

**Date: November 7, 2024**

To,  
BSE Limited  
Corporate Relationship Department,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai-400 001

The National Stock Exchange of India Limited  
Exchange Plaza,  
Block G, C-1, Bandra-Kurla Complex,  
Bandra (East),  
Mumbai-400 051

**BSE Scrip Code: 533287**

**NSE Symbol: ZEELEARN**

**Sub: Outcome of Board Meeting held on November 7, 2024.**

Dear Sir/Ma'am,

In reference to our intimation dated November 4, 2024, and pursuant to Regulation 30 & 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, we wish to inform you that the Board of Directors of Zee Learn Limited at their Meeting held today (i.e. Thursday, November 7, 2024), has inter alia, transacted the following businesses:

1. Approved the Unaudited Financial Results (i.e. Standalone and Consolidated) of the Company for the quarter and half year ended on September 30, 2024, as recommended by the Audit Committee along with the Limited Review Report thereon issued by Ford Rhodes Parks & Co LLP, Statutory Auditors of the Company. Copy of Unaudited financial results on Standalone and Consolidated operations along with Limited review reports of the Auditor thereon are enclosed.
2. Approved investment of up to Rs. 5 Crores by subscribing to 1,00,000 Equity Shares of Rs. 10 each of Vidysea Education Private Limited (VEPL) at Issue price of Rs. 500 per Share resulting in post issue shareholding of 11.1% Equity stake in VEPL. Relevant details of proposed investment as per SEBI Circular is annexed hereto.

The Meeting of the Board of Directors of the Company commenced at 4:40 p.m. and concluded at 8:05 p.m.

We request you to kindly take the aforesaid information on your record.

Thanking you.  
Yours faithfully,

**For ZEE LEARN LIMITED**

**ANIL GUPTA**  
**COMPANY SECRETARY &**  
**COMPLIANCE OFFICER**

Encl: as above

### Annexure-A

Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,.

Additional disclosures as required under the LODR Regulations and SEBI Circular no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13 July 2023 with respect to the Shareholders Agreement:

Sr. no	Particulars	Details
1	Name of the target entity, details in brief such as size, turnover etc.	Vidysea Education Private Limited (VEPL) is Company incorporated on September 19, 2024, engaged in providing services and products related to educational trainings, consultations, for admission in foreign universities, and visa services.
2	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length"	The transaction shall fall within related party transaction. This issue price is based on Fair value as recommended by Registered Valuer, Promoter/ promoter group/ group companies do not have any interest in the entity being acquired.
3	Industry to which the entity being acquired belongs	Education
4	Objects and impact of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	Investment of upto Rs. 5 Crores for acquiring upto 11.1% Equity Shares of VEPL, by subscribing to Issuance of equity shares on private placement basis. VEPL is engaged in same sector where company operates.
5	Brief details of any governmental or regulatory approvals required for the acquisition	None
6	Indicative time period for completion of the acquisition	Within 60 days from shareholder approval of VEPL.

7	Consideration – whether cash consideration or share swap or any other form and details of the same	Cash Consideration
8	Cost of acquisition and/or the price at which the shares are acquired	Investment of up to INR 5,00,00,000 (Five Crores) by subscribing upto 1,00,000 Equity Shares of Rs. 10 each of VEPL at issue price of Rs. 500 per share resulting in Company acquiring upto 11.1% Equity Stake.
9	Percentage of shareholding / control acquired and / or number of shares acquired	Upon acquisition the Company shall hold 11.1% of enhanced share capital.
10	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	Brief background: The Company is engaged in providing services and products related to educational trainings, consultations, for admission in foreign universities. Date of incorporate of VEPL: September 19, 2024, History of last 3 years turnover: NA, Country in which the acquired entity has presence: India.

# FORD RHODES PARKS & CO LLP

## CHARTERED ACCOUNTANTS

(Formerly Ford, Rhodes, Parks & Co.)

SAI COMMERCIAL BUILDING  
312/313, 3RD FLOOR,  
BKS DEVSHI MARG,  
GOVANDI (EAST),  
MUMBAI - 400 088.

TELEPHONE : (91) 22 35114719  
EMAIL : frp\_mumbai@hotmail.com

### Independent Auditor's Review Report

To  
The Board of Directors,  
Zee Learn Limited

**Re: Limited Review Report on unaudited standalone financial results for the quarter and half year ended 30 September 2024**

1. We have reviewed the accompanying Statement of unaudited standalone financial results of **Zee Learn Limited** (the "Company") for the quarter and half year ended 30 September 2024 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.


A Partnership Firm with Registration.No: BA61078 converted into a Limited Liability Partnership (LLP) namely

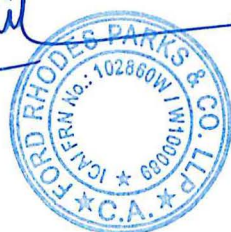
FORD RHODES PARKS & CO LLP w.e.f August 4, 2015 - LLP Identification No. AAE4990

