, 2016, were audited by another auditor whose report dated May 17, 2016 expressed an unmodified opinion on those statements.

Report on Other Legal and Regulatory Requirements

1. 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   (d) 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;

   (e) In our opinion, there are no matters that may have an adverse effect on the functioning of the Company;

   (f) On the basis of the written representations received from the directors as on March 31, 2017 and taken

on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A';

(h) 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 26.1 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. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and

iv. The Company has provided requisite disclosures in the standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management – Refer Note 17.1 to the standalone financial statements.

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

For **MZSK & Associates**
Chartered Accountants
Firm Registration No. 105047W

Abuali Darukhanawala
Partner
Membership No.108053

Place: Mumbai
Date: May 11, 2017

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

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 over financial reporting of MT Educare Limited ("the Company") as of March 31, 2017 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 over financial reporting 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 over financial reporting 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 adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting 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 over financial reporting 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 Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **MZSK & Associates**
Chartered Accountants
Firm Registration No. 105047W

Abuali Darukhanawala
Partner
Membership No.108053

Place: Mumbai
Date: May 11, 2017

Annexure B to Independent Auditors' Report

[Referred to in paragraph 2 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 standalone financial statements for the year ended March 31, 2017]

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(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 deed of immovable property is held in the name of the Company.

ii. As explained to us by the Management, the production/making of content requires various types of media to store the same. The Management has physically verified such media i.e. SD Cards/ Tablets on which content is stored during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on verification between the physical stock and the book records.

iii. The Company has granted unsecured loans to 5 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 not, prima facie, prejudicial to the interest 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 interests 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 if demanded by the Company, during the year.

(c) There are no amounts overdue for more than ninety days in respect of the loans 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, there are no amounts outstanding which are in the nature of deposits as on March 31, 2017 and the Company has not accepted any deposits during the year.

vi. We have broadly reviewed the cost records 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. However, we have not 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, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, value added tax, cess and any other statutory dues applicable to it.

(b) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of income-tax on account of any dispute is as follows:

Name of the statute	Nature of dues	Amount ₹ in Lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	67.28*	A.Y. 2007-08	CIT Appeals

*No amount has been paid under protest.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institutions or banks. The Company does not have any loans or borrowings from government and has not issued any debentures.

ix. In our opinion, according to the information and explanation provided to us, money raised by way of term loans during the

year have been applied for the purpose for which they were raised. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.

x. During the course of our audit, 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 neither 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 3(xvi) of the Order are not applicable to the Company.

For **MZSK & Associates**
Chartered Accountants
Firm Registration No. 105047W

Abuali Darukhanawala
Partner
Membership No.108053

Place: Mumbai
Date: May 11, 2017

Balance Sheet

as at March 31, 2017

₹ in Lakhs

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	3,982.08	3,982.08
(b) Reserves and surplus	4	11,643.67	10,573.11
		15,625.75	**14,555.19**
2 Non-current liabilities			
(a) Long-term borrowings	5	2,000.00	-
(b) Other long-term liabilities	6	210.94	546.27
(c) Long-term provisions	7	211.85	146.44
		2,422.79	**692.71**
3 Current liabilities			
(a) Short-term borrowings	8	12,350.99	3,499.00
(b) Trade payables	9		
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,582.38	372.23
(c) Other current liabilities	10	3,978.89	4,537.51
(d) Short-term provisions	11	879.40	2,577.13
		18,791.66	**10,985.87**
TOTAL		**36,840.20**	**26,233.77**
B ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	12		
(i) Tangible assets		3,945.38	4,327.14
(ii) Intangible assets		2,117.88	897.30
(iii) Capital work-in-progress		1.99	46.67
(iv) Intangible assets under development		324.65	827.95
		6,389.90	**6,099.06**
(b) Non-current investments	13	1,759.96	1,759.96
(c) Deferred tax assets (net)	26.6	784.56	776.83
(d) Long-term loans and advances	14	12,519.87	10,761.89
(e) Other non-current assets	15	-	13.32
		21,454.29	**19,411.05**
2 Current assets			
(a) Inventories		-	42.74
(b) Trade receivables	16	9,936.95	3,841.11
(c) Cash and Bank balances	17	1,612.71	828.37
(d) Short-term loans and advances	18	1,649.66	1,412.99
(e) Other current assets	19	2,186.59	697.51
		15,385.91	**6,822.72**
TOTAL		**36,840.20**	**26,233.77**
Summary of significant accounting policies & notes	1-26		

The accompanying notes are an intergral part of the financial statements

As per our report of even date

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

Abuali Darukhanawala
Partner
Membership No. : 108053

Place : Mumbai
Dated : May 11, 2017

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

Mr. Mahesh Shetty
Chairman & Managing Director
DIN - 01526975

Dr. Chhaya Shastri
Director
DIN - 01536140

Mr. Sanjay Sethi
Chief Financial Officer

Mr. Dinesh Darji
Company Secretary
Membership No: 6726

Statement of Profit and Loss

for the year ended March 31, 2017

₹ in Lakhs

Particulars	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
1 Income			
Revenue from Operations	20	24,822.45	24,391.78
Other income	21	1,198.39	821.10
Total Revenue		**26,020.84**	**25,212.88**
2 Expenses			
Direct Expenses	22	11,507.18	11,479.36
Employee Benefit Expense	23	3,841.47	3,310.19
Finance costs	24	1,356.66	326.70
Depreciation and amortisation expense	12	1,729.01	1,465.23
Other Expenses	25	5,794.16	4,132.46
Total Expenses		**24,228.48**	**20,713.94**
3 Profit before tax (1 - 2)		1,792.36	4,498.94
4 Tax expense:			
(a) Current tax expense		705.36	1,728.80
(b) Adjustments for earlier years		24.17	(24.62)
(c) Deferred tax credit	26.6	(7.73)	(127.62)
		721.80	**1,576.55**
5 Profit for the year (3 - 4)		**1,070.56**	**2,922.38**
6 Earnings per share [Nominal value per share ₹10 each (Previous Year ₹10 each)]:	26.5		
Basic & Diluted		2.69	7.34

The accompanying notes are an intergral part of the financial statements

As per our report of even date

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

Abuali Darukhanawala
Partner
Membership No. : 108053

Place : Mumbai
Dated : May 11, 2017

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

Mr. Mahesh Shetty
Chairman & Managing Director
DIN - 01526975

Mr. Sanjay Sethi
Chief Financial Officer

Dr. Chhaya Shastri
Director
DIN - 01536140

Mr. Dinesh Darji
Company Secretary
Membership No: 6726

Cash Flow Statement

for the year ended March 31, 2017

₹ in Lakhs

Particulars	For the year ended March 31, 2017		For the year ended March 31, 2016	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		1,792.36		4,498.94
Adjustments for:				
Depreciation and amortisation	1,729.01		1,465.23	
Expense on employee stock option scheme	-		7.64	
Interest income	(1,188.08)		(787.15)	
Finance Cost	1,356.66		326.7	
Dividend income	(0.01)		-	
Net (gain) / loss on sale of investments	(0.86)		(24.94)	
Net (gain) / loss on sale of Property, Plant & Equipment	165.44		89.14	
Amount Written Off	25.07		10.25	
Net unrealised exchange (gain) / loss	(0.09)	2,087.14	-	1,086.87
Operating cash flow before working capital changes		3,879.50		5,585.81
Changes in working capital:				
(Increase)/Decrease in Trade receivables	(6,095.84)		(2,028.35)	
(Increase)/Decrease in Loans and advances and others	(1,260.80)		(172.53)	
(Increase)/Decrease in Inventories	42.74		(10.22)	
Increase/(Decrease) in Trade payables	1,210.15		30.53	
Increase/(Decrease) in Other Liabilities & Provisions	(852.18)	(6,955.99)	643.23	(1,537.34)
		(3,076.49)		4,048.46
Cash flow from extraordinary items		-		-
Cash generated from operations		(3,076.49)		4,048.46
Net income tax (paid) / refunds		(1,367.83)		(1,106.31)
Net cash flow from / (used in) operating activities (A)		**(4,444.32)**		**2,942.15**
B. Cash flow from investing activities				
Proceeds from Sale of Property, Plant & Equipment	52.33		33.51	
Capital expenditure on Property, Plant & Equipment, including capital advances (Net of proceeds on sale)	(2,377.64)		(2,800.77)	
Sale of Current investments	800.86		8,929.53	
Purchase of Current investments	(800.00)		(8,903.00)	
Purchase of long-term investments				
- Equity Shares in Subsidiaries (adjusted for advances)	-		(36)	
Advance for Purchase of equity shares	-			
Movement in Loans & Advances (Net)	(1,935.82)		(2,642.06)	
Interest received on debentures/fixed deposits	546.81		620.2	
Dividend on MF received	0.01		-	
Net cash flow from / (used in) investing activities (B)		**(3,713.46)**		**(4,798.59)**

₹ in Lakhs

Particulars	For the year ended March 31, 2017		For the year ended March 31, 2016	
C. Cash flow from financing activities				
Proceeds from issue of equity shares	-		2.67	
Proceeds from long term borrowings	2,000		-	
Fresh proceeds from short-term borrowings (Net)	8,852		3,003.60	
Finance Cost	(1,245.68)		(295.33)	
Dividend paid	(557.49)		(1,055.25)	
Tax on dividend	(113.49)	8,935.33	(214.83)	1,440.85
Cash flow from extraordinary items		-		-
Net cash flow from / (used in) financing activities (C)		**8,935.33**		**1,440.85**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		**777.55**		**(415.58)**
Cash and cash equivalents at the beginning of the year		804.96		1,220.54
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents		0.09		-
Cash and cash equivalents at the end of the year		**1,582.59**		**804.96**
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Cash and cash equivalents as per Balance Sheet (Refer Note 17)		1,612.71		828.37
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements		30.12		23.41
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 17		1,582.59		804.96
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)		-		-
Cash and cash equivalents at the end of the year *		**1,582.59**		**804.96**
* Comprises:				
(a) Cash on hand		4.58		6.81
(b) Balances with banks				
(i) In current accounts		1,578.01		798.15
		1,582.59		**804.96**

In terms of our report attached.

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

Abuali Darukhanawala
Partner
Membership No. : 108053

Place : Mumbai
Dated : May 11, 2017

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

Mr. Mahesh Shetty
Chairman & Managing Director
DIN - 01526975

Dr. Chhaya Shastri
Director
DIN - 01536140

Mr. Sanjay Sethi
Chief Financial Officer

Mr. Dinesh Darji
Company Secretary
Membership No: 6726

Notes

forming part of the financial statements

1 Corporate information

MT Educare Limited (earlier MT Educare Private 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 now a public limited company and has received fresh certificate of incorporation dated May 18, 2011. Thereon, it has changed its name from MT Educare Private Limited to MT Educare Limited.

The Company came out with its Initial Public Offer (IPO) on March 27, 2012 and the IPO closed on 29th March, 2012. The Company was listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) on April 12, 2012.

2 Significant accounting policies

2.1 Basis of accounting and preparation of financial statements

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis in compliance with all material aspects of the Accounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014.

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 Companies Act, 2013. 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.

2.2 Use of estimates

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.3 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, with original maturities of three months or less.

2.4 Depreciation and amortisation

Depreciation on assets acquired / sold during the year is provided on pro-rata basis with reference to the date of installation / put to use, in the books or disposal.

Depreciation on furniture and fixtures (which includes leasehold improvements), is provided on useful life of 8 years.

During the year ended March, 2015, the company has reassesed the useful lives of the fixed assets in line with useful lives mentioned in Schedule II to the Companies Act, 2013 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.

Amortization of the intangible assets is provided on pro-rata basis on Straight Line Method 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.

2.5 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount.

After impairment, depreciation/amortization is provided on the revised carrying amount of the asset over its remaining useful life.

2.6 Revenue recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and revenue can be reliably measured.

At the time of admission, fees received from students are booked at gross amount and shown as 'advance fees'. Discounts/concessions if any, are accounted for separately in a similar manner and are netted off from advance fees. Revenue from Gross fees (inclusive of Course Registration Fees (CRF) + Robomate) received is recognized equally over the period of service rendered (course duration) except CRF and Robomate. The Course Registration Fees (CRF) is part of total fees and is non refundable and the same is recognised on admission. Revenue from Robomate content is recognised on online/ offline delivery of robomate to students, wherever applicable.

Revenue from government projects is recognised using proportionate completion method based on achievement of milestone. Management fees includes fees for services rendered. It is recognised as and when the services are rendered.

Fees relating to the courses starting beyond the balance sheet date are account for as advance fees.

2.7 Other income

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and applicable interest rate. Royalty income is accounted on accrual basis. Dividend is recognised when the Company's right to receive dividend is established.

2.8 Tangible assets and Capital Work in Progress

Tangible assets are stated at cost less accumulated depreciation and 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 CENVAT credit or other tax credit available to the Company.

Rent paid for the period beginning/commencing from taking over vacant possession of the premises and ending with the date of completion of project/improvements or for a period of 3 months, whichever is earlier, is capitalized under leasehold improvements. 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 have been fully written off.

Capital Work-In-Progress are assets not ready for the intended use as at the Balance Sheet date and include assets at new centres which have not commenced operations till March 31, 2017. Subsequent expenditure relating to tangible assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

2.9 Intangible assets

An intangible asset is recognized, where it is probable that future economic benefits attributable to the asset will flow to the enterprise and where the cost can be reliably ascertained.

Intangible asset are stated at cost of acquisition less accumulated amortization and impairement losses if any.

Expenses incurred on in-house development of courseware and products are shown as Intangibles 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 Accounting Standard 26, "Intangible Assets" issued by ICAI.

