

# Tree House Education & Accessories Ltd.

Office No.101, Sapphire Plaza, Dadabhai Road, Opp. CNMS School, Vile Parle West, Mumbai - 400 056.  
Tel: +91 22 26201029 CIN : L80101MH2006PLC163028



June 25, 2021

<b>To,</b> <b>BSE Limited</b> Phiroze Jeejeebhoy Tower Dalal Street, Fort Mumbai - 400 001	<b>To,</b> <b>The National Stock Exchange of India Ltd.</b> Bandra Kurla Complex (East) Mumbai - 400 051	<b>To,</b> <b>Metropolitan Stock Exchange of India Ltd.</b> Exchange Square, CTS No. 25, Suren Road, Andheri (East), Mumbai – 400 093
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**Sub.: Outcome of the Board Meeting held on June 25, 2021, pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**Ref.: Scrip Code: 533540 / Symbol: TREEHOUSE**

**Dear Sir/Madam,**

We would like to inform you that at the meeting of the Board of Directors of the company held on Friday, June 25, 2021, the board has considered and approved;

1. Audited Standalone and Consolidated Financial Results and Statements for the quarter and financial year ended March 31, 2021 respectively along with the Statement of Assets and Liabilities, Cash Flow Statements and Report of Auditor's thereon issued by M/s. S Dedhia & Co., Chartered Accountants, the Statutory Auditors of the Company.

Further, a copy of the Standalone and Consolidated Audited Financial Results, Statement of Assets and Liabilities, Cash flow Statements along with the Audit Report issued by the Statutory Auditors of the Company on the aforesaid financial results and statements and a declaration on unmodified opinion on the same are enclosed herewith.

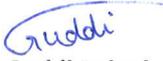
The meeting of the Board of Directors of the Company commenced at 04:00 p.m. and concluded at 07:10 p.m.

We request you to kindly take the above information on record.

Thanking you.

Yours truly,

For Tree House Education & Accessories Limited

  
Guddi Bajpai  
Company Secretary and Compliance officer  
Encl: as stated



**Tree House Education & Accessories Limited**  
 Regd. Office: 101 , Sapphire Plaza , Dadabhai Road, Opp. CNMS School  
 Vile Parle West , Mumbai - 400 056  
 CIN No. L80101MH2006PLC163028

**Standalone Statement of Profit & Loss Account for the Year Ended 31st March 2021**

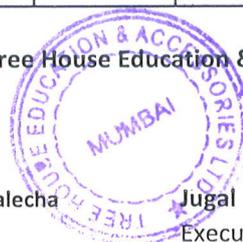
(Rs. In Lakhs)

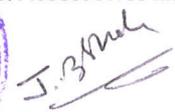
Sr. No.	Particulars	Quarter ended			Year Ended	
		31-03-2021	31-12-2020	31-03-2020	31-03-2021	31-03-2020
		Audited	Unaudited	Audited	Audited	Audited
1)	Revenue from Operations	367	55	54	529	276
	Other Income	34	-	(175)	34	676
	<b>Total Income</b>	<b>401</b>	<b>55</b>	<b>(121)</b>	<b>563</b>	<b>952</b>
2)	<b>Expenses</b>					
	Operating cost	61	12	64	81	96
	Employee benefits expense	41	38	28	130	111
	Financial Costs	151	137	90	546	417
	Depreciation, amortisation and Impairment	598	607	729	2,465	2,910
	Other expenses	346	81	82	501	287
	<b>Total expenses</b>	<b>1,197</b>	<b>875</b>	<b>993</b>	<b>3,723</b>	<b>3,821</b>
3)	Profit before exceptional items, and tax (1-2)	(796)	(820)	(1,114)	(3,160)	(2,869)
4)	Less : Exceptional items	882		(2)	882.00	-
5)	Profit before tax (3+4)	(1,678)	(820)	(1,112)	(4,042)	(2,869)
6)	Tax expenses	(13)	-	(55)	(13)	(55)
7)	<b>Profit for the period / year (5-6)</b>	<b>(1,665)</b>	<b>(820)</b>	<b>(1,057)</b>	<b>(4,029)</b>	<b>(2,815)</b>
8)	<b>Other Comprehensive Income</b>					
	i. Items that will not be reclassified to profit or loss- Actuarial (Loss)/Gain	-	-	-	-	-
	ii. Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
	Other Comprehensive Income	-	-	-	-	-
9)	<b>Total Comprehensive income (7+8)</b>	<b>(1,665)</b>	<b>(820)</b>	<b>(1,057)</b>	<b>(4,029)</b>	<b>(2,815)</b>
10)	<b>Paid up equity share capital (face value Rs.10 per share)</b>	<b>4,231</b>	<b>4,231</b>	<b>4,231</b>	<b>4,231</b>	<b>4,231</b>
11)	Reserves excluding revaluation reserves		-	-	24,332	28,362
12)	<b>Earnings per share Before Exceptional Items</b>					
	Basic	(1.85)	(1.94)	(2.63)	(7.44)	(6.78)
	Diluted	(1.85)	(1.94)	(2.63)	(7.44)	(6.78)
13)	<b>Earnings per share After Exceptional Items</b>					
	Basic	(3.94)	(1.94)	(1.92)	(9.51)	(4.15)
	Diluted	(3.94)	(1.94)	(1.92)	(9.51)	(4.15)

