**ANNEXURE-I**

**Statement of Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results-Standalone)**

**Statement of Impact of Audit Qualifications for the Financial Year ended 31 March 2025 (See regulation 33 of SEBI (LODR) Regulations, 2015)**

I

| Sl. No. | Particulars | Audited Figures (Rs. in Lakhs) (as reported before adjusting for qualifications) | Audited Figures (Rs. in Lakhs) (as reported after adjusting for qualifications) |
|---|---|---|---|
| 1 | Turnover/Total Income | 2,545.91 | 6,295.90 |
| 2 | Total Expenditure | 3,395.03 | 20,251.10 |
| 3 | Net Profit/(loss) after tax | 821.02 | -12,285.06 |
| 4 | Earnings per share (Rs.) | 1.14 | -17.01 |
| 5 | Total Assets | 17,881.19 | 6,322.22 |
| 6 | Total Liabilities | 12,023.08 | 13,570.19 |
| 7 | Networth | 5,858.11 | -7,247.97 |

II

**Audit Qualifications:**

**Details of Audit Qualification:**

a. The Company has recognised net deferred tax assets of Rs. 6,235.92 lakhs as at 31 March 2025, which includes deferred tax assets recognised on loans. The recognition of deferred tax assets on such loans is not in accordance with Ind AS 12 “Income Taxes”. Further, the recognition of the remaining deferred tax assets is based on the assumption that sufficient taxable income will be available in future periods against which these deferred tax assets can be utilized. In view of the continued losses and the ongoing Corporate Insolvency Resolution Process (CIRP), we are unable to obtain sufficient appropriate audit evidence to support the assumptions underlying the recognition of these deferred tax assets as per Ind AS 12 “Income Taxes”. Accordingly, we are unable to determine whether any adjustments are required to the carrying amount of these deferred tax assets as at 31 March 2025.

**Frequency of Qualification: Second Time, Disclaimer of Opinion is given. Qualified opinion was given in the earlier 4 years upto 31 March 2023**

b. The Company has defaulted in repayment of principal and interest to banks and other lenders, resulting in the classification of the accounts as a Non-Performing Assets (NPA). Furthermore, the Company has not recognised interest expenses (excluding any additional or penal interest) on the aforesaid borrowings of Rs. 85.65 lakhs and Rs. 347.35 lakhs for the quarter and year ended 31 March 2025 respectively and Rs. 1,547.11 lakhs cumulatively up to 31 March 2025, based on the basic rate of interest as per the terms of the loans. This non-recognition of borrowing costs is not in compliance with Ind AS 23 – “Borrowing Costs” read with Ind AS 109 – “Financial Instruments”.

**Frequency of Qualification: Second Time, Disclaimer of Opinion is given. Qualified opinion was given in the earlier 2 years upto 31 March 2023**.

c. As referred in Note 8 to the Statement, the Company has not accounted for interest income of Rs. 512.50 lakhs and Rs. 1,987.35 lakhs for the quarter and year ended 31 March 2025 respectively and Rs. 3,749.99 lakhs up to 31 March 2025, pending recoveries of long outstanding loans (included in d (i) above).