2.10 Foreign currency transactions and translations

Initial recognition

Foreign currency transactions are recorded in the reporting currency by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion:

Foreign currency monetary items are reported using the closing 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 reported in previous financial statements, are recognised as income or as expenses in the year in which they occur.

2.11 Investments

Accounting treatment

Investments, which are readily realizable and intended to be held for not more than one year

from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Classification in the financial statements

Investments that are realisable within the period of twelve months from the balance sheet date are classified as current investment. All other investments are classified as non-current investments.

2.12 Retirement and other employee benefits

The Company makes defined contribution to Employee Provident Fund, Employee Deposit Linked Insurance and ESI, which are recognised in the Statement of Profit and Loss on accrual basis.

The Company has no further obligations under these plans beyond its monthly contributions.

Defined benefit plan

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation is respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employee have earned in return for their service in the current and prior periods; that benefit is discontinued to determine to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit seperately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

The employees are entitled for 26 days leave during the calendar year, which can be accumulated up to 2 years to maximum of 40 days. The company provides for the liability at year end on account of unavailed leave as per the actuarial valuation using the Projected Unit Credit Method.

Actuarial gains and losses are recognised in the Statement of Profit and Loss as and when incurred.

2.13 Leases

Operating Leases

Leases where the Lessor effectively retains substantially all risks and benefits of ownership of the leased premises during the lease term are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit & Loss on a monthly accrual basis as per agreements, except in case of newly rented premises where the rent paid for the period beginning/ commencing from taking over vacant possession of premises and ending with date of completion of the improvements / project or rent paid for 3 months, whichever is earlier, is capitalized and added to the cost of leasehold improvements.

2.14 Earnings per share

Basic Earnings Per Share is calculated by dividing the Net Profit 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 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 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 Taxes on income

Tax expense for the period comprises of current tax, short/excess provision of previous year and deferred tax.

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income-tax Act, 1961.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts, and there is an intention to settle the asset and the liability on a net basis.

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates under the Income Tax Act, 1961 and Accounting Standard 22 'Accounting for Taxes on Income' issued by ICAI effective as on reporting date.

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates under the Income Tax Act, 1961 and Accounting Standard 22 issued by ICAI effective as on reporting date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

At each reporting date, the Company reassesses the unrecognized deferred tax assets, if any.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

2.16 Provisions, Contingent liabilities and contingent asstes

A provision is recognized when there is a present obligation as a result of a past event; it is probable that an outflow of resources will be required to fulfill the obligation and in respect of which reliable estimate can be made. Provisions other than employee benefits are not discounted to their present value and are determined based on best estimate required to fulfill the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the best current estimate. Contingent liabilities are not recognized but are discussed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

2.17 Inventory

Inventories comprise of tablet & SD cards.

Inventory is valued at lower of Cost or NRV. Cost of inventories is computed on a weighted-average basis. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition.

Provision of obsolescence on inventories is made on the basis of management's estimate based on demand and market of the inventories.

2.18 ESOP

The Company has formulated Employee Stock Option Schemes (ESOS) in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014. The Schemes provide for grant of options to employees of the Company to acquire equity shares of the Company that vest in a graded manner and that are to be exercised within a specified period. The compensation cost of stock options granted to employees is measured by the intrinsic value method, i.e., the difference between the closing market price on the day prior to the grant of the options under ESOS over the exercise price to be paid by the option holder. In accordance with the SEBI Regulations; the excess, if any, is amortised on a straight-line basis over the vesting period of the options.

3 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 March 31, 2017		As at March 31, 2016	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
(a) Authorised				
Equity shares of ₹ 10 each	52,000,000	5,200.00	52,000,000	5,200.00
(b) Issued, Subscribed and paid up				
Equity shares of ₹ 10 each fully paid up	39,820,784	3,982.08	39,820,784	3,982.08
Total	**39,820,784**	**3,982.08**	**39,820,784**	**3,982.08**

3.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2017		As at March 31, 2016	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
Opening Balance	39,820,784	3,982.08	39,794,140	3,979.41
Add: Shares issued				
ESOP *	-	-	26,644	2.67
Closing Balance	**39,820,784**	**3,982.08**	**39,820,784**	**3,982.08**

*The company had issued Nil equity shares (Previous Year 26644 equity shares) to its employees on shares vested under ESOP II.

3.2 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.

During the year ended March 31, 2017, the amount of per share dividend recognized as distributions to equity shareholders was ₹ Nil (Previous Year: ₹ 2).

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.

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

Particulars	As at March 31, 2017		As at March 31, 2016	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares with voting rights				
Mahesh R. Shetty	17,036,803	42.78%	17,036,803	42.78%

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.

4 Reserves and surplus

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
(a) Securities premium account		
Opening balance	3,177.37	3,169.73
Add : Securities Premium credited on shares issue	-	7.64
Closing balance	3,177.37	3,177.37
(b) General reserve		
Opening balance	7,395.74	5,434.87
Add: Transferred from surplus in Statement of Profit and Loss	1,070.56	1,960.87
Closing balance	8,466.30	7,395.74
(c) Surplus / (Deficit) in Statement of Profit and Loss		

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Opening balance	-	-
Add: Net Profit for the year	1,070.56	2,922.38
Less: Interim dividend on equity shares	-	238.92
[Dividend per share ₹ Nil (Previous Year ₹ 0.60/-)]		
Proposed Final Dividend	-	557.49
[Dividend per share ₹ Nil (Previous Year ₹ 1.40/-)]		
Tax on interim / final dividend	-	165.10
Transferred to General reserve	1,070.56	1,960.87
Closing balance	-	-
Total	**11,643.67**	**10,573.11**

5 Long-term borrowings

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Secured		
Term loan from Bank (Refer note 5.1 and 5.2)	2,000.00	-
Total	**2,000.00**	**-**

Note:

5.1 Term loan from Bank was taken during the financial year 2016-17 and is repayable in 8 half yearly equal installments of ₹ 250 Lakhs (principal component) each along with interest, from the 18th month of the date of loan disbursement. The loan is secured by:

- hypothecation of first charge on current assets and movable fixed assets (except vehicles) of the Company.

- Pledge of shares owned by Mr. Mahesh Shetty of the Company.

Further, the loan has been guaranteed by the Personal guarantee of Mr. Mahesh Shetty.

5.2 Repayment schedule for secured loan taken during the year

Number of installments due (Nos)	8.00	-
Amount Per Installment (Principal)	250 Lakhs	-
After one year but not more than 5 years (₹)	2,000 Lakhs	-
More than 5 years (₹)	-	-

6 Other long-term liabilities

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Advance Fees (Refer note 6.1 and 10.1)	210.94	546.27
Total	**210.94**	**546.27**

Note:

6.1 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 long term liabilities.

7 Long-term provisions

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Provision for employee benefits: (Refer note 26.12)		
(i) Provision for Gratuity (net) (funded)	86.88	38.47
(ii) Provision for Leave Encashment (Unfunded)	124.97	107.97
Total	**211.85**	**146.44**

8 Short term borrowings

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Secured:		
Loans from (Refer Note 8.1)		
(a) Banks	4,469.51	3,499.00
(b) Other Parties	5,973.27	-
Unsecured:		
Loans from:		
(a) Other parties	1,888.21	
(b) Related party (Refer note 8.2 and 26.8)	20.00	-
Total	**12,350.99**	**3,499.00**

Note:

8.1 Loans from Banks and Other parties are secured-

- Against hypothecation of first charge on existing and future current assets and movable fixed assets of MT Educare Ltd.
- Pledge of shares owned by Mr. Mahesh Shetty of MT Educare Ltd.
- Personal guarantee of Mr. Mahesh Shetty.

8.2 Loan from related party is repayable on demand.

9 Trade payables

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
(a) Total outstanding dues of mirco enterprises and small enterprises (Refer note 9.1)	-	-
(b) Total outstanding dues of creditors other than mirco enterprises and small enterprises		
(i) Visiting Faculty Fees and reimbursement	327.41	372.23
(ii) Others (Refer note 9.2)	1,254.97	-
Total	**1,582.38**	**372.23**

Note:

9.1 Based on the information available with us, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

9.2 Others include reimbursement payments to related parties (Refer note 26.8)

10 Other current liabilities

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
(a) Interest accrued but not due on borrowings	142.35	31.37
(b) Advance fees (Refer note 10.1)	2,375.32	2,634.31
(c) Statutory Liabilities	400.67	305.97
(d) Payable for Capital Expenditure	101.67	193.93
(e) Unclaimed Dividend	1.62	-
(f) Employees related liabilities	296.95	287.72
(g) Other payables (Refer note 10.2)	660.31	1,084.20
Total	**3,978.89**	**4,537.51**

Note:

10.1 Advance fees figure is net of ₹ 710 Lakhs of student debtors for ongoing and future courses in 2016-17 and ₹ 619 Lakhs in 2015-16.

10.2 Other payable mainly includes accrued liability for expenses and security deposit.

11 Short-term provisions

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
(a) Provision for employee benefits:(Refer note 26.12)		
(i) Provision for gratuity (Funded)	132.11	145.51
(ii) Provision for leave encashment (Unfunded)	41.93	31.84
	174.04	**177.35**
(b) Provision - Others:		
(i) Final Proposed Dividend	-	557.49
(ii) Dividend Distribution Tax	-	113.49
(iii) Provision for IncomeTax (Net)	705.36	1,728.80
	705.36	**2,399.70**
Total	**879.40**	**2,577.13**

12 Property, Plant & Equipments

(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As At 1.04.2016	Additions	Deductions/ Adjustments	As At 31.03.2017	As on 1.04.2016	Additions	Deductions/ Adjustments	As on 31.03.2017	As At 31.03.2017	As At 31.03.2016
Tangible Assets (Owned)										
Building	680.08	-	-	680.08	154.94	21.54	-	176.48	503.59	525.13
Plant & Machinery (including office equipments)	2,205.58	194.96	191.23	2,209.31	1,389.21	240.22	161.44	1,467.99	741.32	816.36
Furniture & Fixtures	4,439.64	353.54	487.24	4,305.94	2,389.90	398.63	312.89	2,475.64	1,830.29	2,049.74
Vehicles	19.88	-	0.17	19.71	6.35	2.33	0.17	8.51	11.21	13.53
Computers, E-Learning Equipment & Software	2,294.88	320.28	178.88	2,436.27	1,372.49	388.28	183.49	1,577.27	858.97	922.37
(A)	**9,640.05**	**868.78**	**857.52**	**9,651.31**	**5,312.89**	**1,051.00**	**657.99**	**5,705.90**	**3,945.38**	**4,327.14**
Previous Year	**8,465.82**	**1,487.86**	**313.63**	**9,640.05**	**4,477.37**	**1,041.11**	**205.57**	**5,312.89**	**4,327.14**	**3,988.43**
Intangible Assets										
Goodwill										
- Self Generated	59.92	-	-	59.92	59.92	-	-	59.92	-	-
- Purchased	30.50	-	-	30.50	30.50	-	-	30.50	-	-
Trademark	1.22	-	-	1.22	1.22	-	-	1.22	-	-
SAP	276.30	6.53	-	282.83	188.26	41.94	-	230.20	52.64	88.05
Software	187.11	404.48	1.58	590.01	34.24	100.15	0.68	133.70	456.30	152.88
Content	1,701.26	1,535.51	123.78	3,112.99	1,047.91	561.81	105.67	1,504.05	1,608.94	653.35
Ink Licence Fees	60.56	-	-	60.56	57.53	3.03	-	60.56	-	3.03
Non Compete Fees	126.00	-	-	126.00	126.00	-	-	126.00	-	-
(B)	**2,442.87**	**1,946.52**	**125.36**	**4,264.03**	**1,545.57**	**706.93**	**106.35**	**2,146.15**	**2,117.88**	**897.30**
Previous Year	**1,803.83**	**653.81**	**14.78**	**2,442.87**	**1,093.54**	**452.03**	**(0.01)**	**1,545.57**	**897.30**	**710.27**
Total (A+B)	**12,082.92**	**2,815.30**	**982.88**	**13,915.34**	**6,858.46**	**1,757.93**	**764.34**	**7,852.05**	**6,063.26**	**5,224.44**
Previous Year	**10,269.66**	**2,141.67**	**328.41**	**12,082.92**	**5,570.91**	**1,493.14**	**205.56**	**6,858.46**	**5,224.44**	**4,698.75**
									326.64	**874.63**
Capital Work In Progress	46.67	525.63	570.31	1.99	-	-	-	-	1.99	46.67
Previous Year	132.99	46.67	132.99	46.67						
Intangible Assets Under Development	827.95	1,363.03	1,866.33	324.65	-	-	-	-	324.65	827.95
Previous Year	266.82	849.96	188.83	827.95						

Note:

12.1 Mortage is created in favour of bank for limits granted to Sri Gayatri Education Society. Refer to additional information in Note 26.1.1

12.2 Refer note 5.1 & 8.1

12.3 Depreciation for the year includes Depreciation of ₹ 28.92 Lakhs (Previous Year ₹ 27.91 Lakhs) Capitalized during the year.