Also at: **BENGALURU - CHENNAI - KOLKATA - HYDERABAD**



**4. Basis of qualified conclusion**

- a) As stated in Note 5 to the Statement, Yes Bank Limited (YBL) had invoked the Corporate Guarantee issued by the Company and its subsidiary i.e. Digital Ventures Private Limited (DVPL) upon non-repayment of credit facilities (during COVID-19 pandemic) availed by Four Trusts/entity, and called upon the Company and DVPL to make payment of an amount of Rs. 44,962.56 lakhs (including interest and other charges upto 31 July 2021). As further stated in the said note, the Company and DVPL had received notices from YBL regarding filing of petitions under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) to initiate Corporate Insolvency Resolution Process (CIRP) of the Company and DVPL (as corporate guarantors) before the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai. Also as stated in the said note, YBL vide its letters dated 30 December 2022 had informed the Company and DVPL that it had assigned and transferred the above credit facilities to J.C. Flowers Asset Reconstructions Private Limited (J.C. Flowers) and the amount outstanding therein as at 30 November 2022 was Rs. 52,254.63 lakhs (including interest and penal charges). As further explained in the said note, on 10 February 2023 the Hon'ble NCLT, Mumbai, admitted the application filed by YBL against the Company and ordered the commencement of the CIRP under the IBC. However, an appeal was filed before the Hon'ble National Company Law Appellate Tribunal ("NCLAT") by the Company and the Hon'ble NCLAT vide its order dated 16 February 2023 set aside the impugned order dated 10 February 2023 passed by the Hon'ble NCLT and disposed off the appeal in accordance with law. As further explained in the said note, subsequently J.C. Flowers filed Special Leave Petition (SLP) in the Hon'ble Supreme Court for setting aside of the final order dated 16 February 2023 passed by the Hon'ble NCLAT. On 29 March 2023, the Hon'ble Supreme Court allowed the SLP and stayed the further proceedings of the Hon'ble NCLT and the matter is currently pending for hearing before the Hon'ble Supreme Court. However, in respect of petition filed by J.C. Flowers under Section 7 of the IBC to initiate CIRP proceedings against DVPL, the same was dismissed as withdrawn by the Hon'ble NCLT. As further stated in the said note, on 7 August 2023, the Company, DVPL along with four trusts/entity entered into settlement agreement with J.C. Flowers to settle the above corporate guarantee obligation with respect to loans borrowed by the said four trusts/entity. As per the terms of the settlement agreement, Company, DVPL along with four trusts/entity had agreed to settle the above Corporate Guarantee obligation for Rs. 28,500 lakhs (to be paid jointly and severally by Company, DVPL along with four trusts/entity) pursuant to which the Corporate Guarantee obligation and other securities created by Company and DVPL will be released by J.C. Flowers on receipt of the said settlement amount. The said settlement agreement became effective during the quarter ended 31 March 2024 and accordingly, during the quarter ended 31 March 2024, the Company had provided Rs. 28,573.12 lakhs including interest (net of Rs. 400 lakhs paid by said trusts/entity) towards Corporate Guarantee obligation as per the said settlement agreement and the same was shown as recoverable from four trusts/entity as at 31 March 2024 under "other current financial assets". The timelines for payment of the said settlement amount had time to time been extended by J.C. Flowers alongwith payment of applicable interest till 30 May 2024 and the Company/DVPL along with four trusts/entity further requested J.C. Flowers for extension of time till 30 June 2024 and 15 August 2024 for which confirmation from J.C. Flowers was awaited. However, subsequent to the quarter ended 30 September 2024, the Company received letter dated 11 October 2024 from J.C. Flowers intimating termination of the said settlement agreement and further informing that all terms set out in the Financing document shall continue in full force and effect and amounts paid under settlement agreement shall be adjusted towards repayment of the outstanding credit facilities of four trusts/entity as if the settlement agreement had never been executed. Further, J.C. Flowers and Assets Care



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& Reconstruction Enterprise Limited (ACRE) vide their respective communications dated 31 October 2024 informed the Company that such outstanding credit facilities of four trusts/entity of Rs. 62,481.28 lakhs (as on 11 October 2024) have been assigned and transferred by J.C. Flowers to ACRE. In view of above, during the quarter/half year ended 30 September 2024, the Company has provided further liability of Rs 36,712.34 lakhs (in addition to liability already provided till 30 June 2024 of Rs 25,768.94 lakhs) and the corresponding amount is recoverable from four trusts/entity, and the total amount recoverable from four trusts/entity is Rs. 66,303.83 lakhs (including amount recoverable of Rs 29,591.49 lakhs as at 30 June 2024) as at 30 September 2024 and the same is shown under "other current financial assets". As explained in the said note, the Company along with DVPL will take necessary steps to find resolution to above outstanding credit facilities. The four trusts/entity are operating and running K-12 schools across the country. Therefore, the management believes that effective resolution can be worked out through settlement with ACRE and monetization of assets. In view of the above, the management is of the opinion that above amount of Rs. 66,303.83 lakhs is good and recoverable.

However, in terms of Ind AS 109 "Financial Instruments" the Company has not carried out assessment of impairment of the recoverable amount of Rs. 66,303.83 lakhs from four trusts/entity as at 30 September 2024. Further, in the absence of sufficient and appropriate evidence to corroborate the management's conclusion of recoverability of the above amount of Rs. 66,303.83 lakhs, we are unable to comment upon adjustments, if any, required on the Statement.

- b) As stated in the Note 6, during the financial year 2021-22, one of the subsidiaries viz. Digital Ventures Private Limited (DVPL) had defaulted in repayment of loans availed from two Lenders. In this regard, one of the Lenders vide its notice dated 14 February 2022 issued to the Company had invoked the Corporate Guarantee issued by the Company on behalf of DVPL, and called upon the Company to make payment of an amount of Rs. 9,162 lakhs outstanding as at 30 June 2021 with further interest w.e.f. 01 July 2021 as per the terms of the sanction letters. As further stated in the said note, during the financial year 2022-23, the Company had also received notice from the other Lender invoking the Corporate Guarantee issued by the Company on behalf of DVPL, and called upon the Company to make payment of an amount of Rs. 2,299.59 lakhs outstanding as at 30 June 2021. As further stated in the said note, during the previous year, the Company (as corporate guarantor) and DVPL (as corporate debtor) have received notices dated 21 December 2023 (received on 23 December 2023) and 28 November 2023 (received on 2 December 2023) respectively, regarding filing of petitions by one of its lenders i.e. Axis Bank Limited under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) to initiate Corporate Insolvency Resolution Process (CIRP) of the Company and DVPL before the Hon'ble National Company Law Tribunal (NCLT), Mumbai, which is pending for admission. Further, the petition filed in respect of DVPL is reserved for order by the Hon'ble NCLT, Mumbai, as per order dated 21 June 2024. As further stated in the said note, DVPL has been making repayment of its loan through an agreed mechanism as per discussion with the Lenders and also the CIRP matter of the Company and DVPL is pending for admission before Hon'ble NCLT. In view of above, the Company is of the opinion that no liability is required to be provided as at 30 September 2024.




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Despite invocation of the Corporate Guarantees and further initiation of CIRP proceedings against the Company and DVPL before the Hon'ble NCLT, the Company has not provided for liability against the above Corporate Guarantee obligation as at 30 September 2024 as required by the applicable Indian Accounting Standards (Ind AS). Further, in the absence of sufficient and appropriate evidence to corroborate management's conclusion on the non-recognition of the liability, we are unable to comment upon adjustments, if any, required on the Statement.

