November 2016

MT EDUCARE

Investor Presentation

Index

- Executive Summary
- Capturing the Entire Value Chain
- Key Company Milestones
- Location Count
- Key Differentiators
- Teaching Methodology
- Growth Strategy
- Experienced Management Team
- Financial Overview
- Shareholding Pattern

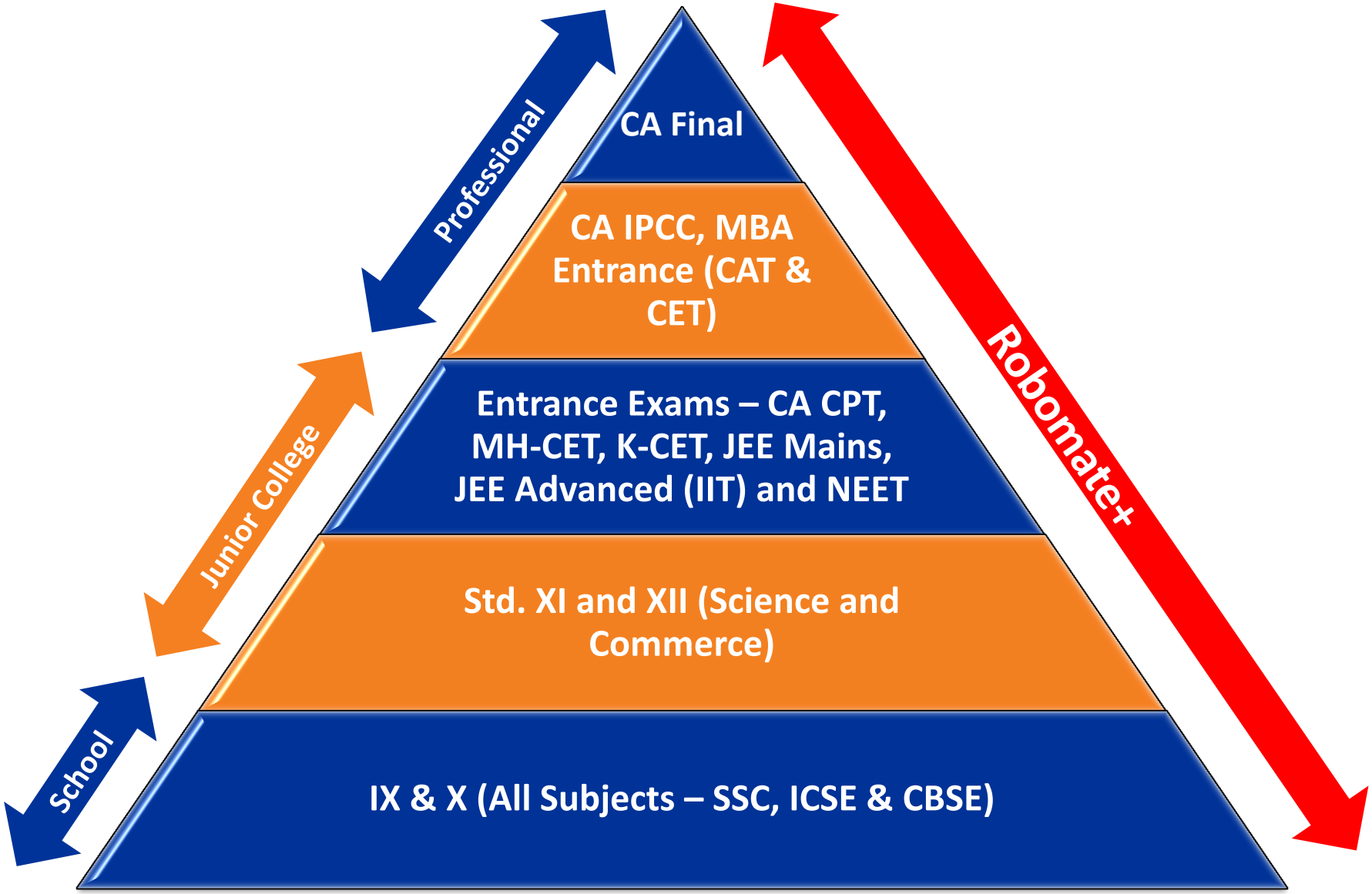
Executive Summary

Executive Summary

- Mahesh Tutorials – a **27** year old brand; Coaching services being provided by Mr. Mahesh Shetty since 1988 under the brand name 'MAHESH TUTORIALS'
- Operates under four business verticals – School, Science, Commerce/UVA and Robomate; Diversified product offerings catering to students right from Std. VII to students appearing for Engineering and Medical Entrance Exams (including IIT Entrance), exams for CA course and MBA aspirants
- Network consists of **174** coaching locations in **13** states/union territories including Maharashtra, Karnataka, Tamil Nadu, Gujarat, Assam, Punjab, Haryana, Chandigarh, Kerala, Odisha, Uttar Pradesh, Andhra Pradesh and Telangana.
- **101,782** students serviced in H1 FY 16-17 and **94,128** in H1 FY 15-16; Total headcount strength of **2,500+** with **1,300+** faculty members
- Focus on result oriented quality coaching with technology enabled classrooms and digitized content and emphasis on teacher training through intensive workshops
- Experienced management team consisting of senior professionals having strong background in academics and administration
- Asset light business model and High ROE of **22%**
- Shareholding pattern (as on Sept 2016): ~49**%** held by Promoter/Directors/KMPs and ~**27%** held by DIIs/FIIs