13 Non-current investments (at cost less provision for other than temporary diminution)

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Trade Investments - Unqouted:		
(a) Investment in equity instruments of subsidiaries_		
1,22,449 Equity Shares of ₹ 10 each fully paid up of Chitale's Personalised Learning Private Limited. (Previous Year 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 10,000 Equity Shares)	1.19	1.19
5,27,560 Equity Shares of ₹ 10 each fully paid up of Lakshya Forum for Competitions Private Limited. (Previous Year 5,27,560 Equity Shares)	1,295.71	1,295.71
10,000 Equity Shares of ₹ 10 each fully paid up of Lakshya Educare Private Limited. (Previous Year 10,000 Equity Shares)	1.00	1.00
7,500 Equity Shares of ₹ 10 each fully paid up of Sri Gayatri Educational Services Private Limited. (Previous Year 7,500 Equity Shares)	0.75	0.75
(b) Investment in debentures of subsidiary		
24,500 13% Non Convertible Debentures of ₹ 1,000 each of Lakshya Forum for Competitions Private Limited (Previous Year 24,500 13% Non Convertible Debentures)	245.00	245.00
Other Investments-Unquoted:		
1,250 Equity Shares of ₹ 25 each fully paid up of The Shamrao Vithal Co-operative Bank Limited (Previous Year 1,250 Equity Shares)	0.31	0.31
Total	**1,759.96**	**1,759.96**
Less: Provision for diminution in value of investments	-	-
Total	**1,759.96**	**1,759.96**
Aggregate market value as at the end of the year:		
Aggregate amount of unquoted investments	1,759.96	1,759.96
Aggregate amount of quoted investments	-	-
Market value of quoted investments	-	-

14 Long-term loans and advances

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
(Unsecured considered good, unless stated otherwise)		
(a) Capital Advances	87.22	39.45
(b) Security deposits	2,062.05	2,480.72
(c) Advance tax and Tax deducted at source (Net)	739.22	174.73
(d) Loans and advances to :		
(i) Related parties (Refer note 14.1, 14.2 and 26.8)	1,091.45	345.58
(ii) Others (Refer note 14.2)	8,539.92	7,721.40
Total	**12,519.87**	**10,761.89**

14.1 Long-term loans and advances include amounts due from subsidiaries:

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
MT Education Services Private Limited	-	16.08
Lakshya Educare Private Limited	190.15	-
Lakshya Forum Competitions Private Limited	898.80	260.0
Sri Gayatri Educational Sevices Private Limited	2.50	2.5
Chitale's Personalised Learning Private Limited	-	67.00
Total	**1,091.45**	**345.58**

14.2 Loans & advances are given for business purposes.

15 Other non-current assets

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
(Unsecured considered good, unless stated otherwise)		
Prepaid Expenses	-	13.32
Total	**-**	**13.32**

16 Trade receivables

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Outstanding for a period exceeding six months from the date they are due for payment:		
Unsecured, considered good	6,384.15	452.75
Unsecured, considered doubtful	38.88	98.67
	6,423.03	**551.42**
Less: Provision for doubtful trade receivables	38.88	98.67
(A)	**6,384.15**	**452.75**
Others:		
Unsecured, considered good (Refer Note 26.8)	3,552.80	3,388.36
	3,552.80	**3,388.36**
Less: Provision for doubtful trade receivables	-	-
(B)	**3,552.80**	**3,388.36**
Total (A+B)	**9,936.95**	**3,841.11**

17 Cash and Bank balances

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
A. Cash and cash equivalents		
(a) Balances with banks in current accounts	1,578.01	798.15
(b) Cash on hand	4.58	6.81
(A)	**1,582.59**	**804.96**
B. Other bank balances		
(i) In deposit accounts held as margin money against guarantee	28.50	23.41
(ii) Dividend bank accounts	1.62	-
(B)	**30.12**	**23.41**
Total	**1,612.71**	**828.37**

17.1 Details of Specified Bank Notes (SBN) held and transacted during the period 8 November, 2016 to December 30, 2016:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	-	-
(+) Permitted receipts	128.73	1.67	130.40
(-) Permitted payments	-		-
(-) Amount deposited in Banks	128.73	1.67	130.40
Closing cash in hand as on 30.12.2016	-	-	-

18 Short-term loans and advances

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
(Unsecured, considered good, unless stated otherwise)		
(a) Advances to Suppliers	681.98	118.15
(b) Security deposits	339.57	88.48
(c) Advance Tax & Tax deducted at source (Net)	0.16	949.79
(d) Loans and advances to:		
(i) Related parties (Refer note 18.1, 18.2 and 26.8)	543.78	112.46
(ii) Others (Refer note 18.2)	84.17	144.11
Total	**1,649.66**	**1,412.99**

18.1 Short-term loans and advances include amounts due from subsidiaries:

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Lakshya Educare Private Limited	119.17	7.50
Lakshya Forum for Competitions Private Limited	105.39	4.42
MT Education Services Private Limited	14.06	-
Chitale's Personalised Learning Private Limited	305.16	100.54
Total	**543.78**	**112.46**

18.2 Loans & advances are given for business purposes

19 Other current assets

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
(a) Interest accrued on deposits and loans and advances	891.82	250.55
(b) Receivable from faculties	38.62	26.01
(c) Others (Refer Note 19.1)	1,256.15	420.95
Total	**2,186.59**	**697.51**

19.1 Others mainly include stipend receivable, unbilled receivable and income tax refund receivable.

20 Revenue from operations

₹ in Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Revenue from operations		
Sale of Services	24,628.26	21,779.66
Less : Discount and concession	(1,665.87)	(2,054.46)
Total	**22,962.39**	**19,725.20**
Other operating revenue		
Sale of Hardware/ Software / Content	1,216.63	4,078.64
Others (Refer note 20.1)	643.43	587.94
Total	**1,860.06**	**4,666.58**
Revenue from operations (Net)	**24,822.45**	**24,391.78**

20.1 Others mainly include royalty income, reimbursement of expenses, professional fees and cheque return charges.

21 Other income

₹ in Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) Interest income	1,188.08	787.15
(b) Dividend income	0.01	-
(c) Net gain on sale of investments	0.86	24.94
(d) Other non-operating income:		
(i) Net Gain on foreign exchange transactions and translations	0.09	0.64
(ii) Miscellaneous income	9.35	8.37
Total	**1,198.39**	**821.10**

22 Direct Expenses

₹ in Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Rent (Refer note 26.9)	3,667.05	3,524.75
Rates and Taxes	26.48	16.91
Electricity	772.38	814.08
Student Material and Test Expenses	2,684.52	2,445.13
Increase/Decrease in stock	42.74	32.52
Visiting Lecturer Fees	4,281.13	4,645.97
Bandwidth charges	32.88	-
Total	**11,507.18**	**11,479.36**

23 Employee Benefits Expense

₹ in Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries, wages, bonus and other allowances	3,545.87	2,966.66
Contribution to provident and other funds	215.24	218.61
Expense on employee stock option (ESOP) scheme	-	7.64
Staff welfare expenses	80.36	117.28
Total	**3,841.47**	**3,310.19**

24 Finance costs

₹ in Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) Interest expense on borrowings	1,097.82	275.87
(b) Other borrowing cost	258.83	50.84
Total	**1,356.66**	**326.70**

25 Other expenses

₹ in Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
ADMINISTRATION EXPENSES		
Director's Sitting Fees	21.96	10.70
Corporate Social Responsibility expenses (Refer note 26.13)	92.92	162.92
Printing and Stationery	51.04	60.25
Professional fees	835.87	752.93
Bad Debts	-	6.70
Provision for doubtful debts	38.88	98.67
Repairs and Maintenance - Others	487.67	424.35
Security Charges	35.12	42.14
House keeping Expenses	154.46	187.64
Auditor's Remuneration (Refer note 25.1)	28.35	34.59
Communication Expenses	333.60	204.11
Travelling and Conveyance Expenses	330.73	284.19
Net Loss on Sale of Property Plant and Equipment	165.45	89.14
Insurance	7.83	6.84
Other Administrative Expenses	729.67	329.35
(A)	**3,313.54**	**2,694.52**
SELLING EXPENSES		
Advertisement and Publicity	2,400.15	1,341.54
Business Promotion Expenses	80.47	96.40
(B)	**2,480.62**	**1,437.94**
(A)+ (B)	**5,794.16**	**4,132.46**

25.1 Auditor's Remuneration (Excluding Service Tax)

₹ in Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
As auditors:		
Statutory audit*	24.35	16.25
In other capacity:		
Tax audit	4.00	5.00
Taxation and other matters	-	13.34
Total	**28.35**	**34.59**

* Includes remuneration of previous auditor.

26 Additional information to the financial statements

26.1 Contingent Liabilities not provided for in respect of

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
(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 (Refer note 26.1.3)	67.28	57.50
(b) Corporate Guarantee (Refer note 26.1.1 and 26.1.2)	2,435.00	2,435.00
(c) Guarantees given by banks in favour of Government bodies	51.74	68.28

Note:

26.1.1 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. (Also Refer Note 12.1)

26.1.2 Corporate guarantee is given for business purpose.

26.1.3 Company expects that the liability will be limited to the extent of ₹ 9.11 lakhs & the same is provided in the books.

26.2 Commitments:

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
Tangible assets	-	62.24
Intangible assets	40.42	85.83
(b) Other Commitments- Non cancellable Operating Lease (Refer note 26.9)	-	-

26.3 Expenditure in Foreign Currency (On Accrual basis)

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
Advertisement and Publicity	175.27	24.09
Total	**175.27**	**24.09**

26.4 Earnings in Foreign Currency (On Accrual basis)

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
Royalty Income	28.95	33.45
Total	**28.95**	**33.45**

26.5 Earnings per Share (EPS)

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
Basic and Diluted		
Net profit for the year attributable to the equity shareholders (₹ in Lakhs)	1,070.56	2,922.39
Weighted average number of equity shares	39,820,784	39,811,029
Par value per share (in ₹)	10.00	10.00
Earnings per share - Basic and Diluted (in ₹)	2.69	7.34

26.6 Deferred tax asset (Net)

₹ in Lakhs

Particulars	As at March 31, 2017	Benefit charge for the year	As at March 31, 2016
Tax effect of items constituting deferred tax liabilities	-	-	-
Tax effect of items constituting deferred tax assets			
Provision for compensated absences, gratuity and other employee benefits	133.53	21.47	112.07
Provision for doubtful debts / advances	13.45	(20.70)	34.15
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	-	(8.65)	8.65
On difference between book balance and tax balance of Property, Plant & Equipment	637.57	15.61	621.96
Tax effect of items constituting deferred tax assets	**784.56**	**7.73**	**776.83**
Net deferred tax asset	**784.56**		**776.83**

26.7.1 Employee stock options details as on the Balance Sheet date are as follows:

i) Status of Employee Stock Option Plans

Sr. No.	Particulars	Employee Stock Option Plan (ESOP) - 2016	Employee Stock Option Plan (ESOP) - 2011 - II
1	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Indian Accounting Standard 33 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.	Not Applicable	Not Applicable
2	Date of Shareholders' Approval	February 17, 2016	April 13, 2011
3	Total number of options approved under Scheme	8,00,000 equity shares	2,72,912
4	Vesting Requirements	Option granted under scheme would vest not earlier than one year and not later than five years from the date of grant of such options	Option granted under scheme would vest not earlier than one year and not later than three years from the date of grant of such options.
5	Exercise Price or Exercising Formula	₹ 10/-	₹ 10/-

Sr. No.	Particulars	Employee Stock Option Plan (ESOP) - 2016	Employee Stock Option Plan (ESOP) - 2011 - II
6	Maximum term of Options granted	Five years from the date of grant of such options	Five years from the date of grant of such options
7	Source of Shares	Primary	Primary
8	Variation in terms of ESOP	Not Applicable	Not Applicable

ii) **Method used to account for ESOP** - Intrinsic Value method (Black & Scholes Pricing Model)

iii) **Difference, if any, between Employee Compensation Cost (calculated using the intrinsic value of Stock Options) and the employee Compensation Cost (calculated using the fair value of Stock Options):**

There is no impact on the profits and EPS as the shares granted are surrendered by the employees vide letter dated 27th March, 2017.

iv) **Option movement during the year 2016-17**

Particulars	March 31, 2017	March 31, 2016
Number of Options outstanding at the beginning of the period	8,00,000	26,644
Number of Options granted during the year	7,31,000	-
Number of Options lapsed / forfeited / surrendered during the year	7,31,000 *	-
Number of Options vested during the year	-	26,644
Number of Options exercised during the year	-	26,644
Number of shares arising as a result of exercise of options	-	-
Money realized by exercise of options (INR), if scheme is implemented directly by the company	-	-
Loan repaid by the Trust during the year from exercise price received	-	-
Number of options outstanding at the end of the year	8,00,000	-
Number of options Exercisable at the end of the year	-	-

* During the year under review, 7,31,000 options granted to the employees of the Company were surrendered by them. Hence 8,00,000 options are outstanding at the end of the year which are eligible for re-issue at the discretion of Board of Directors.

v) **Weighted average exercise Prices: Not Applicable**

vi) **Employee wise details of Option granted during the year 2016-17**

a. Details of Options granted to Senior Management Personnel - Options granted are surrendered by the employees

b. Identified employees who were granted Options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant - None

c. Any other employee who received grant in any one year of options amounting to 5% or more of the options granted during the year -None

vii) **Methods & significant assumptions made during the year to estimate the fair value of Options -**

At the time of granting options to the employees, the Black - Scholes Option Pricing Model was used to arrive at the Fair Value. Since, the options were surrendered before the Vesting period, the significant assumptions made to estimate the fair value shall be provided at the time of re-issue of options, if any.