- c) As stated in Note 3 of the Statement, the Company has investments in its wholly owned subsidiary viz Digital Ventures Private Limited (DVPL) in the form of Equity shares, Convertible Debentures and Preference shares (including redemption premium) of Rs. 45,096.60 lakhs, loan and receivables of Rs. 11,377.05 lakhs aggregating to Rs. 56,473.65 lakhs as at 30 September 2024. As further stated in the said note, considering ongoing proceedings against DVPL w.r.t Corporate Insolvency Resolution Process (CIRP) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) before the Hon'ble National Company Law Tribunal (NCLT) Mumbai, the Company, out of abundant caution and prudent accounting practices, had provided Rs. 21,927.05 lakhs towards impairment of its loan and investments (including redemption premium) in DVPL till 31 March 2024 and Rs. 70 lakhs for the half year ended 30 September 2024. As stated in the said note, the Company considers the net outstanding amounts of Rs 34,476.60 lakhs, as at 30 September 2024 as good and recoverable.

DVPL had defaulted in repayment of its loans availed from two lenders and w.r.t. the said loans, the lenders had invoked the Corporate guarantees given by the Company on behalf of DVPL and further petitions have been filed by one of the lenders i.e. Axis Bank Limited against the Company and DVPL initiating CIRP under Section 7 of the IBC before the Hon'ble NCLT, Mumbai, which is pending for admission (Refer note 6 of the Statement). Accordingly, owing to above events and uncertainties, and further in the absence of sufficient and appropriate evidence to corroborate the management's assessment of impairment/recoverability of its net investments/receivables of Rs. 34,476.60 lakhs from DVPL as at 30 September 2024, we are unable to comment on the appropriateness of the net carrying value of its investments and recoverability of receivables from DVPL of Rs. 34,476.60 lakhs as at 30 September 2024 and its consequential impact on the Statement.

Our conclusion on the unaudited standalone financial results for the quarter and half year ended 30 September 2023, quarter ended 30 June 2024 was also modified in respect of the matters stated above, and our opinion on the audited standalone financial results for the year ended 31 March 2024 was also modified in respect of all the matters stated above.

### 5. **Qualified conclusion**

Based on our review conducted as above, except for the effects/possible effects of the matters described in paragraph 4 above, nothing has come to our attention that causes us to believe that the Statement prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard (Ind AS) and other recognised accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.


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

As stated in Note 7 of the Statement, the Company and one of the subsidiary company viz. Digital Ventures Private Limited (DVPL) had received notices from three lenders for invocation of corporate guarantees and two of the lenders had also initiated Corporate Insolvency Resolution Process (CIRP) against the Company (Corporate guarantor) and DVPL (Corporate guarantor/Corporate debtor) (Refer note 5 and 6 of the Statement). As further stated in the said note, the settlement agreement, which was entered during the previous year to settle the corporate guarantee obligation of the Company and DVPL, was terminated subsequent to the quarter and accordingly the amount payable to settle the said corporate guarantee obligation is now Rs. 62,481.28 lakhs. Also, the current liabilities of the Company exceeded its current assets as at 30 September 2024 resulting in negative working capital. These events indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, as further stated in the said note, the Company and DVPL will take necessary steps to find resolution on the said corporate guarantee obligation including monetization of assets. Further, the Company's business plan for current financial year, as approved by the Board of Directors, exhibits higher growth in revenues and profits thereby increasing operational cash flows, and accordingly the Statement has been prepared on a going concern basis.

Our conclusion on the Statement is not modified in respect of the above matter.

For **Ford Rhodes Parks & Co. LLP**

Chartered Accountants

Firm Registration Number: 102860W/W100089


**Nitin Jain**

Partner

Membership Number 215336

Mumbai, 7 November 2024

UDIN: 24215336BKHCI13433



**Zee Learn Limited**

CIN : L80301MH2010PLC198405

Regd Office :- Continental Bldg., 135, Dr. Annie Besant Road, Worli, Mumbai 400 018

Website: www.zeelearn.com ; email: investor\_relations@zeelearn.com ; Tel : 91-22-71541895

**Statement of Standalone Unaudited Financial Results for the quarter and half year ended 30 September 2024**

(₹ in lakhs except EPS data)

	Quarter ended			Half year ended		Year ended
	30 September 2024 (Unaudited)	30 June 2024 (Unaudited)	30 September 2023 (Unaudited)	30 September 2024 (Unaudited)	30 September 2023 (Unaudited)	31 March 2024 (Audited)
<b>1 Income</b>						
Revenue from operations	3,784.32	6,344.69	3,375.93	10,129.01	10,905.10	25,263.15
Other income	401.75	141.73	195.66	543.48	468.72	958.61
<b>Total income</b>	<b>4,186.07</b>	<b>6,486.42</b>	<b>3,571.59</b>	<b>10,672.49</b>	<b>11,373.82</b>	<b>26,221.76</b>
<b>2 Expenses</b>						
Purchase of stock-in-trade	674.32	1,506.67	583.76	2,180.99	2,709.49	6,465.63
Change in inventories of stock-in-trade	100.35	211.40	257.12	311.75	451.25	(104.57)
Operational cost	80.93	99.47	116.72	180.40	203.41	435.67
Employee benefits expense	1,106.77	1,240.17	806.98	2,346.94	1,765.33	3,726.67
Finance costs	532.04	575.88	384.49	1,107.92	1,059.57	2,324.76
Depreciation and amortisation expense	55.46	60.53	95.75	115.99	191.33	401.26
Selling and marketing expenses	540.97	498.84	526.72	1,039.81	1,862.11	2,901.52
Other expenses	1,005.22	720.21	902.42	1,725.43	1,700.72	3,152.20
<b>Total expenses</b>	<b>4,096.06</b>	<b>4,913.17</b>	<b>3,673.96</b>	<b>9,009.23</b>	<b>9,943.21</b>	<b>19,303.14</b>
<b>3 Profit/(loss) before tax (1 - 2)</b>	<b>90.01</b>	<b>1,573.25</b>	<b>(102.37)</b>	<b>1,663.26</b>	<b>1,430.61</b>	<b>6,918.62</b>
<b>4 Tax expense</b>						
Current tax	24.08	492.68	18.82	516.76	545.14	1,985.94
Deferred tax	(14.51)	(44.18)	29.76	(58.69)	(78.22)	(67.92)
<b>Total tax expense</b>	<b>9.57</b>	<b>448.50</b>	<b>48.58</b>	<b>458.07</b>	<b>466.92</b>	<b>1,918.02</b>
<b>5 Net Profit/(loss) after tax (3-4)</b>	<b>80.44</b>	<b>1,124.75</b>	<b>(150.95)</b>	<b>1,205.19</b>	<b>963.69</b>	<b>5,000.60</b>
<b>6 Other comprehensive income (including tax effect)</b>						
(i) Items that will not be reclassified to statements of profit and loss	(72.55)	36.59	(17.09)	(35.96)	12.97	31.43
(ii) Items that will be reclassified to statements of profit and loss	-	-	-	-	-	-
<b>Other comprehensive income/(loss) (i+ii)</b>	<b>(72.55)</b>	<b>36.59</b>	<b>(17.09)</b>	<b>(35.96)</b>	<b>12.97</b>	<b>31.43</b>
<b>7 Total comprehensive income/(loss) (5+6)</b>	<b>7.89</b>	<b>1,161.34</b>	<b>(168.04)</b>	<b>1,169.23</b>	<b>976.66</b>	<b>5,032.03</b>
<b>8 Paid up equity share capital (face value ₹ 1 per share)</b>	<b>3,268.90</b>	<b>3,260.93</b>	<b>3,260.93</b>	<b>3,268.90</b>	<b>3,260.93</b>	<b>3,260.93</b>
<b>9 Other equity</b>						<b>7,532.54</b>
Earnings per share (Not annualised for the interim period):						
- Basic (₹)	0.02	0.34	(0.05)	0.36	0.30	1.53
- Diluted (₹)	0.02	0.34	(0.05)	0.36	0.30	1.53