Capturing the Entire Value Chain

Business Overview – Capturing the Entire Value Chain



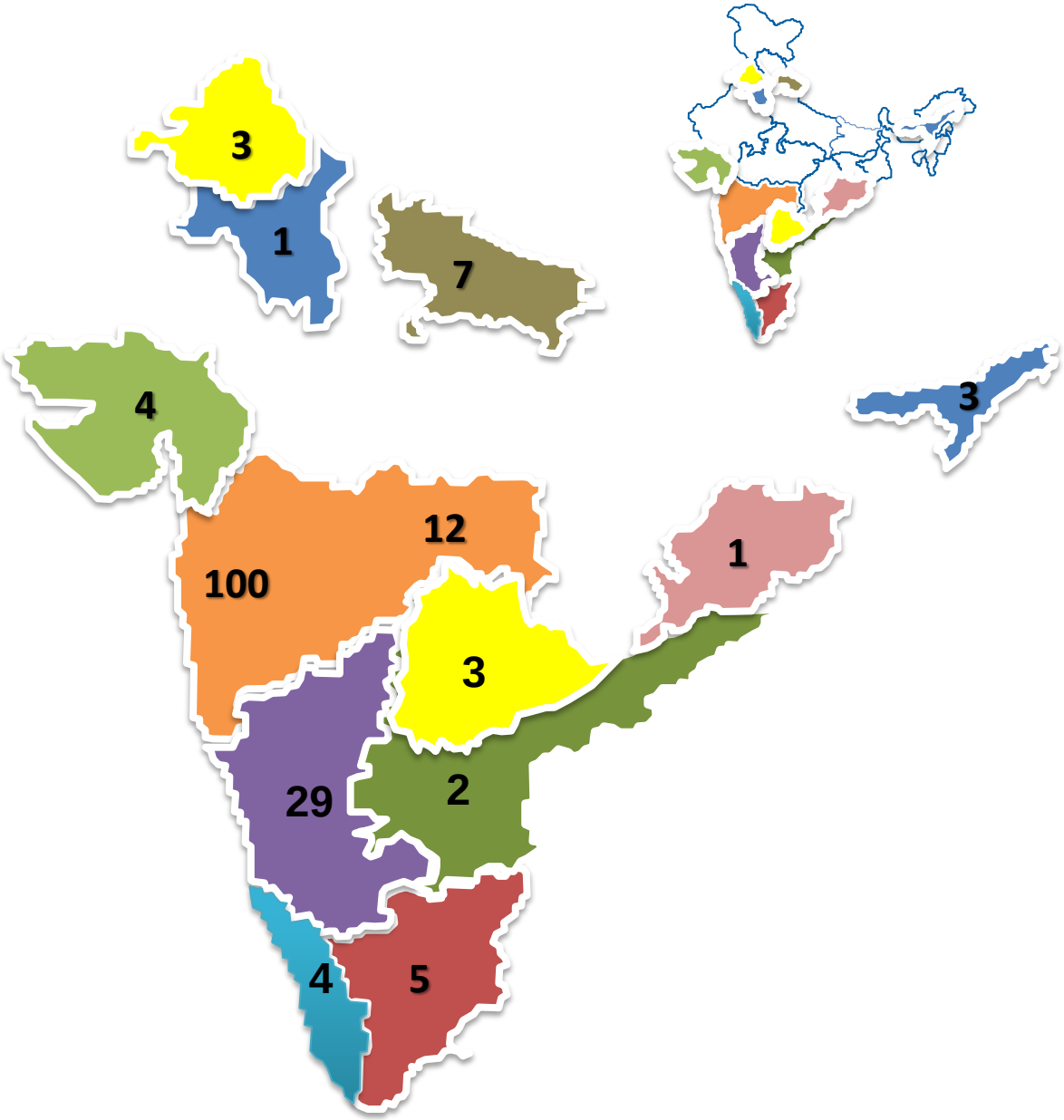
Company Milestones

Milestones

- **1988** – First Branch of MT Setup
- **2001** – Introduction of Science Coaching for XI and XII
- **2003** – Introduction of Commerce Coaching for XI and XII
- **2007** – PE Investment of USD 8mn by Helix Investments Company for expansion in Mumbai
- **2009** – Introduction of Technology Aided Teaching (TAT) in the classroom
- **2011** – Acquisition of 51% stake in Chitale's Personalised Learning Pvt. Ltd (MBA Test prep player)
- **2012** – Listing in April 2012 on leading Stock Exchanges
- **2013** – Lakshya (a leading IIT test prep player in North) acquisition - 51% stake
- **2014** – Tie-up with Sri Gayatri Educational Society in Telangana and A.P.
- **2015** – Learning Management System (LMS) - **Robomate+ Platform** Launched

MT Educare – a Pan India Player

Geographical Presence (as of September 30, 2016)



Historical No. of Locations over the years

FY	No. of Locations
Q1 FY 17	174
FY 16	161
FY 15	128
FY 14	136
FY 13	122
FY 12	114
FY 11	103

Division wise States break-up

Division	States
School	Maharashtra, Gujarat and Karnataka
Science	Maharashtra, Karnataka, Chandigarh, Haryana ,Punjab and Gujarat
Commerce/ UVA	Maharashtra, Tamilnadu, Kerala, Assam, Karnataka, Odisha, Uttar Pradesh, Andhra Pradesh and Telangana

Key Differentiators

Key Differentiators…

Well Recognized Brand & Experience

- 2,220+ scored ≥ 90% in Xth Std. Exam;
- 7th AIR in IIT JEE Advanced ; 4th AIR in AIPMT
- 1st , 9th & 11th AIR in CA Final in Nov'15 & 9 AIR in May'16
- 4th AIR in CA IPCC in Nov'16 & 3 AIR in May'16
- 38 scored ≥ 90% in HSC Exam in Science; 92scored ≥ 90% in HSC Exam in Commerce

Organized and Diversified Player

- 100 locations in Mumbai
- Currently operates 74 locations in Rest of Maharashtra, T.N., Gujarat, Karnataka , Punjab, Haryana, Chandigarh, Kerala, Assam, Uttar Pradesh, Odisha Andhra Pradesh and Telangana

Large Pool of Quality Faculty Members

- 1,300+ faculty members
- Multiple faculty teaching each subject
- 300+ faculty Post Graduates (CA, MBA, B.Ed)
- Continuous training

Corporatized Structure and Experienced Management Team

- Increased visibility amongst governments and international educational institutions
- Listed status makes it easier for fund raising

Digitized Learning (Robomate +)

- Over 500 Content Developers (Subject Matter Experts)
- Software Development Team of Over 40 Engineers/Managers
- Team of UI & UX Experts