26.7.2 Expenses arising from stock option plan during the year / period

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
ESOP 2011-II	-	7.64
Total	**-**	**7.64**

26.8 **Related Party Disclosures**

In accordance with the requirement of Accounting Standard (AS)-18 on 'Related Party Disclosures' the name of the related parties where control exist/ables to exercise significant influence along with the aggregate transactions/year end balances with them as identified and certified by the management are given below:

Details of Related Parties :

Description of relationship	Names of related parties
Subsidiaries	Chitale's Personalised Learning Private Limited MT Education Services Private Limited Lakshya Educare Private Limited Lakshya Forum for Competitions Private Limited Sri Gayatri Educational Services Private Limited Robomate Edutech Private Limited Letspaper Technologies Private Limited
Key Management Personnel (KMP)	Mahesh R. Shetty (Chairman and Managing Director) Dr. Chhaya Shastri (Director) Yagnesh Sanghrajka (CFO - April '16 to June'16) Sanjay Sethi (CFO - from July'16 to Mar'17) Ashwin Patel (Company Secretary - April '16 to June'16) Dinesh Darji (Company Secretary - from June'16 to Mar'17))
Enterprises in which KMP can exercise significant influence	Mahesh Tutorials Chembur Mahesh Tutorials Mulund Prosynapse Consultants Private Limited

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
Dividend paid to Key Management Personnel		
Mr. Mahesh Shetty	238.52	451.48
Others	22.03	45.78
	260.54	**497.26**
KMP Remuneration	**268.71**	**267.31**
Interest Expense on Loan		
Lakshya Educare Pvt. Ltd.	4.14	-
Lakshya Forum for Competitions Pvt. Ltd.	0.68	-
MT Education Services Pvt. Ltd.	4.35	-
	9.17	**-**
Professional Fees Expenses		
Prosynapse Consultants Pvt. Ltd.	123.00	123.00
Lakshya Educare Pvt. Ltd.	64.89	-
Lakshya Forum for Competitions Pvt. Ltd.	20.83	-
	208.72	**123.00**
Rent Expense		
Mahesh Tutorials Chembur	88.08	87.81
Mahesh Tutorials Mulund	31.62	31.52
Mr. Mahesh Shetty	14.09	12.54
	133.79	**131.87**
Other Operating Income - Sale of TAB		
Chitale's Personalised Learning Pvt. Ltd.	30.01	-
	30.01	**-**

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
Interest Received on Loan		
Lakshya Educare Pvt. Ltd.	9.28	2.81
Lakshya Forum for Competitions Pvt. Ltd.	35.39	8.62
MT Education Services Pvt. Ltd.	0.50	1.64
Chitale's Personalised Learning Pvt. Ltd.	-	1.40
Sri Gayatri Educational Services Pvt. Ltd.	0.33	0.33
	45.50	**14.80**
Interest Income on Debentures		
Lakshya Forum for Competitions Pvt. Ltd.	31.85	31.85
	31.85	**31.85**
Management Fee Income		
Chitale's Personalised Learning Pvt. Ltd.	-	36.18
Lakshya Forum for Competitions Pvt. Ltd.	-	18.00
Lakshya Educare Pvt. Ltd.	-	1.79
	-	**55.97**
Rent Income		
Chitale's Personalised Learning Pvt. Ltd.	31.59	25.41
Lakshya Educare Pvt. Ltd.	311.47	243.26
	343.06	**268.67**
Loans and advances given		
Lakshya Educare Pvt Ltd	1,459.37	-
Lakshya Forum for Competitions Pvt. Ltd.	1,372.90	335.00
Chitale's Personalised Learning Pvt. Ltd.	-	67.00
MT Education Services Pvt. Ltd.	-	16.58
	2,832.27	**418.58**
Loans and advances given received back		
Lakshya Educare Pvt Ltd	1,269.21	98.35
Lakshya Forum for Competitions Pvt. Ltd.	734.10	184.01
Chitale's Personalised Learning Pvt. Ltd.	67.00	-
MT Education Services Pvt. Ltd.	16.08	30.50
	2,086.39	**312.86**
Loans and advances repaid by Company		
MT Education Services Pvt. Ltd.	75.00	-
Lakshya Forum for Competitions Pvt. Ltd.	21.00	-
	96.00	**-**
Loans and advances taken		
MT Education Services Pvt. Ltd.	95.00	-
Lakshya Forum for Competitions Pvt. Ltd.	60.85	-
	155.85	**-**
Outstanding at the end of the year		
Deposit for Premises		
Mahesh Tutorials Chembur	29.76	29.76
Mahesh Tutorials Mulund	11.28	11.28
Mr. Mahesh Shetty	8.97	7.47
	50.01	**48.51**
Investment in Debentures		
Lakshya Forum for Competitions Pvt. Ltd.	245.00	245.00
	245.00	**245.00**

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
Investment in Shares		
Chitale's Personalised Learning Pvt. Ltd.	216.00	216.00
Lakshya Forum for Competitions Pvt. Ltd.	1,295.71	1,295.71
Lakshya Educare Pvt. Ltd.	1.00	1.00
Sri Gayatri Educational Services Pvt. Ltd.	0.75	0.75
MT Education Services Pvt. Ltd.	1.19	1.19
	1,514.65	**1,514.65**
Rent Payable		
Mr. Mahesh Shetty	0.53	-
	0.53	**-**
KMP Remuneration Payable	**15.90**	**17.14**
Professional Fee Payable		
Prosynapse Consultants Pvt. Ltd.	10.76	10.71
	10.76	**10.71**
Outstanding Loans Payable		
MT Education Services Pvt. Ltd.	20.00	-
	20.00	**-**
Interest on loan payable		
Lakshya Educare Pvt. Ltd.	-	7.71
Lakshya Forum for Competitions Pvt. Ltd.	0.61	-
MT Education Services Pvt. Ltd.	3.91	-
	4.52	**7.71**
Other Reimbursable Expenses Receivable		
MT Education Services Pvt. Ltd.	14.06	-
	14.06	**-**
Interest Receivable on Debentures		
Lakshya Forum for Competitions Pvt. Ltd.	21.52	28.67
	21.52	**28.67**
Interest on loan receivable		
Chitale's Personalised Learning Pvt. Ltd.	-	1.26
Lakshya Educare Pvt. Ltd.	7.21	0.49
Lakshya Forum for Competitions Pvt. Ltd.	29.09	6.67
MT Education Services Pvt Ltd	0.47	0.02
Sri Gayatri Educational Services Pvt. Ltd.	0.74	0.45
	37.51	**8.88**
Loan Receivable		
Lakshya Educare Pvt. Ltd.	190.15	-
Lakshya Forum for Competitions Pvt. Ltd.	898.80	260.00
MT Education Services Pvt. Ltd.	-	16.08
Chitale's Personalised Learning Pvt. Ltd.	-	67.00
Sri Gayatri Educational Services Pvt. Ltd.	2.50	2.50
	1,091.45	**345.58**
Trade Receivables		
Chitale's Personalised Learning Pvt. Ltd.	-	34.05
	-	**34.05**
Other Reimbursable Expenses Receivable		
Lakshya Educare Pvt. Ltd.	119.17	7.50
Chitale's Personalised Learning Pvt. Ltd.	304.52	100.54
Lakshya Forum for Competitions Pvt. Ltd.	105.39	48.47
	529.09	**156.51**

26.9 Operating Lease

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
As Lessee		
The Company has entered into operating lease arrangements for certain facilities and Coaching Center premises. The leases are over a period of 2 to 10 years and may be renewed for a further period mutual agreement of the parties.		
Lease payments recognised in the Statement of Profit and Loss	3,578.59	3,447.77
Future Minimum Lease Payments		
Not later than 1 year	278.29	278.29
Later than 1 year and not more than 5 years	278.29	556.59

26.10 The Company's business activities fall within a single segment viz. conducting commercial training, coaching, tutorial classes and activities incidental and ancillary thereon and there is no other reportable business and geographical segment as required under Accounting Standard-17 "Segment Reporting".

26.11 Disclosures as required under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

26.11.1 Loans and advances in the nature of loans given to subsidiaries

Name of the Party	Relationship	Amount Outstanding as on March 31, 2017	Maximum amount outstanding during the year (2016-17)	Amount Outstanding as on March 31, 2016	Maximum amount outstanding during the year (2015-16)
MT Education Services Private Limited	Subsidiary	14.06	14.06	16.08	30
Lakshya Educare Private Limited	Subsidiary	309.32	446.69	-	49.05
Lakshya Forum for Competion Private Limited	Subsidiary	1,004.19	1,135.30	260	260
Chitale's Personalised Learning Private Limited	Subsidiary	305.16	305.50	67	67
Sri Gayatri Educational Services Private Limited	Subsidiary	2.50	2.50	2.5	2.5

26.11.2 Investment in shares of the Company by subsidiaries is Nil.

26.12 Employee benefits

In accordance with the Accounting Standard-15 'Employee Benefits', the Company has calculated the various benefits provided to employees as under:

a Defined contribution plans
Provident fund
Labour Welfare Fund
During the period the Company has recognized the following amount in the Statement of profit and loss:-

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
Employer's Contribution to Provident Fund	170.15	157.58
Contribution to Labour Welfare	0.61	0.60

b Defined benefit plans and other long term benefits

(i) Contribution to gratuity - Defined benefit plan

(ii) Compensated absences - Other long term benefits

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service.

General Description of the Plan
The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Company's scheme is more favorable as compared to the obligation under Payment of Gratuity Act, 1972.

In accordance with Accounting Standard 15, an actuarial valuation was carried out in respect of the aforesaid defined benefit plans based on the following assumptions:

i. Actuarial assumptions:

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Discount rate per annum	6.85%	7.54%
Expected Rate of Increase in compensation levels per annum	6.00%	6.00%
Expected rate of return on plan assets	6.85%	7.54%
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.

ii. Changes in the fair value of plan assets:

Particulars	March 31, 2017	March 31, 2016
Fair value of plan assets as at the beginning of the year	101.86	103.7
Expected return on plan assets	7.68	8.19
Contributions	8.64	8.05
Benefits paid	34.93	17.27
Actuarial loss on plan assets	0.56	0.81
Fair value of plan assets as at the end of the year	**82.70**	**101.86**

iii. Changes in the present value of the defined benefit obligation in respect of Gratuity (funded) are as follows:

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
Present value of defined benefit obligation at beginning of the year	285.84	236.09
Interest cost	21.55	18.65
Current service cost	40.44	31.26
Benefits paid	(34.93)	(17.28)
Actuarial (gain) / loss on obligation	(11.22)	17.13
Present value of defined benefit obligation at the end of the year	**301.68**	**285.84**

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

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
Present value of obligation as at the end of the year	301.68	285.84
Fair value of plan assets as at the end of the year	82.70	101.86
Unfunded net liability recognized in balance sheet	**218.98**	**183.98**
Amount classified as:		
Short term provision (Refer note 11)	**132.11**	**145.51**
Long term provision (Refer note 7)	**86.88**	**38.47**

v. Expenses recognized in Statement of Profit and Loss:

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
Current service cost	40.44	31.26
Interest cost	21.55	18.65
Expected return on plan assets	(7.68)	(8.19)
Net actuarial loss/(gain) recognized during the year	(10.67)	17.94
Total included in employer benefits expenses	**43.65**	**59.65**
Actual benefit payments	34.93	17.28
Actual contributions	8.64	8.05

vi. Investment details of the Plan Assets:

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Government of India Securities	-	-
Corporate Bonds	-	-
Insurer Managed Funds	82.70	101.86
Special Deposit Scheme	-	-
Others	-	-
Total fund balance	**82.70**	**101.86**

vii. Net assets/liability and actuarial experience gain/(loss) for present benefit obligation ('PBO') and plan assets:

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
PBO	302	286	172.41	148.16	148.16
Plan assets	83	102	72.12	63.60	63.61
Net assets/(liability)	218.98	183.98	100.29	84.55	84.55
Experience gain/(loss) on PBO	18.15	(13.74)	(30.83)	(3.71)	(4.33)
Experience gain / (loss) adjustments on plan assets	(0.56)	(0.81)	(0.40)	0.47	2.45
Actuarial gain / (loss) due to change in assumptions	(6.92)	(3.39)	(7.70)	-	(4.28)

viii. 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 2016 - 17

The leave salary are payable to all eligible employees at the rate of daily salary of each day of accumulated leave (upto 40 days) on death or on resignation or upon retirement on attaining retirement age.

The liability for compensated absences as at year end is ₹ 166.85 Lakhs (March 31, 2016: ₹ 139.81 Lakhs)

Short term Provision as at year end is ₹ 41.93 Lakhs (March 31, 2016: ₹ 31.84 Lakhs)

Long term Provision as at year end is ₹ 124.93 Lakhs (March 31, 2016: ₹ 107.97 Lakhs)

26.13 Corporate Social Responsibility

In respect of Corporate Social Responsibility activities, Gross amount required to be spent by the Company during the year was ₹ 82.19 Lakhs (previous year ₹ 67 Lakhs). The Company has spent ₹ 92.92 Lakhs (previous year ₹ 162.92 Lakhs) during the year.

26.14 Details of unhedged Foreign Currency Exposure as at the end of the year

(a) The Company has not entered into any forward contract during the year. (Previous year Nil)

(b) Foreign Currency Exposure as on the balance sheet date that have not been hedged are given below:

	Foreign Currency		₹ in Lakhs	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Trade receivable in Foreign Currency on account of the following:				
AED	35,102	56,888	6.20	10.27

26.15 In the opinion of the Board, the Current assets and loans and advances are approximately of the value stated, if realized in the ordinary course or business, except otherwise stated. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.

26.16 Previous year figures have been regrouped/ reclassified, where necessary, to conform to this year's classification.