**Zee Learn Limited**

CIN : L80301MH2010PLC198405

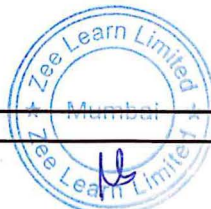
Regd Office :- Continental Bldg., 135, Dr. Annie Besant Road, Worli, Mumbai 400 018

Website: www.zeelearn.com ; email: investor\_relations@zeelearn.com ; Tel : 91-22-71541895

**Standalone Audited Statement of Assets and Liabilities as at 30 September 2024**

(₹ in lakhs)

	As at 30 September 2024 (Unaudited)	As at 31 March 2024 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	314.37	305.29
Right-of-use assets	479.56	483.48
Investment property	5.85	5.85
Intangible assets	145.17	28.20
Intangible assets under development	27.90	19.71
<b>Financial assets</b>		
Investments	34,031.80	34,115.41
Loans	1,102.51	1,020.77
Other financial assets	86.46	44.95
Deferred tax assets (net)	889.30	818.53
Income tax assets (net)	13.84	13.84
Other non-current assets	253.82	100.99
<b>Total non-current assets</b>	<b>37,350.58</b>	<b>36,957.02</b>
<b>Current assets</b>		
Inventories	2,413.02	2,724.76
<b>Financial assets</b>		
Trade receivables	1,731.23	1,937.84
Cash and cash equivalents	80.83	1,676.84
Bank balances other than cash and cash equivalents	371.77	374.01
Other financial assets (Refer note 5)	66,335.26	28,625.49
Other current assets	449.03	479.86
<b>Total current assets</b>	<b>71,381.14</b>	<b>35,818.80</b>
<b>TOTAL ASSETS</b>	<b>1,08,731.72</b>	<b>72,775.82</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	3,268.90	3,260.93
Other equity	8,738.77	7,532.54
<b>Total equity</b>	<b>12,007.67</b>	<b>10,793.47</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	11,651.54	10,964.39
Lease liabilities	424.59	423.25
Other financial liabilities	761.96	758.08
Provisions	302.39	216.98
Other liabilities	4,100.66	4,433.82
<b>Total non-current liabilities</b>	<b>17,241.14</b>	<b>16,796.52</b>
<b>Current Liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	8,538.36	8,397.32
Lease liabilities	65.92	72.40
Trade payables		
outstanding dues of micro and small enterprises	799.07	1,028.98
outstanding dues of creditors other than micro and small enterprises	274.09	259.36
Other financial liabilities (Refer note 5)	65,042.61	28,628.89
Other current liabilities	4,436.75	6,363.44
Provisions	66.17	49.82
Current tax liabilities (net)	259.94	385.62
<b>Total current liabilities</b>	<b>79,482.91</b>	<b>45,185.83</b>
<b>Total liabilities</b>	<b>96,724.05</b>	<b>61,982.35</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,08,731.72</b>	<b>72,775.82</b>







Zee Learn Limited

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**Standalone Statement of Cash Flows for the half year ended 30 September 2024**

(₹ In Lakhs)

	30 September 2024 (Unaudited)	30 September 2023 (Unaudited)
<b>A. Cash flow from operating activities</b>		
Net profit / (loss) before tax	1,663.26	1,430.61
<b>Adjustments for :</b>		
Depreciation and amortisation expense	115.99	191.33
Liabilities no longer required / excess provision written back	(262.91)	(203.16)
Share based payment expense (net)	12.99	6.68
Fair value loss on financial instrument at fair value through profit or loss	84.76	271.53
Finance costs	1,107.92	1,059.57
Allowances for credit losses	316.05	283.54
Unwinding of discount on security deposits / Financial guarantee obligation	(113.29)	(132.40)
Interest income	(97.28)	(63.17)
<b>Operating profit before working capital changes</b>	<b>2,827.49</b>	<b>2,844.53</b>
<b>Changes in working capital :</b>		
(Increase) / Decrease in inventories	311.75	451.25
(Increase) / Decrease in trade and other receivables	144.71	49.33
Increase / (Decrease) in trade and other payables	(2,237.53)	(2,272.94)
<b>Cash generated from operations</b>	<b>1,046.42</b>	<b>1,072.17</b>
Income tax paid (net)	(642.44)	(783.39)
<b>Net cash flow from operating activities (A)</b>	<b>403.98</b>	<b>288.78</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment / intangible assets / intangible assets under development	(339.62)	(82.96)
Decrease/(Increase) in other bank balances	2.24	(2.11)
Loans given to others	(37.41)	-
Loans repaid by others	20.00	-
Interest received	14.21	13.78
<b>Net cash flow used in investing activities (B)</b>	<b>(340.58)</b>	<b>(71.29)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares (including securities premium)	31.08	-
Share application money received pending allotment	0.91	-
Proceeds from current borrowings	-	189.63
Repayment of current borrowings	-	(75.00)
Payment towards corporate guarantee settlement (Refer note 5)	(1,500.00)	(1,600.00)
Payment of lease liabilities (including interest)	(73.67)	(135.47)
Interest paid	(117.73)	(146.82)
<b>Net cash flow used in financing activities (C)</b>	<b>(1,659.41)</b>	<b>(1,767.66)</b>
Net cash flow during the period (A+B+C)	(1,596.01)	(1,550.17)
Cash and cash equivalents at the beginning of the period	1,676.84	1,770.00
<b>Net cash and cash equivalents at the end of the period</b>	<b>80.83</b>	<b>219.83</b>
Add : Balances earmarked	371.77	372.82
<b>Cash and bank balances at the end of the period</b>	<b>452.60</b>	<b>592.65</b>