- Dedicated Infrastructure Team

No one man show or 'Star Teacher' concept

Teaching Methodology

…Teaching Methodology

- Personalized attention by way of regular parent teacher meetings, day-to-day assistance, doubt solving during exam time
- Teaching with the help of digital content developed in-house by expert faculties after extensive brain storming
- Increasing focus on assessments, learning management systems
- Exhaustive test series with mock board exams
- Superior study material
- State of the art infrastructure facilities at the centers

Implementing Flipped Classroom

Student studies at home & comes with basic preparation

Teacher teaches in the classroom

Discussion, Learning &Evaluation happens in the classroom

Advantages

- Active learning in classroom vs. passive earlier
- Increased ability of learners to control pace due to self learning
- Use of 21st century technology through a state of the art Learning Management System (LMS)
- Increased focus on higher order skills and critical thinking
- Increased social interaction

Value Added Services

Career Counselling:

Through seminars and exhibitions

Hum Se Poocho:

A 24 hour helpline during exam time

Counselling Sessions:

To facilitate communication between the teachers, students and parents on the students' requirements.

Growth Strategy

Four-pronged Growth Strategy

1 Focus on National Level Exams

- Focus on nationwide common entrance and professional examinations such as CA, IIT JEE Advanced, JEE Mains, CAT, CMAT, CBSE etc.

3 Robomate

- Technology driven growth through sale of digital content for higher scalability
- Allows the company to tap newer geographies across India

2 Geographical & Vertical Diversification

- Concentration on future growth in Rest of Maharashtra for School and Science section
- Expansion in North India, Karnataka, Andhra Pradesh and Telangana for Science and Commerce

4 Asset light college tie-ups

- Entry and expansion with college tie-ups offering test prep in college campuses
- Asset light with lower infrastructure spend

Growth Strategy

School

- Focus on developing the CBSE & ICSE business verticals as a pillar of strength to enable rapid scalability of operations in the school segment across all states in India
- Increasing batch utilization by adding count in existing locations across Mumbai and Pune, Kolhapur.
- Tie up with local coaching classes in tier-III and tier-IV towns in Rest of Maharashtra and Gujarat for sale of Robomate to their students and providing TAT and teacher training.