As per our report of even date

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

Abuali Darukhanawala
Partner
Membership No. : 108053

Place : Mumbai
Dated : May 11, 2017

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

Mr. Mahesh Shetty
Chairman & Managing Director
DIN - 01526975

Dr. Chhaya Shastri
Director
DIN - 01536140

Mr. Sanjay Sethi
Chief Financial Officer

Mr. Dinesh Darji
Company Secretary
Membership No: 6726

Independent Auditors' Report

TO THE MEMBERS OF MT EDUCARE LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of MT Educare Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "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 prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 of 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the statutory auditors on separate financial statements of the subsidiary companies and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2017, and their consolidated profits and their consolidated cash flows for the year ended on that date.

Other Matter

The consolidated financial statements of the Holding Company for the year ended March 31, 2016, were audited by another auditor whose report dated May 17, 2016 expressed an unmodified opinion on those statements.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of the statutory auditors on separate financial statements and other financial information of subsidiaries, 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;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement 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) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 and taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2017 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 over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'.

(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 and based on the consideration of the report of the statutory auditors on separate financial statements as also the other financial information of the subsidiaries:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 26.1 to the consolidated financial statements;

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2017;

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India during the year ended March 31, 2017;

iv. The Group has provided requisite disclosures in the consolidated financial statements as to holdings as well as dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016 with respect to the Holding Company and its subsidiary companies incorporated in India. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Group and as produced to us by the Management – Refer Note 17.1 to the consolidated financial statements.

For **MZSK & Associates**
Chartered Accountants
Firm Registration No. 105047W

Abuali Darukhanawala
Partner
Membership No.108053

Place: Mumbai
Date: May 11, 2017

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

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 MT Educare Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India, 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 over financial reporting criteria established by the respective 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiaries companies, which are companies incorporated in India 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 adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiaries.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting 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 over financial reporting 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 Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note.

For **MZSK & Associates**
Chartered Accountants
Firm Registration No. 105047W

Abuali Darukhanawala
Partner
Membership No.108053

Place: Mumbai
Date: May 11, 2017

Consolidated Balance Sheet

as at March 31, 2017

₹ in Lakhs

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	3,982.08	3,982.08
(b) Reserves and surplus	4	12,593.75	10,874.51
		16,575.83	**14,856.59**
2 Minority Interest			**-**
3 Non-current liabilities			
(a) Long-term borrowings	5	2,000.00	-
(b) Deferred tax liabilities (net)	26.6.1	2.00	-
(c) Other long-term liabilities	6	234.41	546.27
(d) Long-term provisions	7	250.19	183.43
		2,486.60	**729.70**
4 Current liabilities			
(a) Short-term borrowings	8	12,369.23	3,499.00
(b) Trade payables	9		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,836.86	666.52
(c) Other current liabilities	10	4,690.87	5,360.86
(d) Short-term provisions	11	1,254.29	2,661.25
		20,151.25	**12,187.63**
		39,213.68	**27,773.92**
B ASSETS			
1 Non-current assets			
(a) Property,Plant and Equipment	12		
(i) Tangible assets		4,278.69	4,700.37
(ii) Intangible assets		2,534.66	968.16
(iii) Capital work-in-progress		96.45	46.67
(iv) Intangible assets under development		324.65	1,030.68
		7,234.44	**6,745.88**
(b) Goodwill on Consolidation		1,627.52	1,627.52
(c) Non-current investments	13	78.46	78.46
(d) Deferred tax assets (net)	26.6.2	851.22	833.67
(e) Long-term loans and advances	14	11,749.49	10,563.61
(f) Other non-current assets	15	3.23	13.32
		14,309.93	**13,116.59**
2 Current assets			
(a) Inventories		-	117.02
(b) Trade receivables	16	12,102.70	4,553.98
(c) Cash and bank balances	17	1,648.14	1,112.94
(d) Short-term loans and advances	18	1,427.45	1,575.15
(e) Other current assets	19	2,491.02	552.37
		17,669.31	**7,911.46**
TOTAL		**39,213.68**	**27,773.92**
Summary of significant accounting policies and notes	1-26		

The accompanying notes are an intergral part of the consolidated financial statements

As per our report of even date

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

Abuali Darukhanawala
Partner
Membership No. : 108053

Place : Mumbai
Dated : May 11, 2017

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

Mr. Mahesh Shetty
Chairman & Managing Director
DIN - 01526975

Dr. Chhaya Shastri
Director
DIN - 01536140

Mr. Sanjay Sethi
Chief Financial Officer

Mr. Dinesh Darji
Company Secretary
Membership No: 6726

Consolidated Statement of Profit and Loss

for the year ended March 31, 2017

₹ in Lakhs

Particulars	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
1 Income			
Revenue from Operations	20	30,106.80	28,708.31
Other income	21	1,151.96	850.38
Total Revenue		**31,258.76**	**29,558.69**
2 Expenses			
Direct Expenses	22	14,695.22	14,387.75
Employee Benefits Expense	23	4,231.73	3,717.55
Finance costs	24	1,351.00	327.49
Depreciation and amortisation expense	12	1,913.95	1,561.44
Other Expenses	25	6,270.52	4,815.17
Total Expenses		**28,462.42**	**24,809.41**
3 Profit before tax (1-2)		2,796.34	4,749.28
4 Tax expense:			
(a) Current tax expense for current year		1,061.59	1,792.75
(b) Adjustment for earlier years		14.31	(112.03)
(c) MAT Payable/ (Credit)		16.76	(34.81)
(d) Deferred tax Credit (Net)		(15.55)	(115.41)
		1,077.11	**1,530.50**
5 Profit after tax before minority interest (3-4)		**1,719.23**	**3,218.78**
6 Minority Interest		**-**	**(15.83)**
7 Profit for the year (5-6)		**1,719.23**	**3,234.61**
8 Earnings per share [Nominal value of ₹ 10 each (P.Y. ₹ 10 each)]			
Basic & Diluted	26.5	4.32	8.12

The accompanying notes are an intergral part of the Consolidated financial statements

As per our report of even date

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

Abuali Darukhanawala
Partner
Membership No. : 108053

Place : Mumbai
Dated : May 11, 2017

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

Mr. Mahesh Shetty
Chairman & Managing Director
DIN - 01526975

Mr. Sanjay Sethi
Chief Financial Officer

Dr. Chhaya Shastri
Director
DIN - 01536140

Mr. Dinesh Darji
Company Secretary
Membership No: 6726

Consolidated Cash Flow Statement

for the year ended March 31, 2017

₹ in Lakhs

Particulars	For the year ended March 31, 2017		For the year ended March 31, 2016	
A. Cash flow from operating activities				
Net Profit / (Loss) before tax		2,796.34		4,749.28
Adjustments for:				
Depreciation and amortisation	1,913.95		1,561.44	
Expense on employee stock option scheme	-		7.64	
Finance costs	1,351.00		327.49	
Interest income	(1,139.27)		(785.70)	
Dividend income	(0.01)		(0.05)	
Net (gain) / loss on sale of investments	(0.86)		(30.34)	
Net (gain) / loss on sale of Property, Plant & Equipment	176.75		138.28	
Amount Written Off	25.07		10.25	
Net unrealised exchange (gain) / loss	(0.09)	2,326.54	-	1,229.01
Operating profit before working capital changes		5,122.87		5,978.29
Changes in working capital:				
(Increase)/Decrease in Trade receivables	(7,548.73)		(2,470.22)	
(Increase)/Decrease in Loans and advances and others	(1,864.59)		(274.82)	
(Increase)/Decrease in Inventories	117.02		(84.49)	
Increase/(Decrease) in Trade payables	1,170.34		161.40	
Increase/(Decrease) in Other Liabilities & Provisions	(952.40)	(9,078.36)	1,032.22	(1,635.91)
Cash generated from operations		(3,955.48)		4,342.38
Net income tax (paid) / refunds		(1,608.28)		(1,108.73)
Net cash flow from / (used in) operating activities (A)		**(5,563.76)**		**3,233.65**
B. Cash flow from investing activities				
Proceeds from Sale of Property, Plant and Equipments	52.33		36.47	
Capital expenditure on Property,Plant and Equipment , including capital advances (Net of proceeds on sale)	(2,756.33)		(3,233.86)	
Sale of Current investments	800.86		10,403.65	
Purchase of Current investments	(800.00)		(10,359.00)	
Purchase/Sale of long-term investments				
- Equity Shares in Subsidiaries (adjusted for advances)			(36.00)	
Movement in Loans & Advances (Net)	(730.54)		(2,406.33)	
Interest received on debentures/fixed deposits/Loans	557.13		607.84	
Dividend on MF received	0.01		0.05	
Net cash flow from / (used in) investing activities (B)		**(2,876.54)**		**(4,987.18)**
C. Cash flow from financing activities				
Proceeds from issue of equity shares	-		2.67	
Proceeds from long term borrowings	2,000.00		-	
Proceed from other short-term borrowings (Net)	8,870.22		3,003.60	
Finance cost	(1,239.07)		(296.12)	
Dividends paid	(557.49)		(1,055.25)	
Tax on dividend	(113.49)	8,960.17	(214.83)	1,440.07
Cash flow from extraordinary items		**-**		**-**
Net cash flow from / (used in) financing activities (C)		**8,960.17**		**1,440.07**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		519.88		(313.46)
Cash and cash equivalents at the beginning of the year		1,089.55		1,402.99
Cash and cash equivalents added on acquisition		**-**		**-**

₹ in Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	**0.09**	**-**
Cash and cash equivalents at the end of the year	1,609.52	1,089.53
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 16)	1,648.14	1,112.93
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements (give details)	38.62	23.41
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 16	**1,609.52**	**1,089.53**
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)	-	-
Cash and cash equivalents at the end of the year *	1,609.52	1,089.53
* Comprises:		
(a) Cash on hand	4.81	8.73
(b) Balances with banks	-	-
(i) In current accounts	1,604.71	1,080.80
	1,609.52	**1,089.53**

As per our report on even date.

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

Abuali Darukhanawala
Partner
Membership No. : 108053

Place : Mumbai
Dated : May 11, 2017

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

Mr. Mahesh Shetty
Chairman & Managing Director
DIN - 01526975

Dr. Chhaya Shastri
Director
DIN - 01536140

Mr. Sanjay Sethi
Chief Financial Officer

Mr. Dinesh Darji
Company Secretary
Membership No: 6726

Notes

forming part of the financial statements

1 Corporate information

MT Educare Limited (earlier MT Educare Private 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 now a public limited company and has received fresh certificate of incorporation dated May 18, 2011. Thereon, it has changed its name from MT Educare Private Limited to MT Educare Limited.

The Company came out with its Initial Public Offer (IPO) on March 27, 2012 and the IPO closed on March 29, 2012. The Company was listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) on April 12, 2012.

2 Significant accounting policies

2.1 Basis of accounting and preparation of Consolidated financial statements

The consolidated financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis in compliance with all material aspects of the Accounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014.

The accounting policies adopted for the preparation of consolidated financial statements are consist with those followed in the previous year.

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 Companies Act, 2013. 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.

2.2 Use of estimates

The preparation of consolidated financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.3 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

2.4 Depreciation and amortisation

Depreciation on assets acquired / sold during the year is provided on pro-rata basis with reference to the date of installation / put to use, in the books or disposal.

Depreciation on furniture and fixtures (which includes leasehold improvements), is provided on useful life of 8 years.

During the year ended March, 2015, the company has reassesed the useful lives of the fixed assets in line with useful lives mentioned in Schedule II to the Companies Act, 2013 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.

Amortization of the intangible assets is provided on pro-rata basis on Straight Line Method 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.

2.5 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount.

After impairment, depreciation/amortization is provided on the revised carrying amount of the asset over its remaining useful life.

2.6 Revenue recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and revenue can be reliably measured.

At the time of admission, fees received from students are booked at gross amount and shown as 'advance

fees'. Discounts/concessions if any, are accounted for separately in a similar manner and are netted off from advance fees. Revenue from Gross fees (inclusive of CRF + Robomate) received is recognized equally over the period of service rendered (course duration) except CRF and Robomate. The Course Registration Fees (CRF) is part of total fees and is non refundable and the same is recognised on admission. Revenue from Robomate content is recognised on online/ offline delivery of robomate to students, wherever applicable.

Revenue from government projects is recognised using proportionate completion method based on achievement of milestones.

Management fees includes fees for services rendered. It is recognised as and when the services are rendered. Fees relating to courses starting beyond the Balance Sheet date are accounted for as advance fees.

2.7 Other income

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and applicable interest rate. Royalty income is accounted on accrual basis. Dividend is recognised when the Company's right to receive dividend is established.

2.8 Tangible assets and Capital Work in Progress

Tangible assets are stated at cost less accumulated depreciation and 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 CENVAT credit or other tax credit available to the Company.

Rent paid for the period beginning/commencing from taking over vacant possession of the premises and ending with the date of completion of project/ improvements or for a period of 3 months, whichever is earlier, is capitalized under leasehold improvements.

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 have been fully written off.

Capital Work-In-Progress are assets not ready for the intended use as at the Balance Sheet date and include assets at new centres which have not commenced operations till March 31, 2017. Subsequent expenditure relating to tangible assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

2.9 Intangible assets

An intangible asset is recognized, where it is probable that future economic benefits attributable to the asset will flow to the enterprise and where the cost can be reliably ascertained.

Intangible asset are stated at cost of acquisition less accumulated amortization and impairement losses if any.

Expenses incurred on in-house development of courseware and products are shown as Intangibles under developement 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 Accounting Standard 26, "Intangible Assets" issued by ICAI.

2.10 Foreign currency transactions and translations

Initial recognition

Foreign currency transactions are recorded in the reporting currency by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion:

Foreign currency monetary items are reported using the closing 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 reported in previous financial statements, are recognised as income or as expenses in the year in which they occur.