for and on behalf of Tree House Education & Accessories Limited

Place: Mumbai  
 Date : 25th June 2021

  
 Deepak Valecha  
 Director  
 DIN No: 07736480



  
 Jugal Shah  
 Executive Director  
 DIN No: 08334114

## Tree House Education & Accessories Limited

Regd. Office: 101 , Sapphire Plaza , Dadabhai Road, Opp. CNMS School

Vile Parle West , Mumbai - 400 056

CIN No. L80101MH2006PLC163028

### Consolidated Statement of Profit & Loss Account for the Year Ended 31st March 2021

(Rs. In Lakhs)

Sr. No.	Particulars	Quarter ended			Year Ended	
		31-03-2021	31-12-2020	31-03-2020	31-03-2021	31-03-2020
		Audited	Unaudited	Audited	Audited	Audited
1)	Revenue from Operations	367	54	54	529.00	276
	Other Income	34	0	(175)	34.00	676
	<b>Total Income</b>	<b>401</b>	<b>54</b>	<b>(121)</b>	<b>563</b>	<b>952</b>
2)	<b>Expenses</b>					
	Operating cost	61	12	64	81	96
	Employee benefits expense	41	38	28	130	111
	Financial Costs	151	137	90	546	417
	Depreciation, amortisation and Impairment	598	607	729	2,465	2,910
	Other expenses	346	81	82	501	287
	<b>Total expenses</b>	<b>1,197</b>	<b>875</b>	<b>993</b>	<b>3,723</b>	<b>3,821</b>
3)	Profit before exceptional items, and tax (1-2)	(796)	(821)	(1,114)	(3,160)	(2,869)
4)	Share of net profit/(loss) of associates and joint ventures accounted for using the equity method	(0)	-	(0)	(1.00)	(1)
5)	Exceptional items	(882)		(2)	(882.00)	-
6)	Profit before tax (3+4)	(1,678)	(821)	(1,116)	(4,043)	(2,870)
7)	Tax expenses	(13)	-	(55)	(13)	(55)
8)	<b>Profit for the period / year (5-6)</b>	<b>(1,665)</b>	<b>(821)</b>	<b>(1,061)</b>	<b>(4,030)</b>	<b>(2,815)</b>
9)	<b>Other Comprehensive Income</b>					
	i. Items that will not be reclassified to profit or loss-Actuarial (Loss)/Gain	-	-		-	
	ii. Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	
	Other Comprehensive Income	-	-	-	-	
9)	<b>Total Comprehensive income (7+8)</b>	<b>(1,665)</b>	<b>(821)</b>	<b>(1,061)</b>	<b>(4,030)</b>	<b>(2,815)</b>
10)	<b>Paid up equity share capital (face value Rs.10 per share)</b>	<b>4,231</b>	<b>4,231</b>	<b>4,231</b>	<b>4,231</b>	<b>4,231</b>
11)	Reserves excluding revaluation reserves	-	-		24,668	28,361
12)	<b>Earnings per share Before Exceptional Items</b>					
	Basic	(1.91)	(1.94)	(2.76)	(7.47)	(6.78)
	Diluted	(1.91)	(1.94)	(2.76)	(7.47)	(6.78)
13)	<b>Earnings per share After Exceptional Items</b>					
	Basic	(3.94)	(1.94)	(2.51)	(9.53)	(6.65)
	Diluted	(3.94)	(1.94)	(2.51)	(9.53)	(6.65)

for and on behalf of Tree House Education & Accessories Limited

Place: Mumbai

Date :25th June 2021

Deepak Valecha

Director

DIN No: 07736480

Jugal Shah

Executive Director

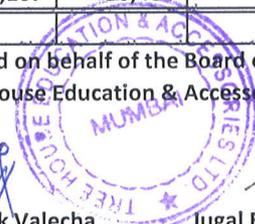
DIN No: 08334114

**Tree House Education & Accessories Limited**  
**Audited Statement of Balance Sheet as at 31st March 2021**

(Rs. in lakhs)