**Notes:**

<b>1. Component of cash and bank balances is as follows</b>	30 September 2024	30 September 2023
Cash and cash equivalents	80.83	219.83
Bank Balances other than cash and cash equivalents	371.77	372.82
<b>Total</b>	<b>452.60</b>	<b>592.65</b>





## Notes to the Statement of Standalone Unaudited financial results for the quarter and half year ended 30 September 2024:

- The above Unaudited Standalone Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 7 November 2024.
- The above Unaudited Standalone Financial Results have been prepared in accordance with the applicable Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India.
- The Company has investments in its wholly owned subsidiary viz Digital Ventures Private Limited (DVPL) in the form of Equity shares, Convertible Debentures and Preference Shares (including redemption premium) of Rs. 45,096.60 lakhs, loan and receivables of Rs. 11,377.05 lakhs aggregating to Rs. 56,473.65 lakhs as at 30 September 2024. Considering ongoing proceedings against DVPL w.r.t Corporate Insolvency Resolution Process (CIRP) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) before the Hon'ble National Company Law Tribunal (NCLT) Mumbai (Refer Note 5 & 6 below), the Company, out of abundant caution and prudent accounting practices, had provided Rs. 21,927.05 lakhs towards impairment of its loan and investments (including redemption premium) till 31 March 2024 and Rs. 70 lakhs for half year ended 30 September 2024, the management considers the net outstanding amounts of Rs 34,476.60 lakhs as at 30 September 2024 as good and recoverable .
- During the financial year 2022-23, the Hon'ble National Company Law Tribunal (NCLT) Mumbai, had admitted the application filed by an Operational Creditor and ordered the commencement of Corporate Insolvency Resolution Process (CIRP) of Company's subsidiary viz. MT Educare Limited (MTEL) under Section 9 of the Insolvency and Bankruptcy Code, 2016 (IBC). The Hon'ble NCLT also appointed an Interim Resolution Professional (IRP) for the Corporate Debtor. An appeal was filed before the Hon'ble National Company Law Appellate Tribunal ("NCLAT") and the Hon'ble NCLAT vide its order dated 6 January 2023 had stayed the constitution of Committee of Creditors ("CoC"). There was continuation of stay on constitution of CoC by the Hon'ble NCLAT from time to time till 2 June 2023 and final hearing was concluded on 2 June 2023 and the matter was reserved to order. Finally, the Hon'ble NCLAT order was pronounced on 18 August 2023 whereby Appeal filed by Director Mr. Vipin Choudhry was dismissed. The said order dated 18 August 2023 was served upon IRP on 21 August 2023 and IRP immediately constituted CoC. CoC at its meeting held on 29 December 2023, in terms of Section 22(2) of the IBC, resolved with the requisite voting share, to replace the IRP with Mr. Arihant Nenawati as Resolution Professional (RP) which was confirmed by the Hon'ble NCLT in its order dated 22 January 2024. Further, during the quarter ended 31 March 2024, the RP received intimation of interest from nine Resolution Applicants and finally Resolution Plans were received from two of the Applicants and negotiations took place between CoC members and the applicants on 06 May 2024. Until 31 December 2023, the Management's intent was to revive MTEL by exercising the options available under the IBC but considering appointment of CoC/RP and receipt of resolution plans from two applicants, the management decided not to exercise options available under the IBC to revive MTEL and the Board of Directors of the Company in its meeting held on 28 May 2024 passed necessary resolution in this regard. In view of above, the Company can no longer exercise any right to control the activities of MTEL and accordingly MTEL ceased to be a subsidiary w.e.f. 01 January 2024.
- Yes Bank Limited (YBL) vide its notices dated 2 August 2021 and 9 August 2021 addressed to the Company and its subsidiary, viz Digital Ventures Private Limited (DVPL) respectively, had invoked their respective Corporate Guarantee upon non-repayment of credit facilities (during COVID-19 pandemic) availed by four trusts/entity, and called upon the Company and DVPL to make payment of an amount of Rs. 44,962.56 lakhs (including interest and other charges upto 31 July 2021). Also, the Company and DVPL received notices dated 22 April 2022 and 01 December 2022 respectively, regarding filing of petitions by YBL under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) to initiate Corporate Insolvency Resolution Process (CIRP) of the Company and DVPL (as corporate guarantors) before the Hon'ble National Company Law Tribunal (NCLT), Mumbai. Further, YBL vide its letters dated 30 December 2022 informed the Company and DVPL that it had assigned and transferred the above credit facilities to J.C. Flowers Asset Reconstructions Private Limited (J.C. Flowers) and the amount outstanding therein as at 30 November 2022 was Rs. 52,254.63 lakhs (including interest and penal charges). Thereafter on 10 February 2023, the Hon'ble NCLT, Mumbai admitted the application filed by YBL against the Company and ordered the commencement of CIRP under the IBC. However, an appeal was filed before the Hon'ble National Company Law Appellate Tribunal ("NCLAT") by the Company and Hon'ble NCLAT vide its order dated 16 February 2023 set aside the impugned order dated 10 February 2023 passed by the Hon'ble NCLT and disposed off the appeal in accordance with law. Subsequently, J.C. Flowers filed Special Leave Petition (SLP) in the Hon'ble Supreme Court for setting aside of the final order dated 16 February 2023 passed by the Hon'ble NCLAT. On 29 March 2023, the Hon'ble Supreme Court allowed the SLP and stayed the further proceedings of the Hon'ble NCLT. The matter is currently pending for hearing before the Hon'ble Supreme Court. However, in respect of petition filed by J.C. Flowers under Section 7 of the IBC to initiate CIRP proceedings against DVPL, the same was dismissed as withdrawn by the Hon'ble NCLT. Further, on August 7, 2023, the Company, DVPL along with four trusts/entity entered into settlement agreement with J.C. Flowers to settle the above Corporate Guarantee obligations with respect to loans borrowed by the said four trusts/entity. As per the terms of the settlement agreement, Company, DVPL along with four trusts/entity agreed to settle the above obligation for Rs. 28,500 lakhs (to be paid jointly and severally by Company, DVPL along with four trusts/entity) pursuant to which Corporate Guarantee obligations and other securities created by Company and DVPL will be released by J.C. Flowers on receipt of the said settlement amount. The said settlement agreement became effective during the quarter ended 31 March 2024 and accordingly, during the quarter ended 31 March 2024, the Company had provided Rs. 28,573.12 lakhs including interest (net of Rs. 400 lakhs paid by said trusts/entity) towards Corporate Guarantee obligation as per the said settlement agreement and the same was shown as recoverable from four trusts/entity as