2.11 Investments

Accounting treatment

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision

for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Classification in the financial statements

Investments that are realisable within the period of twelve months from the balance sheet date are classified as current investment. All other investments are classified as non-current investments.

2.12 **Retirement and other employee benefits**

The Company makes defined contribution to Employee Provident Fund, Employee Deposit Linked Insurance and ESI, which are recognised in the Statement of Profit and Loss on accrual basis.

The Company has no further obligations under these plans beyond its monthly contributions.

Defined contribution plans

Defined benefit plan

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation is respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employee have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit seperately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

The employees are entitled for 26 days leave during the calendar year, which can be accumulated up to 2 years to a maximum of 40/50 days.. The company provides for the liability at year end on account of unavailed leave as per the actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses are recognised in the Statement of Profit and Loss as and when incurred.

2.13 **Leases**

Operating Leases

Leases where the Lessor effectively retains substantially all risks and benefits of ownership of the leased premises during the lease term are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit & Loss on a monthly accrual basis as per agreements, except in case of newly rented premises where the rent paid for the period beginning/ commencing from taking over vacant possession of premises and ending with date of completion of the improvements / project or rent paid for 3 months, whichever is earlier, is capitalized and added to the cost of leasehold improvements.

2.14 **Earnings per share**

Basic Earnings Per Share is calculated by dividing the Net Profit 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 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 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 **Taxes on income**

Tax expense for the period comprises of current tax Short/excess provision of previous years and deferred tax.

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income-tax Act, 1961.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts, and there is an intention to settle the asset and the liability on a net basis.

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates under the IncomeTax Act,1961 and Accounting Standard 22 'Accounting for Taxes on Income' issued by ICAI effective as on reporting date.

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates under the Tax Act,1961 and Accounting Standard 22 issued by ICAI effective as on reporting date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written up to reflect the amount that is reasonably/virtually

certain (as the case may be) to be realised.

At each reporting date, the Company reassesses the unrecognized deferred tax assets, if any.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

2.16 Provisions, Contingent liabilities and contingent assets

A provision is recognized when there is a present obligation as a result of a past event; it is probable that an outflow of resources will be required to fulfill the obligation and in respect of which reliable estimate can be made. Provisions other than employee benefits are not discounted to their present value and are determined based on best estimate required to fulfill the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the best current estimate. Contingent liabilities are not recognized but are discussed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

2.17 Inventory

Inventories comprise of tablets & SD cards

Inventory is valued at lower of Cost or NRV. Cost of inventories is computed on a weighted-average basis. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition.

Provision of obsolescence on inventories is made on the basis of management's estimate based on demand and market of the inventories.

2.18 ESOP

The Company has formulated Employee Stock Option Schemes (ESOS) in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014. The Schemes provide for grant of options to employees of the Company to acquire equity shares of the Company that vest in a graded manner and that are to be exercised within a specified period.

The compensation cost of stock options granted to employees is measured by the intrinsic value method, i.e., the difference between the closing market price on the day prior to the grant of the options under ESOS over the exercise price to be paid by the option holder. In accordance with the SEBI Regulations; the excess, if any, is amortised on a straight-line basis over the vesting period of the options.

2.19 Investment property

An investment in land/or buildings, which is not intended to be occupied substantially for use by, or in the operations of, the Company, is classified as investment property. Investment properties are stated at cost, net of accumulated impairment losses, if any. The cost comprises purchase price and directly attributable cost of bringing the investment property to its working condition for the intended use. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

2.20 Principles of Consolidation

The Consolidated Financial Statements relate to MT Educare Limited ('the Company') and its subsidiary companies. The Consolidated Financial Statements have been prepared on the following basis:

a) The financial statements of the Company and its subsidiary companies have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard 21 "Consolidated Financial Statements".

b) The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the Company i.e. 31st March, 2017.

c) The excess of cost to the Group of its investments over its share of equity of the subsidiary companies at the date on which the investments were made is recognised as 'Goodwill'. On the other hand, where the share of equity in the subsidiaries companies as on the date of investment is in excess of cost of investments of the Group, the same is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the Consolidated Financial Statements.

d) Minority Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority 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 of the subsidiaries

attributable to minority interest is identified and adjusted against the profit 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 on annual basis.

f) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

g) Following Indian subsidiary companies (% of holding & voting rights) have been considered in the preparation of the Consolidated Financial Statements:

Chitale's Personalised Learning Private Limited (100%); MT Education Services Private Limited (100%); Lakshya Educare Private Limited (100%); Lakshya Forum for Competitions Private Limited (100%); Sri Gayatri Educational Services Private Limited (75%); Robomate Edutech Private Limited (100%); Letspaper Technologies Private Limited (100%)

3 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.

	As at March 31, 2017		As at March 31, 2016	
Particulars	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
(a) Authorised				
Equity shares of ₹ 10 each	52,000,000	5,200.00	52,000,000	5,200.00
(b) Issued, Subscribed and paid up				
Equity shares of ₹ 10 each fully paid up	39,820,784	3,982.08	39,820,784	3,982.08
Total	**39,820,784**	**3,982.08**	**39,820,784**	**3,982.08**

Note:

3.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

	As at March 31, 2017		As at March 31, 2016	
Particulars	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
Opening Balance	**39,820,784**	**3,982.08**	**39,794,140**	**3,979.41**
Add: Share issued				
ESOP *	-	-	26,644	2.67
Closing Balance	**39,820,784**	**3,982.08**	**39,820,784**	**3,982.08**

*The company had issued Nil equity shares (Previous Year 26,644 equity shares) to its employees on shares vested under ESOP II.

3.2 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.

During the year ended March 31, 2017, the amount of per share dividend recognized as distributions to equity shareholders was ₹ Nil (Previous Year: ₹ 2).

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.

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

	As at March 31, 2017		As at March 31, 2016	
Particulars	Number of shares	% of holding	Number of shares	% of holding
Equity shares with voting rights				
Mahesh R. Shetty	17,036,803	42.78%	17,036,803	42.78%

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.

4 Reserves and surplus

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
(a) Securities premium account		
Opening balance	3,177.37	3,169.73
Add : Securities Premium credited on shares issue	-	7.64
Closing balance	3,177.37	3,177.37
(b) General reserve		
Opening balance	7,697.13	5,424.04
Add: Transferred from surplus in Statement of Profit and Loss	1,719.23	2,273.09
Closing balance	9,416.36	7,697.13
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance		
Add: Net Profit for the year	1,719.23	3,234.61
Less: Interim dividend	-	238.92
[Dividend per share Rs. Nil (Previous Year Rs.0.60/-)]		
Proposed Final Dividend	-	557.49
[Dividend per share Rs. Nil (Previous Year Rs.1.40/-)]		
Tax on interim / final dividend	-	165.10
Transferred to General reserve	1,719.23	2,273.09
Closing balance	-	-
Total	**12,593.75**	**10,874.51**

5 Long-term borrowings

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Secured		
Term loan from Bank (Refer note 5.1 and 5.2)	2,000.00	-
Total	**2,000.00**	**-**

Note:

5.1 Term loan from Bank was taken during the financial year 2016-17 and is repayable in 8 half yearly equal installments of ₹ 250 Lakhs (principal component) each along with interest, from the 18th month of the date of loan disbursement. The loan is secured by:

- hypothecation of first charge on current assets and movable fixed assets (except vehicles) of MT Educare Ltd..

- Pledge of shares owned by Mr. Mahesh Shetty of MT Educare Ltd.

Further, the loan has been guaranteed by the Personal guarantee of Mr. Mahesh Shetty.

5.2 Repayment schedule for secured loan taken during the year

Number of installments due (Nos)	8.00	-
Amount Per Installment (Principal)	250 Lakhs	-
After one year but not more than 5 years (₹)	2,000 Lakhs	-
More than 5 years (₹)	-	-

6 Other long-term liabilities

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Advance Fees (Refer note 6.1 and 10.1)	234.41	546.27
Total	**234.41**	**546.27**

Note:

6.1 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 long term liabilities.

7 Long-term provisions

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Provision for employee benefits: (Refer note 26.11)		
(i) Provision for Gratuity (Net) (Funded/Unfunded)	112.21	64.28
(ii) Provision for Leave Encashment (Unfunded)	137.98	119.15
Total	**250.19**	**183.43**

8 Short term borrowings

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Secured:		
Loans from (Refer Note 8.1):		
(a) Banks	4,469.51	3,499.00
(b) Other Parties	5,973.27	-
Unsecured:		
Loans from:		
(a) Banks	42.15	
(b) Other parties	1,884.30	-
Total	**12,369.23**	**3,499.00**

8.1 Loans from Banks and Other parties are secured-

- Against hypothecation of first charge on existing and future current assets and movable fixed assets of MT Educare Ltd.
- Pledge of shares owned by Mr. Mahesh Shetty of MT Educare Ltd.
- Personal guarantee of Mr. Mahesh Shetty.

9 Trade payables

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
(a) Total outstanding dues of mirco enterprises and small enterprises (Refer note 9.1)	-	-
(b) Total outstanding dues of creditors other than mirco enterprises and small enterprises		
(i) Visiting Faculty Fees and reimbursement	509.76	530.66
(ii) Others	1,327.11	135.86
Total	**1,836.86**	**666.52**

Note:

9.1 Based on the information available with us, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

10 Other current liabilities

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
(a) Interest accrued but not due on borrowings	143.29	31.37
(a) Advance Fees (Refer note 10.1)	2,765.69	3,162.64
(c) Statutory Liabilities	450.72	351.24
(d) Payable for Capital Expenditure	123.03	200.01
(e) Unclaimed Dividend	1.62	-
(f) Employee Related Liabilities	349.36	344.88
(g) Other payables (Refer note 10.2)	857.15	1,270.73
Total	**4,690.87**	**5,360.86**

Note:

10.1 Advance fees figure is net of ₹ 784 Lakhs of student debtors for ongoing and future courses in 2016-17 and ₹ 766 Lakhs in 2015-16.

10.2 Other payable includes accrued liability for expenses and security deposit.

11 Short-term provisions

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
(a) Provision for employee benefits:(Refer note 26.13)		
(ii) Provision for gratuity (Net) (Funded/Unfunded)	137.73	151.26
(i) Provision for leave encashment (Unfunded)	45.43	34.26
	183.16	**185.52**
(b) Provision - Others:		
(i) Final Proposed Dividend	-	557.49
(ii) Dividend Distribution Tax	-	113.49
(iii) Provision for Income Tax (Net)	1,071.13	1,804.75
	1,071.13	**2,475.73**
Total	**1,254.29**	**2,661.25**

12 Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As At 1.04.2016	Additions	Deductions / Adjustments	As At 31.03.2017	As on 1.04.2016	Additions	Deductions / Adjustments	As on 31.03.2017	As At 31.03.2017	As At 31.03.2016
TANGIBLE ASSETS (Owned)										
Building	680.08	-	-	680.08	154.94	21.54	-	176.48	503.59	525.13
Plant and Machinery (including office Equipments)	2,358.38	208.39	191.23	2,375.54	1,464.28	261.89	161.44	1,564.73	810.81	894.10
Furniture and Fixtures	4,700.86	357.55	488.89	4,569.52	2,451.75	429.73	313.36	2,568.12	2,001.41	2,249.11
Vehicles	36.30	-	0.17	36.13	16.04	4.27	0.17	20.14	15.99	20.26
Computers, E-Learning Equipment and Software	2,463.09	371.92	214.71	2,620.29	1,451.32	407.35	185.27	1,673.39	946.90	1,011.77
Sub-Total (A)	**10,238.70**	**937.86**	**895.00**	**10,281.56**	**5,538.33**	**1,124.78**	**660.24**	**6,002.86**	**4,278.69**	**4,700.37**
Previous Year	**8,950.98**	**1,681.05**	**393.34**	**10,238.70**	**4,650.53**	**1,120.98**	**233.18**	**5,538.33**	**4,700.37**	**4,300.43**
INTANGIBLE ASSETS										
Goodwill										
- Purchased	77.55	-	-	77.55	77.55	-	-	77.55	-	-
- Self Generated	59.92	-	-	59.92	59.92	-	-	59.92	-	-
Trademark	1.22	-	-	1.22	1.22	-	-	1.22	-	-
SAP	284.30	19.60	-	303.90	193.11	45.62	-	238.73	65.17	91.19
Content	1,812.07	1,984.51	160.33	3,636.25	1,091.44	668.84	137.21	1,623.07	2,013.18	720.63
INK Licence Fees	60.56	-	-	60.56	57.53	3.03	-	60.56	-	3.03
Non Compete Fees	126.00	-	-	126.00	126.00	-	-	126.00	-	-
Computer Softwares	188.26	404.48	2.33	590.40	34.96	100.58	1.43	134.10	456.30	153.30
Sub-Total (B)	**2,609.88**	**2,408.58**	**162.66**	**4,855.80**	**1,641.72**	**818.06**	**138.64**	**2,321.14**	**2,534.66**	**968.16**
Previous Year	**1903.50**	**721.16**	**14.78**	**2,609.88**	**1,173.34**	**468.37**	**(0.01)**	**1,641.72**	**968.16**	**730.13**
TOTAL (A+B)	**12,848.58**	**3,346.44**	**1,057.66**	**15,137.35**	**7,180.05**	**1,942.84**	**798.89**	**8,324.00**	**6,813.35**	**5,668.53**
Previous Year	**10,854.48**	**2,402.22**	**408.12**	**12,848.58**	**5,823.87**	**1,589.35**	**233.17**	**7,180.05**	**5,668.53**	**5,030.62**
Capital Work in Progress	46.67	620.08	570.31	96.45					96.45	46.67
Previous Year	132.99	46.67	132.99	46.67						
Intangible assets under development	1030.68	1521.81	2,227.85	324.65					324.65	1,030.68
Previous Year	291.92	952.69	213.92	1030.68						

Note:

12.1 Mortgage is created in favour of bank for limits granted to Sri Gayatri Educational Society. Refer to additional information Note No. 26.1.1

12.2 Refer note 5.1 and 8.1

12.3 Depreciation for the year includes Depreciation of ₹ 28.92 Lakhs (Previous year ₹ 27.91 Lakhs) Capitalised during the year.