	Standalone		Consolidated	
	31.03.2021 Audited	31.03.2020 Audited	31.03.2021 Audited	31.03.2020 Audited
<b>ASSETS</b>				
Property, plant and equipment	6,998	9,271	6,998	9,271
Investment Properties	4,948	4,713	4,948	4,713
Goodwill	32	39	32	39
Intangible assets	1,406	1,493	1,406	1,493
<u>Financial assets:</u>				
- Investments	938	938	1,274	1,276
- Loans	27	27	27	27
- Other financial assets	15,005	16,051	15,005	16,051
Other Non Current Assets				
Deferred tax Assets (Net)	1,083	1,070	1,083	1,071
<b>Total Non Current Assets</b>	<b>30,437</b>	<b>33,602</b>	<b>30,774</b>	<b>33,941</b>
<b>Current assets</b>				
Inventories	68	58	68.09	58
<u>Financial assets:</u>				
- Trade receivables	1,962	2,035	1,961.54	2,035
- Cash and cash equivalents	5	1	4.66	1
- Bank Balances other than Cash and cash equivalents	17	16	17.13	16
- Loans and Advances	-	11	-	11
- Other financial assets	200	277	200.00	277
Other Current Assets	418	404	417.55	404
<b>Total current assets</b>	<b>2,670</b>	<b>2,802</b>	<b>2,670</b>	<b>2,802</b>
<b>Total Assets</b>	<b>33,107</b>	<b>36,404</b>	<b>33,444</b>	<b>36,743</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share capital	4,231	4,231	4,231	4,231
Other equity	24,080	27,807	24,416	28,144
	<b>28,311</b>	<b>32,038</b>	<b>28,647</b>	<b>32,375</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Provisions	7	5	7	5
<b>Total Non-Current liabilities</b>	<b>7</b>	<b>5</b>	<b>7</b>	<b>5</b>
<b>Current liabilities</b>				
<u>Financial liabilities:</u>				
- Borrowings	3,340	2,871	3,340	2,871
- Trade payables	756	706	756	706
- Other Financial Liabilities	41	101	41	102
Provisions	48	56	48	56
Other current liabilities	604	627	604	627
<b>Total Current liabilities</b>	<b>4,789</b>	<b>4,361</b>	<b>4,789</b>	<b>4,362</b>
<b>Total Liabilities</b>	<b>4,796</b>	<b>4,366</b>	<b>4,796</b>	<b>4,367</b>
<b>Total equity and liabilities</b>	<b>33,107</b>	<b>36,404</b>	<b>33,443</b>	<b>36,743</b>

For and on behalf of the Board of Directors of  
Tree House Education & Accessories Limited

  
   
**Deepak Valecha** **Jugal Bharat Shah**  
 Director **Executive Director**

Place: Mumbai  
Date : 25th June 2021

DIN No: 07736480 **DIN No: 08334114**

**Tree House Education & Accessories Limited**  
**Audited Statement of Cash Flow for the Year Ended 31st March 2021**

(Rs. in lakhs)

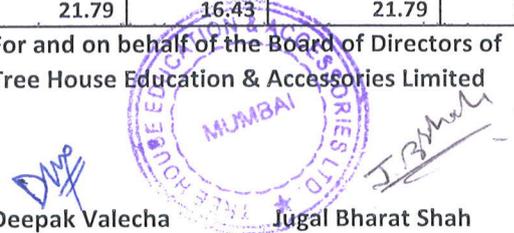
	Standalone		Consolidated	
	31.03.2021 Audited	31.03.2020 Audited	31.03.2021 Audited	31.03.2020 Audited
<b>A Cash flows from operating activities</b>				
Profit before tax	(4,042.19)	(2,869.62)	(4,043.32)	(2,870.18)
Adjustments for Share from JV	-	-	-	-
Depreciation / amortisation	2,465.40	2,910.16	2,465.40	2,910.16
Loss on Sale of fixed assets	-	316.68	-	316.68
Profit on Sale of Fixed Assets	-	(849.64)	-	(849.64)
Exceptional Items - Depreciation Adjustment	(2.58)	(0.00)	-	(0.00)
Finance charges	546.19	416.87	546.19	416.87
Interest on fixed deposits	(1.11)	(0.98)	(1.11)	(0.98)
<b>Operating profit before working capital changes</b>	<b>(1,034.29)</b>	<b>(76.53)</b>	<b>(1,035.41)</b>	<b>(77.09)</b>
Adjustments for:				
(Increase)/Decrease in inventories	(9.91)	70.19	(9.91)	70.19
Deposits given to K-12 Schools	217.51	193.25	217.51	193.25
Decrease/(Increase) in sundry debtors	73.75	(116.53)	73.75	(116.53)
(Increase)/Decrease in Financial Loans	10.82	0.10	10.82	0.10
(Increase)/Decrease in Other Financial Assets	905.75	79.15	906.87	79.71
(Increase)/Decrease in Other Current Assets	(14.04)	(47.24)	(14.04)	(47.24)
Increase /(Decrease) in Non Current Liabilities	6.67	-	6.67	-
Increase /(Decrease) in liabilities and provisions	(46.38)	(641.44)	(46.38)	(641.44)
<b>Cash generated from operations</b>	<b>109.89</b>	<b>(539.04)</b>	<b>109.89</b>	<b>(539.04)</b>
Income tax paid	-	-	-	-
<b>Net cash generated from operating activities</b>	<b>109.89</b>	<b>(539.04)</b>	<b>109.89</b>	<b>(539.04)</b>
<b>B Cash flow from investing activities:</b>				
Purchase of fixed assets (excluding capital work in progress)	(28.67)	(0.75)	(28.67)	(0.75)
Proceeds from Sale of Fixed Assets	-	4,763.45	-	4,763.45
Revaluation of Fixed Assets	-	-	-	-
Interest received	1.11	0.98	1.11	0.98
<b>Net cash used in investing activities</b>	<b>(27.56)</b>	<b>4,763.68</b>	<b>(27.56)</b>	<b>4,763.68</b>
<b>C Cash flow from financing activities</b>				
Proceeds from working capital loan (net)	469.23	(4,401.83)	469.23	(4,401.83)
Interest paid	(546.19)	(416.87)	(546.19)	(416.87)
<b>Net cash provided by financing activities</b>	<b>(76.96)</b>	<b>(4,818.70)</b>	<b>(76.96)</b>	<b>(4,818.70)</b>
Net increase in cash and cash equivalents during the year	5.36	(594.06)	5.36	(594.06)
Cash and cash equivalents as at the beginning of the year	16.43	610.49	16.43	610.49
Cash and cash equivalents as at the end of the year	21.79	16.43	21.79	16.43