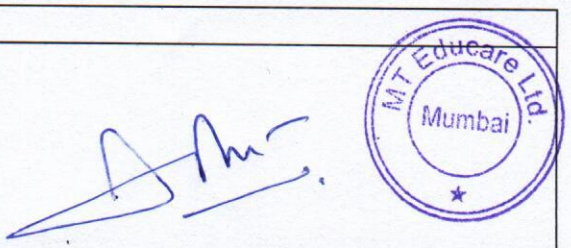
| | | |
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| | **Frequency of Qualification**: **Second Time, Disclaimer of Opinion is given.** | |
| | **(b) Type of Audit Qualification:** | Qualified Opinion |
| | **(c) For Audit Qualification(s) where the impact is quantified by the Auditor, Managements Views:**<br><br>a. Pursuant to an application filed by Connect Residuary Private Limited before the National Company Law Tribunal, Mumbai Bench ("NCLT") in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder ("Code"), the NCLT had admitted the application and ordered the commencement of corporate insolvency resolution process ("CIRP") of MT Educare Limited ("Corporate Debtor", "the Company") vide its order dated 16 December, 2022. The NCLT had appointed Mr. Ashwin B. Shah as the interim resolution professional for the Corporate Debtor vide its order dated 16 December, 2022. Interim Resolution Professional took charge of the affairs of the corporate debtor on 23rd December, 2022. Further, this is to bring into your notice that the Hon'ble NCLT Mumbai vide order dated January 22, 2024, order received to the Resolution Professional (RP) on January 31, 2024, (copy of the said NCLT order dated January 22, 2024 is enclosed herewith) replaced Mr. Ashwin Bhavanji Shah (IRP) with the undersigned Resolution Professional (RP), Mr. Arihant Nenawati, having IBBI Registration No. IBB/IPA-001/IP-P00456/2017-2018/10799. The RP of the view, that after approval of resolution plan by adjudicating authority, the successful PRA would revive the Corporate Debtor, thus the DTA assets would be carried at same level.<br><br>b. During the CIRP period, claims from 683 creditors amounting to Rs.2,29,19,13,487/- were received, out of which 659 claims amounting to Rs. 94,98,87,414/- were admitted. Further, claims of Rs. 75,55,53,011/- were not admitted for the reasons best communicated to the creditors. A detailed list of creditors is available on the official website of the Corporate Debtor. AS per the Code, initiation of the CIRP put a moratorium on any interest cost associated with the liability exist on CIRP commencement date.<br><br>c. in view of any recoverability of the loan and advances until the certainly arrives we have not recognised any income on the same. | |
| | (d) For Audit Qualification(s) where the impact is not quantified by the Auditor: | |
| | | (i) Management's estimation on the impact of audit qualification: Nil |
| | | (ii) If Management is unable to estimate the impact, reasons for the same: |
| | a) (i) The Company has outstanding loans, trade receivables and other receivables ("receivables") of Rs 7,769.97 lakhs (net of provisions) as at 31 March 2025, which are overdue / rescheduled. The management / RP envisages the same to be good and recoverable. However, in view of the long outstanding nature of these balances and in the absence of sufficient appropriate audit evidence, we are unable to assess whether any adjustments are necessary to the carrying amount of these receivables and the consequential impact, if any, on the | a) i). At this present juncture, the management considers the outstanding dues to be good and recoverable and under the supervision of the RP, management is pursuing all the parties for payments. As majority of the advances to different education trust which are facing post covid difficulties in their operation was the main cause of delay in payments. |

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| | standalone financial results. The non-recognition of an impairment provision/ expected credit loss in respect of these receivables is not in compliance with Ind AS 109 – "Financial Instruments".<br><br>Frequency of Qualification: **Second Time, Disclaimer of Opinion is given. Qualified opinion was given in the earlier 3 years upto 31 March 2023** | |
| | b) As described in Note 1 to the Statement, we have been informed that the operational creditors/ financial creditors / employees / statutory authorities and other creditors including claims for guarantee obligation ("creditors") have been submitted to the RP. The overall obligations and liabilities, including interest and principal amounts of borrowings will be determined during the Corporate Insolvency Resolution Process ("CIRP"). As the outcome of the CIRP is still pending, no accounting impact has been recognised in the books of account in respect of any excess, shortfall, or non-receipt of claims from the aforementioned creditors. In the absence of final determination and reconciliation of such claims, we are unable to comment on adjustments, if any, that may be required.<br><br>Frequency of Qualification: **Second time, Disclaimer of Opinion is given. Qualified opinion was given in the earlier year i.e. 31 March 2023** | b. The CIR Process at its last stage and pending for decision of the adjudicating authority. Admitted claims were finalized in Mar-24 and shared with the PRAs and available on official site. Due to various contingencies in the claim with related to interest, penal provision in contract terms and timing of the claim may cause variation in amount recorded in the financial statements. |
| | c) In the absence of comprehensive review of carrying amount of assets (including property, plant and equipment, investments, loans and advances, balances with government authorities, deposits, trade and other receivables) and liabilities and non-availability of confirmations of substantial balances and pending completion of CIRP, we are unable to comment upon, whether any adjustments are required in the carrying amounts of such assets and liabilities and consequential impact, if any, on the profit for the quarter and year ended 31 March 2025. Further, non-determination of fair value of financial assets and liabilities and impairment of carrying amount of other assets and liabilities are not in compliance with Ind AS 109 "Financial Instruments", Ind AS 36 "Impairment of Assets" and Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets". | c. The Company had made excess provision in the earlier years and adjustments of provision to various loans and advances, balances with government authorities, deposits, trade and other receivables. Further deposit with Government Authorities in respect of disputed matter is subject to outcome of dispute. The RP maintained the status -quo with respect to the earlier year provision and contingencies which are depended upon the final outcome of any dispute raised with the Government authorities. |