Science

- Focus on JEE Advanced (IIT Entrance Exam) in Mumbai & North under the brand 'Lakshya'.
- 22 operational Pre University college tie-ups across Karnataka for K-CET test prep coaching, at Mangalore, Udipi, Tumkur (2), Hubli, Bengaluru (5), Kolar, Dharwad, Chitradurga, Davangere, Belgaum, Mysore, Gulbarga, Bidar, Mandya, Shimoga, Vijayapur and Muttam.
- Aiming to tie-up with total 30 colleges by 18-19.

Commerce

- Expanding CA video classrooms into South India through franchisee model.

Growth Strategy – Robomate (Non- MT)

We are now offering a variety of Robomate products to the target audience. Various channels are being initiated towards marketing and sales :

- Robomate+ In App Conversions
- Distributors / Content Partners
- E-Store & Third party e-Commerce portal
- Schools / Educational Institutions
- Footfalls at our existing Locations
- Seminars / Fairs / Exhibitions

We have seen positive traction and encouraging response. We hope to intensify the efforts in creating awareness and reaching out to target audience across India, as the revenue potential is substantial given the increasing preference of students for such products where there is dearth of good quality teachers / coaching institutions.

Experienced Management Team

Board of Directors

Mahesh Shetty
(Chairman and MD)

- Has over 29 years of experience and holds a bachelor's degree in science and education. His foresight of delivering quality education consistently with unique innovation ahead of the market has resulted in MT Educare being the premier institution in the Education sector and a household name. He was awarded the 'Pride of the Nation Award' by the All India Achievers Association in the year 2008

Naarayanan Iyer
(Non Executive Director)

- A Non Independent, Non Executive Director of our Company. He has been associated with our Company since its incorporation. After completing his graduation in mechanical engineering, he has to his forte a rich 23 years of experience in the education sector. He was instrumental in establishing a culture of training and development in MT Educare.

Chhaya Shastri
(Non Executive Director)

- Has over 20 years of experience in various sectors such as education, media, healthcare, constructions and manufacturing and has played a major role in corporatizing MT Educare , strategizing expansion plans of the Company and establishing it as a leading education services provider
- Holds a multidimensional education qualification in the fields of allied medical sciences, law and management being the alumni of IIM Calcutta

Drushti Desai
(Independent, Non Executive Director)

- A fellow chartered accountant and holds a bachelor's degree in commerce
- Has 18 years of experience in the field chartered accountancy and taxation. She is a partner of Bansi S. Mehta & Co., B. S. Mehta & Co., and BSM Associates, Chartered Accountants. Her guidance and acumen on taxation matters has added significant value to MT Educare.

Yatin Samant,
(Independent, Non Executive Director)

- Holds a bachelor's degree in engineering from VJTI, Mumbai and a master's degree in management studies from Jamnalal Bajaj Institute of Management Sciences, Mumbai.
- Has over 27 years of varied experience in sales, marketing, business development and general management across industries. He specializes in corporate training and consults corporates on growth strategies.

Uday Lajmi
(Independent, Non Executive Director)

- Holds a master's degree in marketing management and a doctorate degree in physical chemistry from the Institute of Technology Mumbai.
- Has over 20 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 has established education institutions that are names to reckon with today and contributes to MT Educare on systems and processes.

Our Management Team

Chandresh Fooria
(Business Head- Science Section)

Has completed his graduation in engineering with over 20 years of experience in the field of teaching and administration. He was instrumental in starting the Science wing for the company and has led this division to greater heights and into a formidable position in the industry today.

Anish Thakkar
(Business Head- Commerce Section)

A rankholder Chartered Accountant with over 18 years of experience. He was responsible for starting the Commerce wing of the company and adding various offferings including the Higher CA Wing.

Murali Subramanian
(Business Head- School)

Holds a bachelor's degree in engineering (electronics) and has over 15 years of experience across various segments within MT Educare . He is responsible for steady growth in the School section in Mumbai and has led its expansion into Rest of Maharashtra.

Shrenik Kotecha
(Business Head- UVA)

Holds MBA degree and master's degree in commerce . He is the co-founder of MT Commerce and the youngest Business Head of the company. He is spearheading company's initiatives in the area of Skill Development.

Yagnesh Sanghrajka
(Business Head – Robomate + New Initiatives)

Has over 20 years of experience especially in the services sector, in financial strategy ,planning, investor relations, management information reporting and corporate finance. Before joining the Company, worked with large corporate houses (Hinduja Group) and a leading PE firm, Bessemer. Post his successful 3 year stint as CFO, has been promoted to head new initiatives including Robomate vertical.