For and on behalf of the Board of Directors of  
Tree House Education & Accessories Limited

Place: Mumbai  
Date : 25th June 2021

Deepak Valecha  
Director  
DIN No: 07736480

Jugal Bharat Shah  
Executive Director  
DIN No: 08334114



**Notes:**

- 1 During the course of the year, due to the covid 19 pandemic the company has made a foray into online preschool education.
- 2 The audited financial results were reviewed by audit committee and approved at the meeting of Board of Directors of the Company held on 25th June 2021.
- 3 The Company falls within a single primary business segment viz. "Educational Services", the disclosure requirements of Indian Accounting Standard (Ind AS-108) "Segment Reporting" is not applicable.
- 4 a. Previous period / year figures have been regrouped / rearranged wherever necessary to conform with the current period / year presentation.  
b. The figures of the last quarter and corresponding quarter of the previous year are the balancing figures between audited figures for the full financial year and unaudited published year to date figures up to the third quarter of the respective financial year.
- 5 Disclosures of Standalone Assets and Liabilities are as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 for the year ended 31st March 2021.
- 6 The statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, to the extent applicable.
- 7 Income and Expenditure billed/incurred on nine month/annual basis has been charged proportionately for 3 months for the quarter ended 31st March 2021.
- 8 Due to Covid 19 pandemic, School Management Income and Rent from one of K12 schools is not booked during the quarter.
- 9 The current covid19 pandemic has forced the non opening of pre-schools and hence, all such assets held by company at its pre-school centres are reclassified as Assets held for write off/sale.

For and on behalf of the Board of Directors of  
Tree House Education & Accessories Limited

  
Deepak Valecha

Director

DIN No: 07736480

  
Jugal Shah

Executive Director

DIN No: 08334114

Place: Mumbai

Date : 25th June 2021

# Tree House Education & Accessories Ltd.

Office No.101, Sapphire Plaza, Dadabhai Road, Opp. CNMS School, Vile Parle West, Mumbai - 400 056.  
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June 25, 2021

<b>To,</b> <b>BSE Limited</b> Phiroze Jeejeebhoy Tower Dalal Street, Fort Mumbai - 400 001	<b>To,</b> <b>The National Stock Exchange of India Ltd.</b> BandraKurla Complex (East) Mumbai - 400 051	<b>To,</b> <b>Metropolitan Stock Exchange of India Ltd.</b> Exchange Square, CTS No. 25, Suren Road, Andheri (East), Mumbai – 400 093
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**Sub: Audit Report with Unmodified Opinion**

**Ref: Declaration pursuant to Regulation 33 (3) (d) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended.**

In terms of the Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, we hereby declare that M/s. S Dedhia & Co. Statutory, Auditors of the Company have submitted Audit Reports for annual audited financial results (standalone and consolidated) of the Company for the financial year ended March 31, 2021 with unmodified opinion(s).

Thanking you,

Yours Faithfully

For Tree House Education & Accessories Limited

Navin Kumar  
Chief Financial Officer





**Sandeep Dedhia**  
B. Com. F.C.A.

**S. Dedhia & Co.**  
Chartered Accountants

Office No. 304, Sai Arcade, Above Union Bank of India, N. S. Road, Mulund (West), Mumbai - 400 080.