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| | Frequency of Qualification: **Second Time, Disclaimer of Opinion is given. Qualified opinion was given in the earlier year i.e. 31 March 2023** | |
| | d) We have not received bank statement/ confirmation of balance for the balance lying in current account with bank of Rs. 5.36 lakhs. In the absence of sufficient appropriate audit evidence, we are unable to determine possible impact, if any, on the profit for the quarter and year ended 31 March 2025 and on the carrying value of cash and cash equivalents.<br><br>Frequency of Qualification: **Second Time, Disclaimer of Opinion is given. Qualified opinion was given in the earlier year i.e. 31 March 2023** | d. There is no change from the previous year. These are old and non-operative bank accounts wherein there no transactions during the year and which will not have any material impact. The RP has sent an intimation letter to respective bank for closure of the account by transferring the balance to main CIRP account maintained by him. |
| | e) We have been informed by the RP that certain information, including the minutes of the meetings of the Committee of Creditors (COC), and the outcome of certain specific/ routine procedures carried out as part of the IBC process are confidential in nature and cannot be shared with other than the COC and Hon'ble NCLT. In the opinion of the RP, the matter is highly sensitive, confidential and may have adverse impact on the resolution process. Accordingly, we were not provided access to such information and are therefore unable to comment on the impact, if any, on the standalone financial results, including recognition, measurement, and disclosures, that may have arisen, had such information been made available to us.<br><br>Frequency of Qualification: **Second Time, Disclaimer of Opinion is given** | e. In line with IBC Code, which restrict the sharing on any confidential document except to intended recipient, we have shared limited information with the auditor which may have any impact on financials position of the Company. |
| | f) We draw attention to Note 1 to the Statement, which states that the financial results have been prepared on a going concern basis as the Company is undergoing the Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016 (the "Code"). The Company has accumulated losses, negative net worth (considering the impact of various paragraphs stated above), and its current liabilities exceed its current assets. Additionally, there has been a decline in operational activity and defaults in meeting its financial obligations. These events or conditions indicate a material uncertainty that may cast significant doubt on the Company's | f. The Corporate debtor continues to be under Corporate Insolvency Resolution Process (CIRP). The Company Operations are going on as going concern under the supervision of the Resolution Professional in line with the rule and regulation prescribed under the IBC Code 2016. Committee of Creditors are in the final stage of discussion with PRAs and expected to arrive at conclusion in near future. Accordingly, the audited standalone financial results are prepared on going concern basis. The appropriateness of the preparation of audited standalone financial results on going concern |

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| | ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon the outcome of the CIRP, including approval and implementation of the resolution plan. We have not obtained sufficient appropriate audit evidence to support the management/ RP's assessment that the Company will continue as a going concern.<br><br>Frequency of Qualification: **Second Time, Disclaimer of Opinion is given** | basis is critically dependent upon final Order to be pronounced by the Hon'ble NCLT on the decision taken by the CoC. However, the ultimate outcome of which is at present not ascertainable and depended upon the the final decision of the CoC. During the year, under the supervision of the RP, management has taken various steps to keep the corporate debtor as going concern.<br><br>1 various steps including notices to sundry debtors and others to recover the outstanding dues.<br><br>2. The Company were able to fund operational expenses without any external borrowings.<br><br>3. During the CIRP, except few delays, were able to adhere to statutory compliances.<br><br>4. Management has taken various steps to identify non-critical loss making centres. They have defined strategies like franchise model, consolidation of centres etc to reduce the cost related to loss making centres of the Company. |
| | **g)** The Company's investment in subsidiary companies of Rs. 1,297.71 lakhs as at 31 March 2025 has been considered as good and fully recoverable by the management / RP, despite the subsidiaries having accumulated losses, complete erosion of net worth, and facing liquidity constraints. In the absence of sufficient and appropriate audit evidence to support this assessment, we are unable to comment on whether any adjustments are required to the carrying value of these investments in accordance with Ind AS 36 – "Impairment of Assets", and the consequential impact, if any, on the standalone financial results.<br><br>**Frequency of Qualification: Second Time, Disclaimer of Opinion is given**. | g) the SRA' resolution plan under consideration for decision of adjudicating authority and SRA plan may value investment in various subsidiary and decision for any change in the status shall be taken by the successful resolution applicant. All subsidiary investment hold good to successful PRA and decision of any impact of provision is deferred till then. |
| | h) The Company has not carried out physical verification of property, plant and equipment. Accordingly, material discrepancies, if any, could not be ascertained and therefore, we are unable to comment on the existence of such property, plant and equipment and its related impact, if any, on the accompanying standalone financial results for the year ended 31 March 2025 including recognition, | h) Physical verification was done two years ago and any material impact on the value of the asset depends upon the outcome of CIRP proceeding which is pending for the decision of the adjudicating authority. |