Sujeet Koyoot
(Business Head- Karnataka)

A post graduate in science with over 15 years of experience in the field of teaching and administration. He has contributed significantly towards company's expansion in Karnataka and has established Company's brand in Pre University college tie ups

Vipul Shah
(Head – Brand Development and Procurement)

Holds a bachelor's degree in computer engineering and masters degree in marketing management. He heads marketing and procurement for the company and is instrumental in introducing new systems and processes across various verticals of the company.

Parag Chitale
(Business Head - MBA)

Holds a master's in business administration (MBA) from Jamnalal Bajaj Institute of Management Studies (JBIMS). A Founder – Promoter of Chitale's Personalised Learning Pvt. Ltd. (CPLPL), he is responsible for the MBA piece of the business .

Our Management Team

Sanjay Sethi
*(Chief **Financial** Officer)*

- A Chartered Accountant, a Cost Accountant and a Post Graduate from Delhi School of Economics, has over 26 years of experience in Manufacturing and Service sectors in India and Abroad, in companies like ABB, General Motors, Airtel, Millicom, and Suzlon, especially in financial strategy & planning, investors' relations, corporate governance & board reporting, management information system and corporate finance. Before joining the Company, he worked as Executive Director with Tara Jewels Ltd.

Rahul Mahurkar
(Chief Technology Officer)

- An Engineer and product evangelist with 15+ years of experience in the eLearning, Mobile, Cloud and Data Analytics space. He has envisaged, developed and rolled out Educational products for schools and publishers in Europe, US and India. He heads the Company's new technology initiatives and the Robomate+ Cloud Platform.

Siva Prasad
(Chief Information Officer)

- A management professional from IIM-B, with IT background and experience of 23 years in IT Infrastructure, service management and delivery and has proven experience in designing and implementation of customer focused IT applications like Point of Sale, CRM and SAP implementation.

Dinesh Darji
(Company Secretary and Compliance Officer)

- A member of the Institute of Company Secretaries in India and has a bachelor's degree in law. He has over 20 years of rich experience in the corporate field . Handles Secretarial and Legal function for the company.

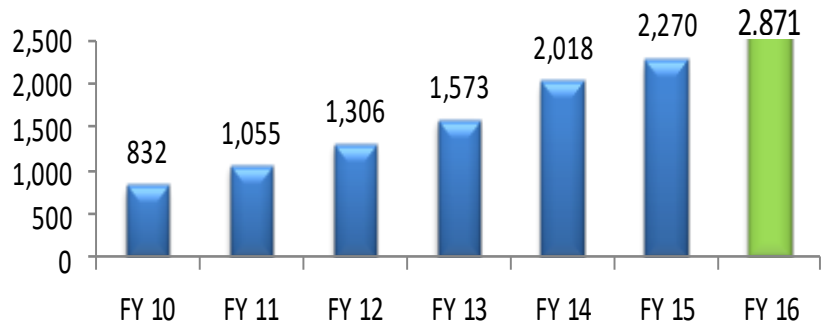
Mahtab Khan
(Head- CSR)

- Holds a bachelor's degree in science and education and a post graduate degree in science (electronics). Has been associated with the company since incorporation and has spearheaded the CSR activities

Financial Overview

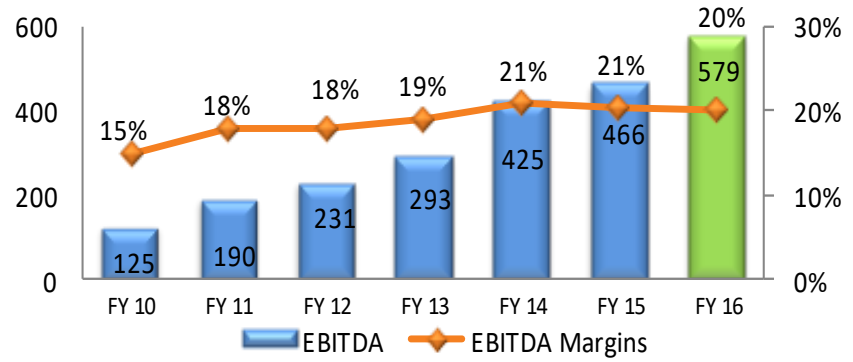
Key Financials

Revenue (INR Mn)