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Email : casandeepdedhia@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO  
THE BOARD OF DIRECTORS  
TREE HOUSE EDUCATION & ACCESSORIES LIMITED

Report on the Consolidated Indian AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of TREE HOUSE EDUCATION & ACCESSORIES LIMITED (hereinafter referred to as "the Holding Company") and its jointly controlled entities which are companies incorporated in India; comprising of the consolidated Balance Sheet as at March 31, 2021, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated AS Financial Statements

The Holding Company's Board of Directors are responsible for the preparation of these consolidated Ind AS 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 consolidated cash flows and changes in equity of the Holding Company and its jointly controlled entities which are companies incorporated in India in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS





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financial statements. The respective Board of Directors of the jointly controlled entities which are companies incorporated in India are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Holding Company and its jointly controlled entities which are companies incorporated in India 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

#### Auditor's Responsibility

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

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.





**Sandeep Dedhia**  
B. Com. F.C.A.

*S. Dedhia & Co.*  
Chartered Accountants

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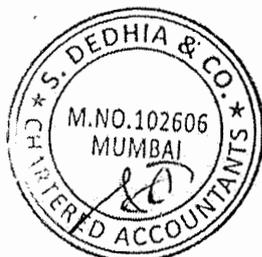
Email : casandeepdedhia@gmail.com

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 Ind AS 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 accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us referred to in paragraphs below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

#### Basis of Forming an Opinion

1. We draw your attention to the Consolidated Ind AS Financial Statements with regard to Fixed Assets. The Holding Company has informed us that it has identified Furniture & Fixtures and Leasehold Improvements into those lying at closed centres, converted franchise centres and own centres in a phased manner. During the year 2020-21, the COVID-19 Pandemic has forced non-opening of pre-schools and hence all such assets held by the Company at those centres are reclassified as "Assets for Write Off/Sale".
2. We draw attention to the Consolidated Ind AS Financial Statements with regards to Trade Receivables. In our opinion the deliverables and receipts are outstanding for a longer period of time. The Holding Company has provided for bad and doubtful debts of Rs. 439.44 lakhs. The Company has also written off debts of Rs. 53.84 lakhs as bad.





**Sandeep Dedhia**  
B. Com. F.C.A.

*S. Dedhia & Co.*  
Chartered Accountants

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3. We did not audit the financial statements of one Associate Company included in the consolidated financial results, whose financial statements reflect total assets of Rs. 33442.99 lakhs as at March 31, 2021, total revenues of Rs. 563.61 lakhs, total net loss after tax of Rs. 4030.59 lakhs and total comprehensive loss of Rs. 4030.59 lakhs for the year ended on that date as considered in the consolidated financial results. These unaudited financial statements have been furnished to us by the management and our opinion of the consolidated financial results in so far as it relates to the amounts & disclosures included in respect of these Joint Ventures is solely based on these unaudited financial statements.
4. The Holding Company has defaulted in repayment of loans availed from financial institutions due to which these borrowings have been classified as short term borrowings. The management has informed us that the Holding Company has received notices from financial institutions under "SARFAESI Act". The amount classified as short term borrowings is at Rs. 3340.05 lakhs.
5. The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on physical verification of stocks as compared to book records.
6. Confirmation letters have been sent by the Holding Company to sundry creditors and debtors and parties to whom loans & advances, deposits have been granted for confirming the balances lying in their ledger accounts in books of the Company. The balances under these heads have been shown as per books of accounts and are subject to confirmation, reconciliation and adjustment, if any.





**Sandeep Dedhia**  
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7. Forensic Audit of the Holding Company for the period from F.Y. 2011-12 to 2017-18 is underway. The Holding Company is defending/pursuing legal cases on various forums against itself and its past directors.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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 Holding Company and its jointly controlled entities which are companies incorporated in India as at March 31, 2021 and their consolidated loss (including other comprehensive income), their consolidated cash flows and the consolidated changes in Equity for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:
- We have sought and obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements.
  - In our opinion, proper books of account as required by law maintained by the Holding Company and its jointly controlled entities which are companies incorporated in India including relevant records relating to the preparation of aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of other auditors.





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- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained by the Holding Company, and its jointly controlled entities which are companies incorporated in India including relevant records relating to the preparation of the consolidated Ind AS financial statements.
- d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its jointly controlled entities which are companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- f) With respect to 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 consolidated Ind AS financial statements disclose the impact if any of pending litigations as at March 31, 2021 on the consolidated financial position of the Holding Company and its jointly controlled entities which are incorporated in India. However Holding Company has pending litigations and suits filed against the company and its directors which may impact its financial position. The Holding Company has not disclosed the impact of such pending litigations.