at 31 March 2024 under "other current financial assets". The timelines for payment of the said settlement amount had time to time been extended by J.C. Flowers along with payment of applicable interest till 30 May 2024 and the Company/DVPL alongwith four trusts/entity further requested J.C. Flowers for extension of time till 30 June 2024 and 15 August 2024 for which confirmation from J.C. Flowers was awaited. However, subsequent to the quarter ended 30 September 2024, the Company received letter dated 11 October 2024 from J.C. Flowers intimating termination of the said settlement agreement and further informing that all terms set out in the Financing document shall continue in full force and effect and amounts paid under settlement agreement shall be adjusted towards repayment of the outstanding credit facilities of four trusts/entity as if the settlement agreement had never been executed. Thereafter, J.C. Flowers and Assets Care & Reconstruction Enterprise Limited (ACRE) vide their respective communications dated 31 October 2024 informed the Company that such outstanding credit facilities of four trusts/entity of Rs. 62,481.28 lakhs (as on 11 October 2024) have been assigned and transferred by J.C. Flowers to ACRE. In view of above, during the quarter/half year ended 30 September 2024, the Company has provided further liability of Rs 36,712.34 lakhs (in addition to liability already provided till 30 June 2024 of Rs 25,768.94 lakhs) and the corresponding amount is recoverable from four trusts/entity and the total amount recoverable from four trusts/entity is Rs. 66,303.83 lakhs (including amount recoverable of Rs 29,591.49 lakhs as at 30 June 2024) as at 30 September 2024 and the same is shown under "other current financial assets". The Company along with DVPL will take necessary steps to find resolution to above outstanding credit facilities. The four trusts/entity are operating and running K-12 schools across the country. Therefore, the management believes that effective resolution can be worked out through settlement with ACRE and monetization of assets. In view of the above, management is of the opinion that above amount of Rs. 66,303.83 lakhs is good and recoverable.
- During the financial year 2021-22, one of the subsidiary company viz Digital Ventures Private Limited (DVPL) had defaulted in repayment of loans taken from two Lenders. In this regard, one of the Lenders vide its notice dated 14 February 2022 issued to the Company had invoked the Corporate Guarantee issued by the Company on behalf of DVPL and called upon the Company to make payment of an amount of Rs. 9,162.00 lakhs outstanding as at 30 June 2021 with further interest w.e.f. 01 July 2021 as per the terms of sanction letters. Further, during the financial year 2022-23, the Company had also received notice from the other lender invoking Corporate Guarantee issued by the Company on behalf of DVPL and called upon the Company to make payment of an amount of Rs. 2,299.59 lakhs outstanding as at 30 June 2021. Further, during the previous year, the Company (Corporate Guarantor) and DVPL (Corporate Debtor) had received notices dated 21 December 2023 (received on 23 December 2023) and 28 November 2023 (received on 2 December 2023) respectively from Axis Bank Limited, regarding filing of petitions under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) to initiate Corporate Insolvency Resolution Process (CIRP) of the Company and DVPL before the Hon'ble National Company Law Tribunal (NCLT), Mumbai, which is pending for admission. Further, the petition filed in respect of DVPL is reserved for order by Hon'ble NCLT, Mumbai, as per order dated 21 June 2024. Since DVPL has been repaying its loan through an agreed mechanism as per discussion with the lenders and further the CIRP matter of the Company and DVPL is pending for admission before the Hon'ble NCLT, the Company is of the opinion that no liability is required to be provided as at 30 September 2024.
- The Company and one of the subsidiary company viz. Digital Ventures Private Limited (DVPL) had received notices from three lenders for invocation of corporate guarantees and two of the lenders had also initiated Corporate Insolvency Resolution Process (CIRP) against the Company (Corporate guarantor) and DVPL (Corporate guarantor/Corporate debtor) (Refer note 5 and 6 above). Further, the settlement agreement which was entered during the previous year to settle the corporate guarantee obligation of the Company and DVPL, was terminated subsequent to the quarter and accordingly the amount payable to the settle the said corporate guarantee obligation is now Rs. 62,481.28 lakhs (Refer note 5 above). Also, the current liabilities of the Company exceeded its current assets as at 30 September 2024 resulting in negative working capital. The Company and DVPL will take necessary steps to find resolution on the said corporate guarantee obligation including monetization of assets (Refer note 5 above). Further, the Company's business plan for current financial year, as approved by the Board of Directors, exhibits higher growth in revenues and profits thereby increasing operational cash flows, and accordingly these unaudited standalone financial results have been prepared on a going concern basis.
- The Company had taken term loan of Rs. 3,500.00 lakhs and overdraft facility of Rs. 1,900.00 lakhs vide credit facility sanction letter dated 18 July 2017 (together referred as credit facilities) from Abu Dhabi Commercial Bank (ADCB). Further, ADCB assigned the said credit facilities to DCB Bank Limited (DCB) as per the Deed of Assignment and Subrogation Agreement both dated 31 March 2020 with same terms and conditions as per the original sanction letter. Furthermore, during earlier years, the Company had defaulted in repayment of the said credit facilities including interest to DCB. However, DCB had issued No Dues Certificate to the Company and also satisfied the charges on the said outstanding credit facilities. In view of above, the said credit facilities were classified as unsecured as at 31 March 2023 and the Company had provided interest (including penal interest) on outstanding term loan and overdraft facility till 31 March 2023. During the previous year, the Company had taken an expert opinion on the above matter and considering the same the Company was of the view that no interest provision on the said credit facilities is required to be made till the time the Company can ascertain any liability arising out of the said Deed of Assignment and Subrogation Agreement. In view of above, the Company has not provided any interest on the said credit facilities w.e.f. 01 April 2023 till 30 September 2024 and continued to show the outstanding amounts in respect of said credit facilities as at 30 September 2024 as unsecured current borrowings.
- During the quarter ended 30 September 2024, the Company issued and allotted 796,796 Equity shares of Rs. 1/- each fully paid up pursuant to exercise of stock options under the Employee Stock Option Scheme (ZLL ESOP 2010-Amended 2015)