13 Non-current investments (at cost less provision for other than temporary diminution)

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Other Investments - Unqouted:		
(a) Investment in equity instruments		
1,250 Equity Shares of ₹. 25 each fully paid up of The Shamrao Vithal Co-operative Bank Limited (Previous year 1,250 Equity Shares)	0.31	0.31
(b) Investment Property	78.15	78.15
Total	**78.46**	**78.46**
Less: Provision for diminution in value of investments	-	-
Total	**78.46**	**78.46**
Aggregate Market value as at the end of year:	**-**	**-**
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	78.46	78.46
Market value of quoted Investments	-	-

14 Long-term loans and advances

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
(Unsecured, considered good, unless stated otherwise)		
(a) Capital Advances	87.22	39.45
(b) Security deposits	2,115.73	2,527.89
(c) Advance tax and Tax deducted at source (Net)	985.37	209.71
(d) MAT credit	21.26	39.58
(e) Loan and advances to others (Refer note 14.1)	8,539.92	7,746.98
Total	**11,749.49**	**10,563.61**

Note:

14.1 Loans & advances are given for business purposes.

15 Other non-current assets

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
(Unsecured considered goods, unless stated otherwise)		
(i) Prepaid Expenses	-	13.32
(ii) Others	3.23	-
Total	**3.23**	**13.32**

16 Trade receivables

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
Outstanding for a period exceeding six months from the date they are due for payment:		
Unsecured, considered good	6,394.41	445.29
Unsecured, considered doubtful	51.05	101.15
	6,445.46	**546.44**
Less: Provision for doubtful trade receivables	51.05	101.15
(A)	**6,394.41**	**445.29**
Others:		
Unsecured, considered good	5,708.29	4,108.69
Unsecured, considered doubtful	20.00	10.00
	5,728.29	**4,118.69**
Less: Provision for doubtful trade receivables	20.00	10.00
(B)	**5,708.29**	**4,108.69**
Total (A+B)	**12,102.70**	**4,553.98**

17 Cash and Bank balances

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
A. Cash & Cash Equivalent		
(a) Balance with banks		
(i) In current accounts	1,604.71	1,079.80
(ii) In deposit accounts	-	1.00
(b) Cash on hand	4.81	8.73
Total	1,609.52	1,089.53
B. Other Bank Balances		
(i) In deposit accounts held as margin money against guarantee	37.00	23.41
(ii) Dividend bank account	1.62	-
Total	38.62	23.41
Total	**1,648.14**	**1,112.94**

Note:

17.1 Details of Specified Bank Notes (SBN) held and transacted during the period 8 November 2016 to 30 December 2016:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	0.09	0.09
(+) Permitted receipts	129.01	1.67	130.68
(-) Permitted payments	-	-	-
(-) Other Payments		0.08	0.08
(-) Amount deposited in Banks	129.01	1.67	130.68
(+) Amount withdrawn from Banks	-	0.08	0.08
Closing cash in hand as on 30.12.2016	-	0.09	0.09

18 Short-term loans and advances

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
(Unsecured, considered good, unless stated otherwise)		
(a) Advances to Suppliers	723.14	125.63
(b) Security deposits	339.68	101.09
(c) Advance Tax and Tax Deducted at Source (Net)	0.16	975.66
(d) Statutory Receivables	70.42	16.32
(e) Loan and advances to Others (Refer note 18.1)	294.04	356.44
Total	**1,427.45**	**1,575.15**

Note:

18.1 Loans and advances are given for business purposes

19 Other current assets

₹ in Lakhs

Particulars	As at March 31, 2017	As at March 31, 2016
(a) Interest accrued & due on deposits and loans and advances	852.03	269.89
(b) Receivable from faculties	38.62	26.01
(c) Others (Refer Note 19.1)	1,600.37	256.47
Total	**2,491.02**	**552.37**

Note:

19.1 Others mainly include stipend receivable, unbilled receivable, income tax refund receivable and receivables for college and hostel premises given on rent and sale of tabs.

20 Revenue from operations

₹ in Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Revenue from operations		
Sale of Services	30,824.68	27,032.94
Less : Discount and concession	(2,725.62)	(2,743.04)
Total	**28,099.07**	**24,289.90**
(b) Other operating revenues		
Sale of Hardware/ Software / Content	1,633.28	4,090.71
Management Fees	72.92	
Others (Refer note 20.1)	301.53	327.71
Total	**2,007.73**	**4,418.42**
Revenue from operations (Net)	**30,106.80**	**28,708.31**

Note:

20.1 Others mainly include royalty income, professional fees and cheque return charges.

21 Other income

₹ in Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) Interest income	1,139.27	785.70
(b) Dividend income	0.01	0.05
(c) Net gain on sale of investments	0.86	30.34
(d) Other non-operating income:		
(i) Net gain on foreign currency transactions and translation	0.09	0.64
(ii) Miscellenous income	11.73	33.66
Total	**1,151.96**	**850.38**

22 Direct Expenses

₹ in Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Rent (Refer note 26.9)	3,962.71	3,964.81
Rates and Taxes	27.52	18.55
Electricity	814.14	852.86
Student Material and Test Expenses	3,079.54	3,111.60
Increase/Decrease in stock	42.74	32.52
Visiting Lecturer Fees	6,576.34	6,407.41
Bandwidth Charges	32.88	-
Professional Fees	159.35	-
	14,695.22	**14,387.75**

23 Employee Benefits Expense

₹ in Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries, wages, bonus and other allowances	3,894.24	3,348.19
Contributions to provident and other funds	235.77	235.32
Expense on employee stock option (ESOP) scheme	-	7.64
Staff Welfare Expenses	101.71	126.40
Total	**4,231.73**	**3,717.55**

24 Finance costs

₹ in Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) Interest expense on borrowings	1,090.67	276.66
(b) Other borrowing costs	260.33	50.84
Total	**1,351.00**	**327.49**

25 Other expenses

₹ in Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
ADMINISTRATION EXPENSES		
Director's Sitting Fees	21.96	10.70
Corporate Social Responsibility expenses (Refer note 26.12)	92.92	162.92
Printing & Stationery	59.38	66.80
Professional fees	806.87	778.79
Bad Debts	4.23	33.80
Provision for Bad & Doubtful Debts	71.05	111.15
Repairs & Maintenance - Others	550.32	445.36
Security Charges	35.72	42.68
House keeping Expenses	155.88	188.35
Auditor's Remuneration (Refer note 25.1)	39.64	41.91
Communication Expenses	353.94	217.00
Travelling & Conveyance Expenses	395.20	356.81
Insurance	8.24	7.36
Net Loss on Sale of Property Plant and Equipment	176.75	89.14
Other Administrative Expenses	801.98	468.32
(A)	**3,574.07**	**3,021.09**
SELLING EXPENSES		
Advertisement & Publicity	2,615.98	1,697.68
Business Promotion Expenses	80.47	96.40
(B)	**2,696.45**	**1,794.08**
(A)+ (B)	**6,270.52**	**4,815.17**

Note:

25.1 Auditor's Remuneration (Excluding Service Tax)

₹ in Lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
As auditors:		
Statutory audit*	32.79	21.50
In other capacity:		
Tax audit	6.85	6.40
Taxation and other matters	-	14.01
Total	**39.64**	**41.91**

* Includes remuneration of previous auditor.

26 Additional information to the financial statements

26.1 Contingent Liabilities not provided for in respect of

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
(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 (Refer Note 26.1.3)	67.28	57.50
(b) Corporate Guarantee (Refer Note 26.1.1 and 26.1.2)	2,435.00	2,435.00
(c) Guarantees given by banks in favour of Government bodies	51.74	68.28

Note:

26.1.1 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. (Refer Note 12.1)

26.1.2 Corporate guarantee is given for business purpose.

26.1.3 Company expects that the liability will be limited to the extent of ₹ 9.11 lakhs & the same is provided in the books.

26.2 Commitments:

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
Tangible assets	-	62.24
Intangible assets	70.21	85.83
(b) Other Commitments - Non- cancellable Operating Lease (Refer Note 26.9)	-	-

26.3 Expenditure in Foreign Currency (On Accrual basis)

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
Advertisement and Publicity	175.27	24.09
Total	**175.27**	**24.09**

26.4Earnings in Foreign Currency (On Accrual basis)

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
Royalty Income	28.95	33.45
Total	**28.95**	**33.45**

26.5 Earnings per share

Basic and Diluted

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
Net profit for the year attributable to the equity shareholders (₹ in lakhs)	1,719.24	3,234.61
Weighted average number of equity shares	3,98,20,784	3,98,11,029
Par value per share (₹)	10.00	10.00
Earnings per share (₹)	4.32	8.12

26.6.1 Deferred tax (liability) / asset (Net)

₹ in Lakhs

Particulars	As at March 31, 2017	Charge/(benefit) for the year	As at March 31, 2016
Tax effect of items constituting deferred tax liabilities			
On difference between book balance and tax balance of fixed assets	(4.63)	(4.63)	
Total	**(4.63)**	**(4.63)**	**-**
Tax effect of items constituting deferred tax assets			-
Provision for compensated absences, gratuity and other employee benefits	0.06	0.06	
Provision for doubtful debts / advances	2.58	2.58	-
Total	**2.63**	**2.63**	**-**
Net deferred tax (liability) / asset	**(2.00)**	**(2.00)**	**-**

26.6.2 Deferred tax (liability) / asset (Net)

₹ in Lakhs

Particulars	As at March 31, 2017	Charge/(benefit) for the year	As at March 31, 2016
Tax effect of items constituting deferred tax liabilities			
On difference between book balance and tax balance of fixed assets	-	-	-
Total	**-**	**-**	**-**
Tax effect of items constituting deferred tax assets	155.20	19.37	135.83
Provision for compensated absences, gratuity and other employee benefits	20.39	(14.88)	35.27
Provision for doubtful debts / advances	-	(8.65)	8.65
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	662.98	30.56	632.42
On difference between book balance and tax balance of fixed assets	10.48	(6.12)	16.60
Unabsorbed depreciation carried forward	2.18	(1.08)	3.26
Brought forward business losses	-	(1.64)	1.64
Difference due to ICDS	851.22	17.55	833.67
Total	**851.22**	**17.55**	**833.67**
Net deferred tax (liability) / asset			
Net deferred tax (liability) / asset	**851.22**	**17.55**	**833.67**

26.7.1 Employee Stock options details as on Balance Sheet are as follows:

i) Status of Employee Stock Option Plans

Sr. No.	Particulars	Employee Stock Option Plan (ESOP) - 2016	Employee Stock Option Plan (ESOP) - 2011 - II
1	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Indian Accounting Standard 33 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.	Not Applicable	Not Applicable
2	Date of Shareholders' Approval	February 17, 2016	April 13, 2011
3	Total number of options approved under Scheme	8,00,000 equity shares	2,72,912
4	Vesting Requirements	Option granted under scheme would vest not earlier than one year and not later than five years from the date of grant of such options	Option granted under scheme would vest not earlier than one year and not later than three years from the date of grant of such options.
5	Exercise Price or Exercising Formula	₹ 10/-	₹ 10/-
6	Maximum term of Options granted	Five years from the date of grant of such options	Five years from the date of grant of such options
7	Source of Shares	Primary	Primary
8	Variation in terms of ESOP	Not Applicable	Not Applicable

ii) **Method used to account for ESOP** - Intrinsic Value method (Black & Scholes Pricing Model)

iii) **Difference, if any, between Employee Compensation Cost (calculated using the intrinsic value of Stock Options) and the employee Compensation Cost (calculated using the fair value of Stock Options):**

There is no impact on the profits and EPS as the shares granted are surrendered by the employees vide letter dated 27th March, 2017.

iv) **Option movement during the year 2016-17**

Particulars	March 31, 2017	March 31, 2016
Number of Options outstanding at the beginning of the period	8,00,000	26,644
Number of Options granted during the year	7,31,000	-
Number of Options lapsed / forfeited / surrendered during the year	7,31,000 *	-
Number of Options vested during the year	-	26.644
Number of Options exercised during the year	-	26,644
Number of shares arising as a result of exercise of options	-	-
Money realized by exercise of options (INR), if scheme is implemented directly by the company	-	-
Loan repaid by the Trust during the year from exercise price received	-	-
Number of options outstanding at the end of the year	8,00,000	-
Number of options Exercisable at the end of the year	-	-

* During the year under review, 7,31,000 options granted to the employees of the Company were surrendered by them. Hence 8,00,000 options are outstanding at the end of the year which are eligible for re-issue at the discretion of Board of Directors.

v) **Weighted average exercise Prices: Not Applicable**

vi) **Employee wise details of Option granted during the year 2016-17**

a. Details of Options granted to Senior Management Personnel - Options granted are surrendered by the employees

b. Identified employees who were granted Options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant – None

c. Any other employee who received grant in any one year of options amounting to 5% or more of the options granted during the year –None

vii) **Methods & significant assumptions made during the year to estimate the fair value of Options –**

At the time of granting options to the employees, the Black – Scholes Option Pricing Model was used to arrive at the Fair Value. Since, the options were surrendered before the Vesting period, the significant assumptions made to estimate the fair value shall be provided at the time of re-issue of options, if any.