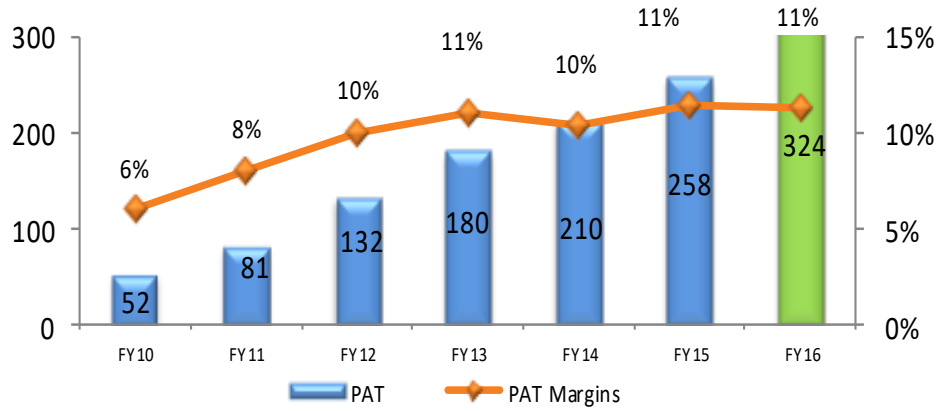
FY 10-16: 23 % CAGR

EBITDA (INR Mn)



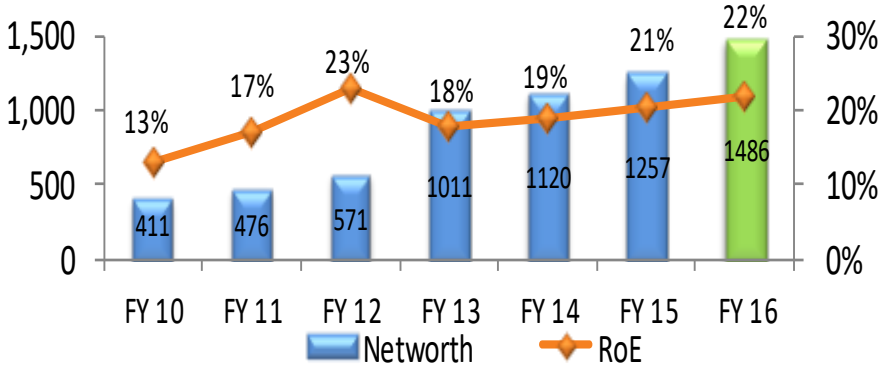
FY10-16: 29% CAGR

PAT (INR Mn)



FY10-16: 36% CAGR

Networth (INR Mn)



H1 F.Y. 16-17 RESULTS – CONSOLIDATED

INR in Lakhs

MT EDUCARE

Particulars	Half Year Ended September 30, 2016	Half Year Ended September 30, 2015	Year Ended March 31, 2016
Fee Income	12,698	13,936	23,278
Other Operating Income	4,443	1,839	5,430
Total Revenue	17,141	15,775	28,708
Direct Costs	8,564	7,919	14,388
Personnel Costs	2,144	1,763	3,718
SD&A Costs	2,776	2,837	4,815
EBIDTA	3,657	3,256	5,788
EBIDTA %	21.3%	20.6%	20.2%
Finance Costs	287	90	327
Depreciation & Amortization	906	725	1,561
Other Income	557	437	850
PBT	3,020	2,879	4,749
Income Tax	1,095	939	1,531
PAT (Before Minority Int.)	1,925	1,940	3,219
Minority Interest	-	(16)	(16)
PAT	1,925	1,955	3,235

Division Wise Revenue - Consolidated

(Revenue - INR in lakhs)

MT EDUCARE

School

	H1 FY 17	H1 FY 16	FY 16
Revenue	4,842	4,776	8,029
No. of students Serviced*	19,735	21,983	36,544

Commerce & UVA (includes Skill Development)

	H1 FY17	H1 FY 16	FY 16
Revenue	5,421	3,314	5,878
No. of Students Serviced*	50,684	26,713	40,338

Science

	H1 FY17	H1 FY 16	FY 16
Revenue	5,924	5,937	10,392
No. of Students Serviced*	16,787	14,491	24,436

Robomate (External – All verticals)

	H1 FY17	H1 FY 16	FY 16
Revenue	861	1,761	4,109
No. of Students Serviced*	14,576	30,941	52,328

Includes revenue from Science (Mah), Karnataka, Lakshya (Mumbai and North India)

	H1 FY17	H1 FY 16	FY 16
Total Students Serviced	101,782	94,128	153,646

*No. of Students Serviced represents students coached for a course during the period under consideration.
While a student is included in the no. of students serviced from the start of the course, the corresponding revenue for that student is accrued evenly over the course duration.
Thus, the revenue recognized for the student builds up as the financial year progresses which is reflected by the annual average fee realization per student being higher than the average fee realization for the interim periods. The average fee realization per student serviced for the period under consideration is not comparable with the average fee realization for the full year.