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- ii. SEBI vide It's Order dated May 24, 2021 has restrained Mr. Rajesh Bhatia (Key Managerial Personnel) and Mrs. Geeta Rajesh Bhatia (relative of Key Managerial Personnel) from accessing the securities market and dealing in securities directly or indirectly in any manner whatsoever for a period of one year from the date of the said order and levied penalty as stated in the said order.
- iii. NSE vide It's notice dated August 20, 2020 and November 17, 2020 has levied fine of Rs. 5,36,900/- and Rs 3,65,800/- to the Holding Company for the quarters ended June 30, 2020 and September 30, 2020 respectively for non-compliance with SEBI-(LODR) Regulations, 2015 ("Listing Regulations"). The Holding Company has represented in the matter before NSE and the decision is awaited.
- iv. The Holding Company and its jointly controlled entities which are incorporated in India did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- v. There are no amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and its jointly controlled entities which are incorporated in India during the year ended March 31, 2021.

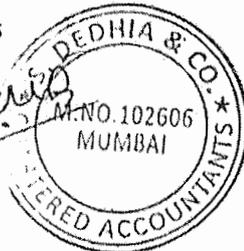
For S. Dedhia & Co,  
Chartered Accountants  
F.R.N. 117695W

*S. Dedhia*  
CA Sandeep Dedhia  
Proprietor

M. No. 102606

UDIN : 21102606AAAABF3428

Place: Mumbai  
Date: 25/06/2021.





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Annexure "A" to Independent Auditor's Report

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING 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 the Company as of and for the year ended March 31, 2021 we have audited internal financial controls over financial reporting of Tree House Education & Accessories Limited (hereinafter referred to as "the Holding Company") and its jointly controlled entities 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 jointly controlled entities all incorporated in India are 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. 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 Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company and its jointly controlled entities' internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over





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Financial Reporting (the "Guidance Notes") issued by the Institute of Chartered Accountants of India and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 and 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient and appropriate audit evidence to provide a basis for our audit opinion on the Holding Company and its jointly controlled entities' 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





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accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Holding Company;
- (2) provides 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 Holding Company and
- (3) provides reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Holding 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, projection 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.

#### Disclaimer of Opinion

According to information and explanation given to us by the Holding Company and its jointly controlled entities which are companies incorporated in India and based on the unaudited





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accounts of such companies, as referred to in the Other Matters paragraph, the company's internal financial control over financial reporting in the current financial year to cover the essential components of Internal controls stated in Guidance Note on Audit of Internal Financial controls over Financial Reporting issued by ICAI are not commensurate to the size of the Company.

The Internal Audit carried out by an independent firm on areas required to be covered as per the Guidance Note on Audit of Internal Financial Controls over Financial Reporting reports that the internal controls operating in the company are not commensurate to the size of the Company.

We have considered the disclaimer report above in determining the nature, timing and extent of audit tests applied in our audit of standalone financial statements of the company, and the disclaimer does not affect our opinion on the consolidated financial statements of the Holding Company and its jointly controlled entities.

#### OTHER MATTERS

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as relates to financial statements of two jointly controlled entities which are incorporated in India is based on the unaudited accounts of such companies incorporated in India. Our opinion is not qualified in respect to this matter.

For S. Dedhia & Co,  
Chartered Accountants  
F.R.N. 117695W

*S. Dedhia*  
CA Sandeep Dedhia  
Proprietor  
M. No. 102606  
UDIN : 21102606AAAABF3428



Place: Mumbai  
Date: 25/06/2021.



**Sandeep Dedhia**  
B. Com. F.C.A.

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Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

TO  
THE BOARD OF DIRECTORS  
TREE HOUSE EDUCATION & ACCESSORIES LIMITED

Report on the Standalone Indian AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of TREE HOUSE EDUCATION & ACCESSORIES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone AS Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act 2013 ("the Act") with respect to preparation of these standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. 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





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operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act and the Rules made thereunder including 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 of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 Ind AS 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 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 Ind AS 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 Ind AS financial statements.

#### Basis of Forming an Opinion

1. We draw your attention to the Standalone Ind AS Financial Statements, with regard to Fixed Assets. The Company has informed us that it has identified Furniture & Fixtures and Leasehold Improvements into those lying at closed centres, converted franchise centres and own centres in a phased manner. During the year 2020-21, the COVID-19 Pandemic has forced non-opening of pre-schools and hence all such assets held by the Company at those centres are reclassified as "Assets for Write Off/Sale".
2. We draw attention to the Standalone Ind AS Financial Statements with regards to Trade Receivables. In our opinion the deliverables and receipts are outstanding for a longer period of time. The Company has provided for bad and doubtful debts of Rs. 439.44 lakhs. The Company has also written off debts of Rs. 53.84 lakhs as bad.
3. The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on physical verification of stocks as compared to book records.
4. The Company has written off lease deposits of Rs. 60.37 lakhs given for centres as the same were irrecoverable. The management has booked impairment loss on K-12 school deposits of Rs. 828.11 lakhs based on Discounted Cash Flow method for the year ended 31st March, 2021.