*Anish Shah*

Anish Shah  
Chief Financial Officer

For and on behalf of the Board of Directors

*Manish Rastogi*

Manish Rastogi  
CEO & Whole-time Director

DIN: 10056027

Mumbai, 7 November 2024



# FORD RHODES PARKS & CO LLP

## CHARTERED ACCOUNTANTS

(Formerly Ford, Rhodes, Parks & Co.)

SAI COMMERCIAL BUILDING  
312/313, 3RD FLOOR,  
BKS DEVSHI MARG,  
GOVANDI (EAST),  
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### Independent Auditor's Review Report

To,  
The Board of Directors,  
Zee Learn Limited

**Re: Limited Review Report on the unaudited consolidated financial results for the quarter and half year ended 30 September 2024**

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of **Zee Learn Limited** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter and half year ended 30 September 2024 ("the Statement") being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of Companies Act, 2013 read with rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

A Partnership Firm with Registration.No: BA61078 converted into a Limited Liability Partnership (LLP) namely  
FORD RHODES PARKS & CO LLP w.e.f August 4, 2015 - LLP Identification No. AAE4990  
Also at: **BENGALURU - CHENNAI - KOLKATA - HYDERABAD**



4. The Statement includes the financial results of the following entities:

**Holding Company – Zee Learn Limited**

**Direct Subsidiaries** (Also refer note 6 of the Statement)

- i. Liberium Global Resources Private Limited
- ii. Digital Ventures Private Limited
- iii. Academia Edificio Private Limited

5. **Basis of qualified conclusion**

As stated in Note 7 to the Statement, Yes Bank Limited (YBL) had invoked the Corporate Guarantee issued by the Holding Company and its subsidiary i.e. Digital Ventures Private Limited (DVPL) upon non-repayment of credit facilities (during COVID-19 pandemic) availed by Four Trusts/entity, and called upon the Holding Company and DVPL to make payment of an amount of Rs. 44,962.56 lakhs (including interest and other charges upto 31 July 2021). As further stated in the said note, the Holding Company and DVPL had received notices from YBL regarding filing of petitions under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) to initiate Corporate Insolvency Resolution Process (CIRP) of the Holding Company and DVPL (as corporate guarantors) before the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai. Also as stated in the said note, YBL vide its letters dated 30 December 2022 had informed the Holding Company and DVPL that it had assigned and transferred the above credit facilities to J.C. Flowers Asset Reconstructions Private Limited (J.C. Flowers) and the amount outstanding therein as at 30 November 2022 was Rs. 52,254.63 lakhs (including interest and penal charges). As further explained in the said note, on 10 February 2023 the Hon'ble NCLT, Mumbai, admitted the application filed by YBL against the Holding Company and ordered the commencement of the CIRP under the IBC. However, an appeal was filed before the Hon'ble National Company Law Appellate Tribunal ("NCLAT") by the Holding Company and the Hon'ble NCLAT vide its order dated 16 February 2023 set aside the impugned order dated 10 February 2023 passed by the Hon'ble NCLT and disposed off the appeal in accordance with law. As further explained in the said note, subsequently J.C. Flowers filed Special Leave Petition (SLP) in the Hon'ble Supreme Court for setting aside of the final order dated 16 February 2023 passed by the Hon'ble NCLAT. On 29 March 2023, the Hon'ble Supreme Court allowed the SLP and stayed the further proceedings of the Hon'ble NCLT and the matter is currently pending for hearing before the Hon'ble Supreme Court. However, in respect of petition filed by J.C. Flowers under Section 7 of the IBC to initiate CIRP proceedings against DVPL, the same was dismissed as withdrawn by the Hon'ble NCLT. As further stated in the said note, on 7 August 2023, the Holding Company, DVPL along with four trusts/entity entered into settlement agreement with J.C. Flowers to settle the above corporate guarantee obligation with respect to loans borrowed by the said four trusts/entity. As per the terms of the settlement agreement, Holding Company, DVPL along with four trusts/entity had agreed to settle the above Corporate Guarantee obligation for Rs. 28,500 lakhs (to be paid jointly and severally by Holding Company, DVPL along with four trusts/entity) pursuant to which the Corporate Guarantee obligation and other securities created by Holding Company and DVPL will be released by J.C. Flowers on receipt of the said settlement amount. The said settlement agreement became effective during the quarter ended 31 March 2024 and accordingly, during the quarter ended 31 March 2024, the Holding Company had provided Rs. 28,573.12 lakhs including interest (net of Rs. 400 lakhs paid by said trusts/entity) towards Corporate Guarantee obligation as per the said settlement agreement and the same was shown as recoverable from four trusts/entity as at 31 March 2024 under "other current financial