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| | measurement and disclosures, that may arise had the Company carried out such physical verification.<br><br>**Frequency of Qualification: During the year, Disclaimer of Opinion is given**.<br><br>i) The Company has received various notices relating to direct and indirect tax matters. However, the management has not provided sufficient appropriate audit evidence, including a comprehensive assessment or reliable data, to enable us to evaluate the potential financial impact of these matters. Consequently, we are unable to quantify the possible effects, if any, of such matters on the standalone financial results. In the absence of adequate information, we are unable to determine whether any adjustments are required in respect of provisions, contingent liabilities, or related disclosures, as required by Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets" and Ind AS 12 "Income Taxes".<br><br>**Frequency of Qualification: During the year, Disclaimer of Opinion is given**. | i) In line with sec 14 of the Code, moratorium is effective on the Company and demand, legal suit or proceeding related to pre CIRP period are not tenable in Law, thus no impact has been taken in the financials of the Corporate Debtor. |
| | | (iii) Auditor's Comment on (i) and (ii) above:<br>Auditor's Comment are self-explanatory in auditor's report. |

| III | **Signatories:** | |
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| | **Arihant Nenawati**<br>**Resolution Professional**<br>IP Reg. No: IBBI/IPA-001/IP-P00456/2017-2018/10799<br>Email ID: mteducare.cirp@gmail.com<br>Date: 30th May, 2025 |  |
| | Statutory Auditors<br>**For MGB & Co. LLP**<br>Firm Registration No. 101169W/W-100035<br>**Hitendra Bhandari**<br>Partner<br>Membership Number - 107832<br>30th May 2025 |  |

**ANNEXURE-I**

**Statement of Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results-Consolidated)**

**Statement of Impact of Audit Qualifications for the Financial Year ended March 31st, 2025 (See regulation 33 of SEBI (LODR) Regulations, 2015)**

I

| Sl. No. | Particulars | Audited Figures (Rs. in Lakhs) (as reported before adjusting for qualifications) | Audited Figures (Rs. in Lakhs) (as reported after adjusting for qualifications) |
|---|---|---|---|
| 1 | Turnover/Total Income | 5,563.04 | 10,833.08 |
| 2 | Total Expenditure | 7,388.96 | 27,646.20 |
| 3 | Net Profit/(loss) after tax | -3,099.39 | -18,086.59 |
| 4 | Earnings per share (Rs.) | -4.29 | -25.04 |
| 5 | Total Assets | 26,443.91 | 13,681.90 |
| 6 | Total Liabilities | 26,623.38 | 28,848.57 |
| 7 | Networth | -179.46 | -15,166.66 |

II **Audit Qualifications:**

**(a) Details of Audit Qualification:**

a. The Group has recognised net deferred tax assets of Rs. 6,562.89 lakhs as at 31 March 2025, which includes deferred tax assets recognised on loans. The recognition of deferred tax assets on such loans is not in accordance with Ind AS 12 "Income Taxes". Further, the recognition of the remaining deferred tax assets is based on the assumption that sufficient taxable income will be available in future periods against which these deferred tax assets can be utilized. In view of the continued losses and the ongoing Corporate Insolvency Resolution Process (CIRP), we are unable to obtain sufficient appropriate audit evidence to support the assumptions underlying the recognition of these deferred tax assets as per Ind AS 12 "Income Taxes". Accordingly, we are unable to determine whether any adjustments are required to the carrying amount of these deferred tax assets as at 31 March 2025. Our opinion for the year ended 31 March 2023, was modified in respect of this matter.