26.7.2 Expenses arising from stock option plan during the year/period

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
ESOP 2011-II	-	7.64
Total	**-**	**7.64**

26.8 Related Party Disclosures

In accordance with the requirement of Accounting Standard (AS)- 18 on "Related Party Disclosures' the names of the related parties where control exists /able to exercise significant influence along with the aggregate transactions/year end balances with them as identified and certified by the management are given below:

Details of Related Parties :

Description of relationship	Names of related parties
Key Management Personnel (KMP)	Mahesh R. Shetty (Chairman and Managing Director) Dr. Chhaya Shastri (Director) Yagnesh Sanghrajka (CFO - April '16 to June'16) Sanjay Sethi (CFO - from July'16 to Mar'17) Ashwin Patel (Company Secretary - April '16 to June'16) Dinesh Darji (Company Secretary - from June'16 to Mar'17)) Anand Prakash (Retired w.e.f. 31/7/2015)
Enterprises in which KMP can exercise significant influence	Mahesh Tutorials Chembur Mahesh Tutorials Mulund Prosynapse Consultants Private Limited

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
Dividend paid to Key Management Personnel		
Mr. Mahesh Shetty	238.52	451.48
Others	22.03	45.78
	260.54	**497.26**
KMP Remuneration	**268.71**	**283.31**
Professional Fees Expenses		
Prosynapse Consultants Private Limited	123.00	123.00
	123.00	**123.00**
Rent Expense		
Mahesh Tutorials Chembur	88.08	87.81
Mahesh Tutorials Mulund	31.62	31.52
Mr.Mahesh Shetty	14.09	12.54
	133.79	**131.87**

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
Outstanding at the end of the year		
Deposit for Premises		
Mahesh Tutorials Chembur	29.76	29.76
Mahesh Tutorials Mulund	11.28	11.28
Mr. Mahesh Shetty	8.97	7.47
	50.01	**48.51**
Rent Payable		
Mr. Mahesh Shetty	0.53	-
	0.53	**-**
KMP Remuneration Payable	**15.90**	**17.14**
Professional Fee Payable		
Prosynapse Consultants Private Limited	10.76	10.71
	10.76	**10.71**

26.9 Operating Lease

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
As Lessee		
The Company has entered into operating lease arrangements for certain facilities and Coaching Center premises. The leases are over a period of 2 to 10 years and may be renewed for a further period mutual agreement of the parties.		
Lease payments recognised in the Statement of Profit and Loss	3,962.71	3,964.81
Future Minimum Lease Payments		
Not later than 1 year	278.29	278.29
Later than 1 year and not more than 5 years	278.29	556.59

26.10 The Company's business activities fall within a single segment viz. conducting commercial training, coaching, tutorial classes and activities incidental and ancillary thereon and there is no 'other reportable business & geographical segment as required under accounting standard -17' segment reporting.

26.11 Employee benefits

In accordance with the Accounting Standard-15 'Employee Benefits', the Company has calculated the various benefits provided to employees as under:

a **Defined contribution plans**

Provident fund

Labour Welfare Fund

During the period the Company has recognized the following amount in the Statement of profit and loss:-

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
Employers contribution to Provident fund	190.68	177.60
Contribution to Labour Welfare fund	0.61	0.60

b Defined benefit plans and other long term benefits

(i) Contribution to gratuity - Defined benefit plan
(ii) Compensated absences - Other long term benefits

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service.

General Description of the Plan

The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Company's scheme is more favorable as compared to the obligation under Payment of Gratuity Act, 1972.

In accordance with Accounting Standard 15, an actuarial valuation was carried out in respect of the aforesaid defined benefit plans based on the following assumptions:

i. Actuarial assumptions:

	Leave encashment (un-funded)		Employee gratuity (Funded)		Employee gratuity (Unfunded)	
Particulars	**March 31, 2017**	**March 31, 2016**	**March 31, 2017**	**March 31, 2016**	**March 31, 2017**	**March 31, 2016**
Discount rate	6.85%	7.54%	6.85%	7.54%	6.85%	7.54%
Expected Rate of Increase in compensation levels	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Expected return on plan assets	N.A.	N.A.	6.85%	7.54%	-	-
Mortality Rate	Indian assured lives Mortality (2006-08) Ultimate	Indian assured lives Mortality (2006-08) Ultimate	Indian assured lives Mortality (2006-08) Ultimate	Indian assured lives Mortality (2006-08) Ultimate	Indian assured lives Mortality (2006-08) Ultimate	Indian assured lives Mortality (2006-08) Ultimate
Retirement Age	58 years	58 years	58 years	58 years	58 years	58 years
Withdrawal Rate	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Attrition	21.50%	21.50%	21.50%	21.50%	20.00%	20.00%

The discount rate is based on the prevailing market yields Indian Government securities as the 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.

ii. Changes in the fair value of plan assets:

Particulars	**March 31, 2017**	**March 31, 2016**
Fair value of plan assets as at the beginning of the year	107.12	108.34
Expected return on plan assets	8.10	8.57
Contributions	8.64	8.31
Benefits paid	(34.93)	(17.27)
Actuarial loss on plan assets	(0.54)	(0.83)
Fair value of plan assets as at the end of the year	**88.39**	**107.12**

iii. Changes in the present value of the defined benefit obligation in respect of Gratuity (funded) are as follows: ₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
Present value of defined benefit obligation at beginning of the year	347.15	300.36
Interest cost	25.78	23.73
Current service cost	45.99	41.66
Benefits paid	(34.93)	(17.28)
Actuarial (gain) / loss on obligation	(25.57)	(1.33)
Present value of defined benefit obligation at the end of the year	**358.42**	**347.14**

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

₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
Present value of obligation as at the end of the year	358.85	347.14
Fair value of plan assets as at the end of the year	88.39	107.12
Unfunded net liability recognized in balance sheet	**270.46**	**240.02**
Amount classified as:		
Short term provision (Refer note 11)	137.73	151.26
Long term provision (Refer note 7)	112.21	64.28
Other current Liabilities (Refer note 10)	23.76	23.76
Other non-current assets (Refer note 15)	3.23	-

v. Expenses recognized in Statement of Profit and Loss: ₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
Current service cost	45.99	41.66
Interest cost	25.78	23.73
Expected return on plan assets	(7.68)	(8.57)
Net actuarial loss/(gain) recognized during the year	(25.03)	(0.50)
Total included in employer benefits expenses	**39.06**	**56.32**
Actual benefit payments	34.93	17.28
Actual contributions	8.64	8.31

vi. Investment details of the Plan Assets: ₹ in Lakhs

Particulars	March 31, 2017	March 31, 2016
Government of India Securities	-	-
Corporate Bonds	-	-
Insurer Managed Funds	82.70	101.86
Special Deposit Scheme	-	-
Others	-	-
Total fund balance	**82.70**	**101.86**

vii. Net assets/liability and actuarial experience gain/(loss) for present benefit obligation ('PBO') and plan assets:

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
PBO	358.85	347.16	236.68	193.76	169.30
Plan assets	88.39	107.12	76.76	64.62	64.35
Net assets/(liability)	270.47	240.04	159.92	129.14	104.95
Experience gain/(loss) on PBO	30.99	5.16	(27.10)	15.13	(3.71)
Experience gain / (loss) adjustments on plan assets	(0.54)	(0.82)	(0.14)	0.48	2.51
Actuarial gain / (loss) due to change in assumptions	(5.42)	(3.85)	(10.09)	0.98	(3.61)

viii. 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 2016-17

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 superannuation age.

The liability for compensated absences as at year end is ₹ 191.92 Lakhs (March 31, 2016: ₹ 161.21 Lakhs)

Short term Provision as at year end is ₹ 45.53 Lakhs (March 31, 2016: ₹ 34.26 Lakhs)

Other current liabilities as at year end is ₹ 8.54 Lakhs (March 31, 2016: ₹ 8.54 Lakhs)

Long term Provision as at year end is ₹ 137.84 Lakhs (March 31, 2016: ₹ 118.41 Lakhs)

26.12 **Corporate Social Responsibility**

Incase of Corporate Social Responsibility activities, gross amount required to be spent by MT Educare Ltd. during the year was ₹ 82.19 Lakhs (Previous Year ₹ 67.00 Lakhs) MT Educare Ltd. has spent ₹ 92.92 Lakhs (Previous Year ₹ 162.92 Lakhs) during the year.

26.13 **Amalgamation**

The Scheme of Arrangement ('Scheme') between Lakshya Forum for Competitions Private Limited (LFCPL), Lakshya Educare Private Limited (LEPL) and their respective Shareholders was filed with the High Court of Judicature at Bombay and the High Court of Punjab & Haryana at Chandigarh, with 1st April, 2014 being the "Appointed Date". The Bombay High Court has given an order to the Company Scheme Petition No. 49 of 2016 on May 4, 2016 subject to the National Company Law Tribunal approving the said Scheme.

26.14 **Details of unhedged Foreign Currency Exposure as at the end of the year**

(a) The Company & its subsidiaries has not entered into any forward contract during the year. (Previous year Nil)

(b) Foreign Currency Exposure as on the balance sheet date that have not been hedged are given below:

	Foreign Currency		₹ in Lakhs	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Trade receivable in Foreign Currency on account of the following:				
AED	35,102	56,888	6.20	10.27

26.15 In the opinion of the Board, the Current assets and loans and advances are approximately of the value stated, if realized in the ordinary course or business, except otherwise stated. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.

26.16 Previous year figures have been regrouped/ reclassified, where necessary, to conform to this year's classification.

26.17 **Additional Information as required as under Schedule III of Companies Act, 2013 of enterprises consolidated as subsidiaries**

Name of the entity	Net assets i.e total assets - total liabilities		Share in profit or loss	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount
Parent				
MT Educare Ltd	94.27%	15,625.75	62.27%	1,070.56
Subsidiaries				
Indian				
Chitale's Personalised Learning Private Limited	0.88%	146.37	(3.52%)	(60.54)
MT Education Services Private Limited	0.35%	57.92	2.61%	44.87
Lakshya Educare Private Limited	5.82%	964.47	11.09%	190.60
Lakshya Forum for Competitions Private Limited	(1.99%)	(330.45)	27.62%	474.80
Sri Gayatri Educational Services Private Limited	(0.00%)	(0.58)	(0.03%)	(0.55)
Robomate Edutech Private Limited	(0.00%)	(0.25)	(0.01%)	(0.25)
Letspaper Technologies Private Limited	(0.00%)	(0.25)	(0.01%)	(0.25)
Minority Interest	-	-	-	-

As per our report of even date

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

Abuali Darukhanawala
Partner
Membership No. : 108053

Place : Mumbai
Dated : May 11, 2017

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

Mr. Mahesh Shetty
Chairman & Managing Director
DIN - 01526975

Mr. Sanjay Sethi
Chief Financial Officer

Dr. Chhaya Shastri
Director
DIN - 01536140

Mr. Dinesh Darji
Company Secretary
Membership No: 6726

AOC FORM -1

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC relating to subsidiary companies

(₹ in Lakhs)

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of shareholding	Country
1	Lakshya Educare Private Limited	INR	1.00	963.47	1,940.05	975.58	0.00	1,984.23	309.64	119.04	190.60	0.00	100.00	India
2	MT Education Services Private Limited	INR	1.00	56.92	176.58	118.66	0.00	237.24	65.83	20.96	44.87	0.00	100.00	India
3	Chitale's Personalised Learning Private Limited	INR	12.24	134.12	646.60	500.24	0.00	557.37	(55.63)	4.91	(60.54)	0.00	100.00	India
4	Lakshya Forum for Competitions Pvt. Ltd. Private Ltd.	INR	52.76	(383.21)	2,198.57	2,529.02	78.15	3,005.95	685.20	210.40	474.80	0.00	100.00	India
5	Sri Gayatri Educational Services Pvt Ltd	INR	1.00	(1.58)	3.29	3.87	0.00	0.00	(0.55)	0.00	(0.55)	0.00	75.00	India
6	Robomate Edutech Private Limited	INR	0.00	(0.25)	0.00	0.25	0.00	0.00	(0.25)	0.00	(0.25)	0.00	100.00	India
7	Letspaper Technologies Private Limited	INR	0.00	(0.25)	0.00	0.25	0.00	0.00	(0.25)	0.00	(0.25)	0.00	100.00	India

Note :
Sri Gayatri Educational Services Pvt. Ltd., Robomate Edutech Pvt. Ltd. & Letspaper Technologies Pvt. Ltd. is yet to commence operations.

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

Mr. Mahesh Shetty
Chairman & Managing Director
DIN - 01526975

Dr. Chhaya Shastri
Director
DIN - 01536140

Place : Mumbai
Dated : May 11, 2017

Mr. Sanjay Sethi
Chief Financial Officer

Mr. Dinesh Darji
Company Secretary
Membership No: 6726

OUR KEY BRANDS

MAHESH TUTORIALS
SCHOOL SECTION
THE ACADEMIC PARENTS OF YOUR CHILD!

MAHESH TUTORIALS
SCIENCE
Don't just learn... UNDERSTAND!

MAHESH TUTORIALS
COMMERCE
Discover the new DIMENSION of Commerce

Lakshya
By IITians, For IITians

MT UVA
SKILL DEVELOPMENT
Transforming Youth

MT EDUCARE'S
CPLC
Empowering Minds. Building Careers.

MT Educare Limited

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MT Educare Limited
(CIN:L80903MH2006PLC163888)
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