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5. Confirmation letters have been sent by the Company to sundry creditors and debtors and parties to whom loans & advances, deposits have been granted for confirming the balances lying in their ledger accounts in books of the Company. The balances under these heads have been shown as per books of accounts and are subject to confirmation, reconciliation and adjustment, if any.
6. The Company has defaulted in repayment of loans availed from financial institutions due to which these borrowings have been classified as short term borrowings. The management has informed us that the Company has received notices from financial institutions under "SARFAESI Act". The amount classified as short term borrowings is at Rs. 3340.05 lakhs.
7. Forensic Audit of the Company for the period from F.Y. 2011-12 to 2017-18 is underway. The Company is defending/pursuing legal cases on various forums against itself and its past directors.
8. It is worthwhile to mention that Corporate Governance and legal compliances have always been the topmost priority of the Company and Company ensures that all available information about the impact of these events on the company and its operations is communicated in a timely and cogent manner to its investors and stakeholders.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 standalone state of affairs of the Company as at





March 31, 2021 and its loss (including other comprehensive income), its cash flows and the changes in Equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India, in terms of section 143(11) of the Act ("The Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 purpose 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 (including other comprehensive income) and the Cash Flow Statement and the Statement of Changes in Equity 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.





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- e) 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's financial controls over financial reporting.
- f) With respect to 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. There are pending litigations and suits filed against the company and its directors which may impact its financial position. The Company has not disclosed the impact of such pending litigations.
  - ii. SEBI vide its Order dated May 24, 2021 has restrained Mr. Rajesh Bhatia (Key Management Personnel) and Mrs. Geeta Rajesh Bhatia (relative of Key Management Personnel) from accessing the securities market and dealing in securities directly or indirectly in any manner whatsoever for a period of one year from the date of the said order and levied penalty as stated in the said order.
  - iii. NSE vide its notice dated August 20, 2020 and November 17, 2020 has levied fine of Rs. 5,36,900/- and Rs 3,65,800/- for the quarters ended June 30, 2020 and September 30, 2020 respectively for non-compliance with SEBI (LODR) Regulations, 2015 ("Listing Regulations"). The Company has represented in the matter before NSE and the decision is awaited.





**Sandeep Dedhia**  
B. Com. F.C.A.

**S. Dedhia & Co.**  
Chartered Accountants

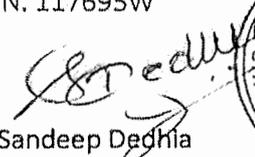
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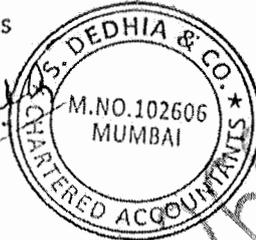
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- iv. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- v. There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

For S. Dedhia & Co,  
Chartered Accountants  
F.R.N. 117695W

  
CA Sandeep Dedhia  
Proprietor  
M. No. 102606  
UDIN : 21102606AAAABE2979



Date : 25/06/2021

Place : Mumbai

UDIN : 21102606AAAABE2979



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Annexure "A" to Independent Auditors' Report on the Standalone Financial Statements of  
"TREE HOUSE EDUCATION & ACCESSORIES LIMITED"

Referred to in paragraph 11(f) of the Independent Auditors Report of even date to the members of Tree House Education & Accessories Limited on the Standalone Ind AS financial statement for the year ended March 31, 2021.

We have audited the internal financial controls over financial reporting of "TREE HOUSE EDUCATION & ACCESSORIES LIMITED" ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.





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#### 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 on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Notes") issued by the Institute of Chartered Accountants of India and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 and 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

Because of the matter described in Disclaimer of opinion paragraph below, we were not able to obtain sufficient and appropriate audit evidence 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) pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provides 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) provides 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, projection 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.





**Sandeep Dedhia**  
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Disclaimer of Opinion

According to information and explanation given to us, and based on our audit the Company's internal financial control over financial reporting in the current financial year to cover the essential components of Internal controls stated in Guidance Note on Audit of Internal Financial controls over Financial Reporting issued by ICAI are not commensurate to the size of the Company.

The Internal Audit carried out by an independent firm on areas required to be covered as per the Guidance Note on Audit of Internal Financial Controls over Financial Reporting reports that the internal controls operating in the company are not commensurate to the size of the Company.

We have considered the disclaimer report above in determining the nature, timing and extent of audit tests applied in our audit of standalone financial statements of the company, and the disclaimer does not affect our opinion on the standalone financial statements of the company.