**Frequency of Qualification: Second Time, Disclaimer of Opinion is given. Qualified opinion was given in the earlier 4 years upto 31 March 2023**

b. The Group has defaulted in repayment of principal and interest to banks and other lenders, resulting in the classification of the account as a Non-Performing Assets (NPA). Furthermore, the Group has not recognised interest expenses (excluding any additional or penal interest) on the aforesaid borrowings of Rs 126.14 lakhs and Rs. 511.58 for the quarter and year ended 31 March 2025 respectively and Rs. 2,225.19 lakhs cumulatively up to 31 March 2025, based on the basic rate of interest as per the terms of the loans. This non-recognition of borrowing costs is not in compliance with Ind AS 23 – "Borrowing Costs" read with Ind AS 109 – "Financial Instruments".

**Frequency of Qualification: Second Time, Disclaimer of Opinion is given. Qualified opinion was given in the earlier 2 years upto 31 March 2023**

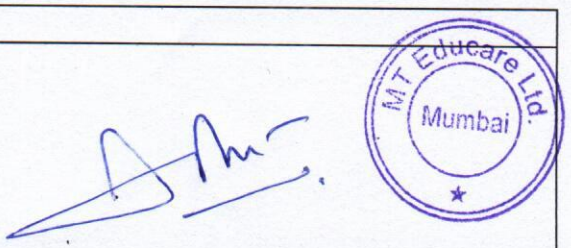
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| | c. As referred in Note 8 to the Statement, the Group has not accounted for interest income of Rs 702.51 lakhs and Rs 2,747.37 lakhs for the quarter and year ended 31 March 2025 respectively and Rs 5,270.04 lakhs up to 31 March 2025, pending recoveries of long outstanding loans (included in d (i) above).<br><br>Frequency of Qualification: **Second Time, Disclaimer of Opinion is given.** | |
| | **(b) Type of Audit Qualification:** | Qualified Opinion |
| | | |
| | **For Audit Qualification(s) where the impact is quantified by the Auditor, Managements Views:**<br><br>a. Pursuant to an application filed by Connect Residuary Private Limited before the National Company Law Tribunal, Mumbai Bench ("NCLT") in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder ("Code"), the NCLT had admitted the application and ordered the commencement of corporate insolvency resolution process ("CIRP") of MT Educare Limited ("Corporate Debtor", "the Company") vide its order dated 16 December, 2022. The NCLT had appointed Mr. Ashwin B. Shah as the interim resolution professional for the Corporate Debtor vide its order dated 16 December, 2022. Interim Resolution Professional took charge of the affairs of the corporate debtor on 23rd December, 2022. Further, this is to bring into your notice that the Hon'ble NCLT Mumbai vide order dated January 22, 2024, order received to the Resolution Professional (RP) on January 31, 2024, (copy of the said NCLT order dated January 22, 2024 is enclosed herewith) replaced Mr. Ashwin Bhavanji Shah (IRP) with the undersigned Resolution Professional (RP), Mr. Arihant Nenawati, having IBBI Registration No. IBB/IPA-001/IP-P00456/2017-2018/10799. The RP of the view, that after approval of resolution plan by adjudicating authority, the successful PRA would revive the Corporate Debtor, thus the DTA assets would be carried at same level.<br><br>b. During the CIRP period, claims from 683 creditors amounting to Rs.2,29,19,13,487/- were received, out of which 659 claims amounting to Rs. 94,98,87,414/- were admitted. Further, claims of Rs. 75,55,53,011/- were not admitted for the reasons best communicated to the creditors. A detailed list of creditors is available on the official website of the Corporate Debtor. AS per the Code, initiation of the CIRP put a moratorium on any interest cost associated with the liability exist on CIRP commencement date.<br><br>c. in view of any recoverability of the loan and advances until the certainly arrives we have not recognised any income on the same. | |
| | (e) For Audit Qualification(s) where the impact is not quantified by the Auditor: | |
| | | (i) Management's estimation on the impact of audit qualification: Nil |
| | | (ii) If Management is unable to estimate the impact, reasons for the same: |
| | a) i) The Group has outstanding loans, trade receivables and other receivables ("receivables") of Rs 11,457.82 lakhs (net of provisions) as at 31 March 2025, which are overdue/ rescheduled. The management / | a) At this present juncture, the management considers the outstanding dues to be good and recoverable and under the supervision of the RP, management is pursuing all the parties for payments. As majority of the advances to different |