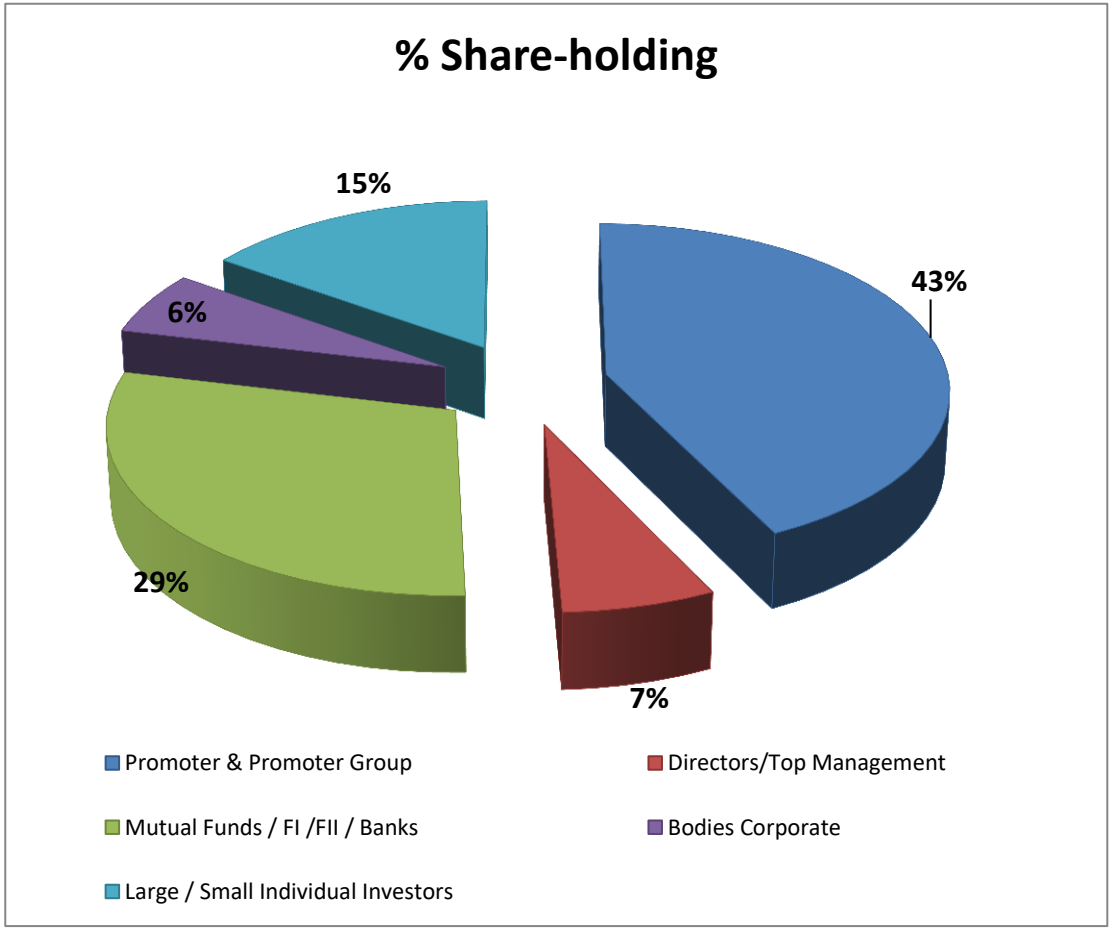
Historical Financials

INR in Lacs	FY10	FY11	FY12	FY 13	FY 14	FY 15	FY 16
Total Operating Income	**8320**	**10550**	**13060**	**15728**	**20180**	**22700**	**28708**
EBITDA	**1250**	**1900**	**2310**	**2930**	**4230**	**4660**	**5788**
EBITDA Margins	*15%*	*18%*	*18%*	*19%*	*21%*	*21%*	*20%*
Profit Before Tax	700	1280	1920	2540	3200	4073	4749
PBT Margin	*8%*	*12%*	*15%*	*16%*	*16%*	*18%*	*17%*
PAT	**520**	**830**	**1320**	**1800**	**2100**	**2583**	**3235**
PAT Margins	*6%*	*8%*	*10%*	*11%*	*10%*	*11%*	*11%*
Networth	**4110**	**4760**	**5710**	**10110**	**11200**	**12573**	**14857**
Growth Rate	*13%*	*16%*	*20%*	*77%*	*11%*	*12%*	*18%*
Capital Employed	**4110**	**5210**	**5710**	**10110**	**11200**	**13068**	**18357**
RoCE	***13%***	***16%***	***23%***	***18%***	***19%***	***23%***	***19%***