For S. Dedhia & Co.  
Chartered Accountants  
F.R.N. 117695W



*S. Dedhia*  
CA Sandeep Dedhia  
Proprietor  
M. No. 102606  
UDIN : 21102606AAAABE2979

Date : 25/06/2021

Place : Mumbai



Annexure "B" to Independent Auditors' Report on the Standalone Financial Statements of  
"TREE HOUSE EDUCATION & ACCESSORIES LIMITED"

Referred to in paragraph 1 under the heading "Report and Other Legal Regulatory Requirements" of Independent Auditors' Report of even date to the Members of Tree House Education & Accessories Limited on the Standalone Ind AS financial statements as of and for the year ended March 31, 2021.

- i. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The management has identified the fixed assets consisting of furniture & fixtures and leasehold improvements into those lying at closed centres, franchise centres and own centres.
- b) As explained to us by the management it is known that the company has carried out a phased programme of verification of fixed assets consisting of furniture & fixtures, leasehold improvements and teaching aids & equipments located at franchise centres and no material discrepancies were noticed on such verification. It is further explained by the management that the fixed assets consisting of furniture & fixtures and leasehold improvements lying at the centres closed during F.Y. 2015-16 & 2016-17 could not be physically verified as the company did not have access to those centres.
- c) During the year 2020-21, the Company has carried out physical verification of above fixed assets lying at Head Office, Centres at Bandra and Khar and those lying at godown. The COVID-19 Pandemic has forced non-opening of pre-schools and hence all such assets held by the Company at those centres are reclassified as "Assets for Write Off/Sale". The written down value of assets held as "Assets for Write Off/Sale" as on March 31, 2021 is Rs 69,38,73,714/-.





- d) The title deeds of immovable properties are held in the name of the Company are pledged with banks & financial institutions.
- ii. The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on physical verification of stocks as compared to book records.
- iii. The Company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties, during the year covered in the register maintained u/s 189 of the Act. Accordingly, the provisions of Clause 3(iii) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of the loans and investments made and guarantees and securities provided by it.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable.
- vi. Pursuant to the rules made by the Central Government of India the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not however made a detailed examination of the records with a view to determine whether they are accurate or complete.





- vii. As per records of the Company and according to the information and explanations given to us the Company is not regular in depositing in undisputed applicable statutory dues including Provident Fund, Income-tax, MVAT/CST, GST and any other statutory dues to the appropriate authorities though there has been a delay in few cases. As on 31st March, 2021 following are the amounts in arrears for a periods of more than six months from the date they became payable:

Sr No	Name of the Statute	Nature of Dues	Unpaid Liabilities > 6 months
1	Income Tax Act, 1961	TDS	2,61,05,363/-
2	Goods & Service Tax Act, 2017	GST	14,92,929/-
3	Maharashtra Vat Act, 2002	MVAT & CST	29,75,786/-
4	The Employees' Provident Funds And Miscellaneous Provisions Act, 1952	PF	25,11,240/-
5	Profession tax Act under respective states	Profession Tax	2,01,035/-
	<b>TOTAL</b>		<b>3,32,86,353/-</b>

- viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has defaulted in the repayment of loans or borrowings to financial institutions, banks or government during the year. The Company did not have any outstanding debentures at the balance sheet date.

- ix. According to the information and explanation given to us the Company has not raised moneys by way of initial public offer, further public offer including debt instruments during the year. In our opinion and according to the information and explanations given to us the company has applied the term loans for the purposes for which they were obtained.





- x. During the course of 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, noticed or reported during the year nor have we been informed of any such case by the Management.
- xi. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xii. In view of the losses, managerial remuneration has been paid in accordance with the provisions of Section 197 read with Schedule V of the Act.
- xiii. Based upon the audit procedures performed and the information and explanations given by the management no such transactions as specified in section 177 and 188 of the Act have been entered by the company during the year. Therefore the provisions of Clause 3(xiii) of the Order are not applicable to the Company.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The company has not entered into any non-cash transactions with its directors or persons connected with him as specified in section 192 of the Act. Accordingly the provisions of Clause 3(xv) of the Order are not applicable to the Company.





**Sandeep Dedhia**  
B. Com. F.C.A.

**S. Dedhia & Co.**  
Chartered Accountants

Office No. 304, Sai Arcade, Above Union Bank of India, N. S. Road, Mulund (West), Mumbai - 400 080.

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xvi. The Company is not required to be registered under Section 45-1A of the Reserve Bank of India Act, 1934. Accordingly the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For S. Dedhia & Co,  
Chartered Accountants  
F.R.N. 117695W



CA Sandeep Dedhia  
Proprietor  
M. No. 102606  
UDIN : 21102606AAAAABE2979

Date : 25/06/2021

Place : Mumbai

UDIN : 21102606AAAAABE2979