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| | RP envisages the same to be good and recoverable. However, in view of the long outstanding nature of these balances and in the absence of sufficient appropriate audit evidence, we are unable to assess whether any adjustments are necessary to the carrying amount of these receivables and the consequential impact, if any, on the consolidated financial results. The non-recognition of an impairment provision/ expected credit loss in respect of these receivables is not in compliance with Ind AS 109 – "Financial Instruments". Our opinion for the year ended 31 March 2023, was modified in respect of this matter.<br><br>Frequency of Qualification: **Second Time, Disclaimer of Opinion is given. Qualified opinion was given in the earlier 3 years upto 31 March 2023** | education trust which are facing post covid difficulties in their operation was the main cause of delay in payments. |
| | b. As described in Note 1 to the Statement, we have been informed that the operational creditors/ financial creditors / employees / statutory authorities and other creditors including claims for guarantee obligation ("creditors") have been submitted to the RP. The overall obligations and liabilities, including interest and principal amounts of borrowings will be determined during the Corporate Insolvency Resolution Process ("CIRP"). As the outcome of the CIRP is still pending, no accounting impact has been recognised in the books of account in respect of any excess, shortfall, or non-receipt of claims from the aforementioned creditors. In the absence of final determination and reconciliation of such claims, we are unable to comment on adjustments, if any, that may be required. Our opinion for the year ended 31 March 2023, was modified in respect of this matter.<br><br>Frequency of Qualification: **Second Time, Disclaimer of Opinion is given. Qualified opinion was given in the earlier year i.e. 31 March 2023** | b) The CIR Process at its last stage and pending for decision of the adjudicating authority. Admitted claims were finalized in Mar-24 and shared with the PRAs and available on official site. Due to various contingencies in the claim with related to interest, penal provision in contract terms and timing of the claim may cause variation in amount recorded in the financial statements |
| | c. In the absence of comprehensive review of carrying amount of assets (including property, plant and equipment, asset held for sale, investments, loans and | c.) The Company had made excess provision in the earlier years and adjustments of provision to various loans and advances, balances with |

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| | advances, balances with government authorities, deposits, trade and other receivables) and liabilities and non-availability of confirmations of substantial balances and pending completion of CIRP, we are unable to comment upon, whether any adjustments are required in the carrying amounts of such assets and liabilities and consequential impact, if any, on the loss for the quarter and year ended 31 March 2025. Further, non-determination of fair value of financial assets and liabilities and impairment of carrying amount of other assets and liabilities are not in compliance with Ind AS 109 "Financial Instruments", Ind AS 36 "Impairment of Assets" and Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets". Our opinion for the year ended 31 March 2023, was modified in respect of this matter.<br><br>Frequency of Qualification: **Second Time, Disclaimer of Opinion is given. Qualified opinion was given in the earlier year i.e. 31 March 2023** | government authorities, deposits, trade and other receivables. Further deposit with Government Authorities in respect of disputed matter is subject to outcome of dispute. The RP maintained the status -quo with respect to the earlier year provision and contingencies which are depended upon the final outcome of any dispute raised with the Government authorities. |
| | d. We have not received bank statement/ confirmation of balance for the balance lying in current accounts with bank of Rs 11.34 lakhs. In the absence of sufficient appropriate audit evidence, we are unable to determine possible impact, if any, on the loss for the quarter and year ended 31 March 2025 and on the carrying value of cash and cash equivalents. Our opinion for the year ended 31 March 2023, was modified in respect of this matter.<br><br>Frequency of Qualification: **Second Time, Disclaimer of Opinion is given. Qualified opinion was given in the earlier year i.e. 31 March 2023** | d) There is no change from the previous year. These are old and non-operative bank accounts wherein there no transactions during the year and which will not have any material impact. The RP has sent an intimation letter to respective bank for closure of the account by transferring the balance to main CIRP account maintained by him. |
| | e. We draw attention to Note 1 to the Statement, which states that the financial results have been prepared on a going concern basis as the Holding Company is undergoing the Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016 (the "Code"). The Group has accumulated losses, negative net worth (considering the impact of various | e) The Corporate debtor continue to be under Corporate Insolvency Resolution Process (CIRP). The Company Operations are going on as going concern under the supervision of the Resolution Professional in line with the rule and regulation prescribed under the IBC Code 2016. Accordingly, the audited standalone as well as Consol financial results are prepared on going concern basis. The appropriateness of the preparation of audited |