Shareholding Pattern

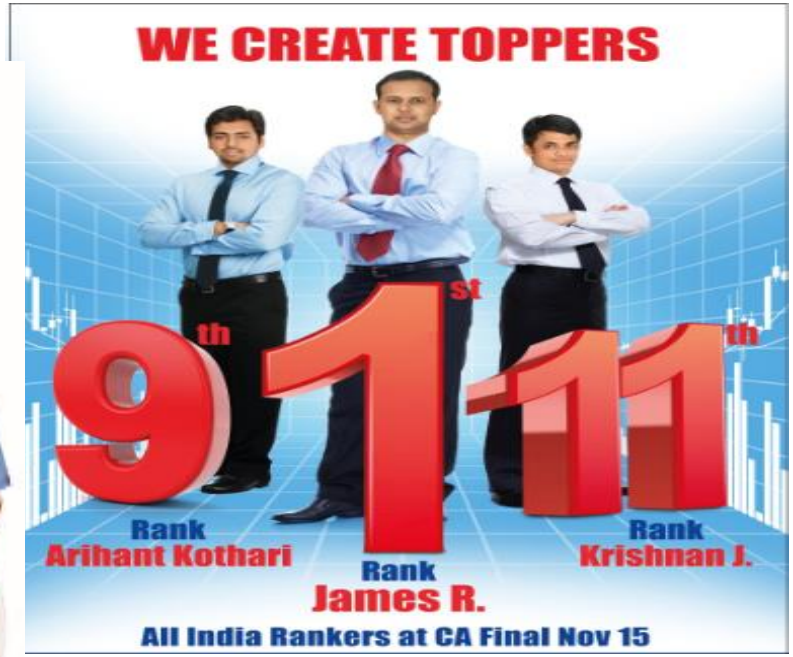
Shareholding Pattern as of September 30, 2016

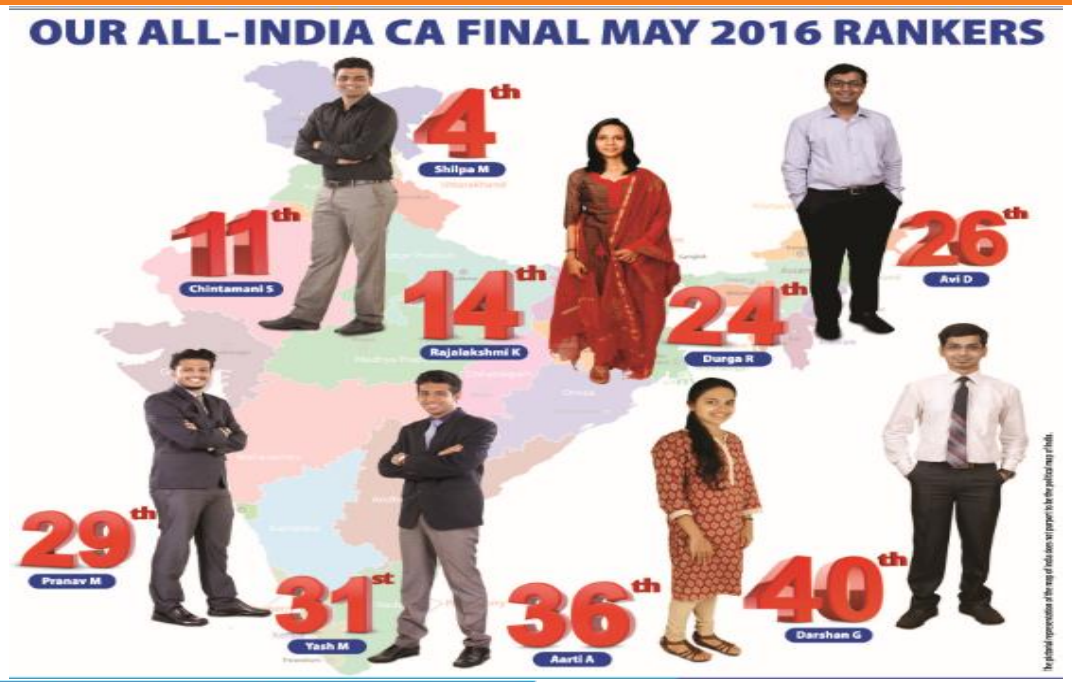
Category	% Share-holding
Promoter & Promoter Group	42.8
Directors/Top Management	6.6
Mutual Funds / FI /FII / Banks	29.3
Bodies Corporate	6.1
Large / Small Individual Investors	15.2
Total	**100.0**



Robomate+ App –1 million+ registrations since launch in Dec’15
Available on iOS and Android Paltform

Brilliant results this season…





Brilliant results this season…

Appendix

Our Brands

MT EDUCARE

MAHESH TUTORIALS

SCHOOL SECTION

SCIENCE

COMMERCE

Robomate

Anytime, Anywhere, e-Learning

Lakshya

Robomate +

Learning Made Simple

CPLC

CAT / CMAT

GRE / GMAT