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| | paragraphs stated above), and its current liabilities exceed its current assets. Additionally, there has been a decline in operational activity and defaults in meeting its financial obligations. These events or conditions indicate a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. The Group's ability to continue as a going concern is dependent upon the outcome of the CIRP, including approval and implementation of the resolution plan. We have not obtained sufficient appropriate audit evidence to support the management/ RP's assessment that the Group will continue as a going concern.<br><br>Frequency of Qualification **Second Time, Disclaimer of Opinion is given.** | standalone as well as Consol financial results on going concern basis is critically dependent upon final Order to be pronounced by the Hon'ble NCLT During the year, under the supervision of the RP, management has taken various steps to keep the corporate debtor as going concern.<br><br>1. various steps including notices to sundry debtors and others to recover the outstanding dues.<br><br>2. The Company were able to find operational expenses without any external borrowings.<br><br>3. During the CIRP, except few delays, were able to adhere to statutory compliances.<br><br>4. Management has taken various steps to identify non-critical loss making centres. They have defined strategies like franchise model, consolidation of centres etc to reduce the cost related to loss making centres of the Company. |
| | f. We have been informed by the RP that certain information, including the minutes of the meetings of the Committee of Creditors (COC), and the outcome of certain specific/ routine procedures carried out as part of the IBC process are confidential in nature and cannot be shared with other than the COC and Hon'ble NCLT. In the opinion of the RP, the matter is highly sensitive, confidential and may have adverse impact on the resolution process. Accordingly, we were not provided access to such information and are therefore unable to comment on the impact, if any, on the consolidated financial results, including recognition, measurement, and disclosures, that may have arisen, had such information been made available to us.<br><br>Frequency of Qualification **Second Time, Disclaimer of Opinion is given.** | f. In line with IBC Code, which restrict the sharing on any confidential document except to intended recipient, we have shared limited information the auditor impacting financials position of the Company. All other matter are not concerning directly to the auditor were not shared. |
| | g. The Group has not carried out physical verification of property, plant and equipment. Accordingly, material discrepancies, if any, could not be ascertained and therefore, we are unable to comment on the existence of such property, plant and equipment and its related impact, if any, on the | g) Physical verification was done two years ago and any material impact on the value of the asset depends upon the outcome of CIRP proceeding which is pending for the decision of the adjudicating authority. |

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| | accompanying consolidated financial results for the year ended 31 March 2025 including recognition, measurement and disclosures, that may arise had the Group carried out such physical verification.<br><br>Frequency of Qualification: **During the year, Disclaimer of Opinion is given.**<br><br>h) The Group has received various notices relating to direct and indirect tax matters. However, the management has not provided sufficient appropriate audit evidence, including a comprehensive assessment or reliable data, to enable us to evaluate the potential financial impact of these matters. Consequently, we are unable to quantify the possible effects, if any, of such matters on the consolidated financial results. In the absence of adequate information, we are unable to determine whether any adjustments are required in respect of provisions, contingent liabilities, or related disclosures, as required by Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets" and Ind AS 12 "Income Taxes".<br><br>Frequency of Qualification: **During the year, Disclaimer of Opinion is given.** | h) In line with sec 14 of the Code, moratorium is effective on the Company and demand, legal suit or proceeding related to pre CIRP period are not tenable in Law, thus no impact has been taken in the financials of the Corporate Debtor. |
| | | (iii) Auditor's Comment on (i) and (ii) above:<br>Auditor's Comment are self-explanatory in auditor's report. |

| III | **Signatories:** | |
|---|---|---|
| | **Arihant Nenawati**<br>**Resolution Professional**<br>IP Reg. No: IBBI/IPA-001/IP-P00456/2017-2018/10799<br>Email ID: mteducare.cirp@gmail.com<br>Date: 30th May, 2025 |  |
| | Statutory Auditors<br>**For MGB & Co. LLP**<br>Firm Registration No. 101169W/W-100035<br>**Hitendra Bhandari**<br>Partner<br>Membership Number - 107832<br>30th May 2025 |  |