assets". The timelines for payment of the said settlement amount had time to time been extended by J.C. Flowers alongwith payment of applicable interest till 30 May 2024 and the Holding Company/DVPL along with four trusts/entity further requested J.C. Flowers for extension of time till 30 June 2024 and 15 August 2024 for which confirmation from J.C. Flowers was awaited. However, subsequent to the quarter ended 30 September 2024, the Holding Company received letter dated 11 October 2024 from J.C. Flowers intimating termination of the said settlement agreement and further informing that all terms set out in the Financing document shall continue in full force and effect and amounts paid under settlement agreement shall be adjusted towards repayment of the outstanding credit facilities of four trusts/entity as if the settlement agreement had never been executed. Further, J.C. Flowers and Assets Care & Reconstruction Enterprise Limited (ACRE) vide their respective communications dated 31 October 2024 informed the Holding Company that such outstanding credit facilities of four trusts/entity of Rs. 62,481.28 lakhs (as on 11 October 2024) have been assigned and transferred by J.C. Flowers to ACRE. In view of above, during the quarter/half year ended 30 September 2024, the Holding Company has provided further liability of Rs 36,712.34 lakhs (in addition to liability already provided till 30 June 2024 of Rs 25,768.94 lakhs) and the corresponding amount is recoverable from four trusts/entity and the total amount recoverable from four trusts/entity is Rs. 66,303.83 lakhs (including amount recoverable of Rs 29,591.49 lakhs as at 30 June 2024) as at 30 September 2024 and the same is shown under "other current financial assets". As explained in the said note, the Holding Company along with DVPL will take necessary steps to find resolution to above outstanding credit facilities. The four trusts/entity are operating and running K-12 schools across the country. Therefore, the management believes that effective resolution can be worked out through settlement with ACRE and monetization of assets. In view of the above, the management is of the opinion that above amount of Rs. 66,303.83 lakhs is good and recoverable.

However, in terms of Ind AS 109 "Financial Instruments" the Holding Company has not carried out assessment of impairment of the recoverable amount of Rs. 66,303.83 lakhs from four trusts/entity as at 30 September 2024. Further, in the absence of sufficient and appropriate evidence to corroborate the management's conclusion of recoverability of the above amount of Rs. 66,303.83 lakhs, we are unable to comment upon adjustments, if any, required on the Statement.

**6. Qualified conclusion**

Based on our review conducted as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in Paragraph 8 below, except for the effects / possible effects of the matters described in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**7. Material uncertainty relating to Going Concern**

As stated in Note 10 to the Statement, the Holding Company and one of the subsidiary company viz. Digital Ventures Private Limited (DVPL) had received notices from three lenders for invocation of corporate guarantees and two of the lenders had also initiated Corporate Insolvency Resolution Process (CIRP) against the Holding Company (Corporate guarantor) and DVPL (Corporate guarantor/Corporate debtor) (Refer note 7




## FORD RHODES PARKS & CO LLP

and 8 of the Statement). As further stated in the said note, the settlement agreement, which was entered during the previous year to settle the corporate guarantee obligation of the Holding Company and DVPL, was terminated subsequent to the quarter and accordingly the amount payable to settle the said corporate guarantee obligation is now Rs. 62,481.28 lakhs. Also, the current liabilities of the Group exceeded its current assets as at 30 September 2024 resulting in negative working capital. These events indicate the existence of material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. However, as further stated in the said note, the Holding Company and DVPL will take necessary steps to find resolution on the said corporate guarantee obligation including monetization of assets. Further, the Holding Company's business plan for current financial year, as approved by the Board of Directors, exhibits higher growth in revenues and profits thereby increasing operational cash flows, and accordingly the Statement has been prepared on a going concern basis.

Our conclusion on the Statement is not modified in respect of the above matter.

### 8. Other matters

- a) We did not review the interim financial results of two subsidiaries, whose interim financial results (before consolidation adjustments) reflect total assets of Rs. 70,411.39 lakhs as at 30 September 2024, total revenues of Rs. 2,359.13 lakhs and Rs. 4,352.58 lakhs, total net loss after tax and total comprehensive loss of Rs. 730.28 lakhs and Rs.1,659.31 lakhs for the quarter and half year ended 30 September 2024 respectively and net cash inflow of Rs. 134.81 lakhs for the half year ended 30 September 2024 as considered in the Statement. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these two subsidiaries is based solely on the reports of other auditors and the procedures performed by us as stated in Paragraph 3 above.
- b) The Statement includes interim financial result of one subsidiary, whose interim financial result reflect total assets of Rs. 0.53 lakhs as at 30 September 2024, net loss after tax and total comprehensive loss of Rs 0.57 lakhs and Rs. 1.14 lakhs for the quarter and half year ended 30 September 2024 respectively which have not been reviewed by us. The interim financial result of such subsidiary has been furnished to us by the management and our conclusion on the Statement in so far as related to the aforesaid subsidiary, is based solely on the management certified financial result.

Our conclusion on the Statement is not modified in respect of the above matters.

For Ford Rhodes Parks & Co. LLP

Chartered Accountants

Firm Registration Number: 102860W/W100089

  
Nitin Jain

Partner

Membership Number 215336



Mumbai, 07 November 2024

UDIN: 24215336BKHCIJ7579



**Zee Learn Limited**

CIN : L80301MH2010PLC198405

Regd Office :- Continental Bldg., 135, Dr. Annie Besant Road, Worli, Mumbai 400 018

Website: www.zeelearn.com ; email: investor\_relations@zeelearn.com ; Tel : 91-22-71541895

Statement of Unaudited Consolidated Financial Results for the quarter and half year ended 30 September 2024

(₹ in lakhs except EPS data)

	Quarter ended			Half year ended		Year ended
	30 September 2024 (Unaudited)	30 June 2024 (Unaudited)	30 September 2023 (Unaudited)	30 September 2024 (Unaudited)	30 September 2023 (Unaudited)	31 March 2024 (Audited)
<b>1 Income</b>						
Revenue from operations	5,819.26	8,032.82	6,643.86	13,852.08	17,206.50	35,626.65
Other income	633.60	376.87	923.04	1,010.47	1,989.47	2,193.26
<b>Total income</b>	<b>6,452.86</b>	<b>8,409.69</b>	<b>7,566.90</b>	<b>14,862.55</b>	<b>19,195.97</b>	<b>37,819.91</b>
<b>2 Expenses</b>						
Purchase of stock-in-trade	674.32	1,506.67	583.76	2,180.99	2,709.49	6,465.63
Change in inventories of stock-in-trade	100.36	211.39	257.12	311.75	451.25	(104.58)
Operational cost	80.93	99.47	1,055.46	180.40	2,106.32	3,197.74
Employee benefits expense	2,752.98	2,526.96	2,381.81	5,279.94	4,889.07	9,574.26
Finance costs	827.17	1,086.46	894.80	1,913.63	2,075.62	4,175.30
Depreciation and amortisation expense	847.99	844.17	659.90	1,692.16	1,342.96	2,407.89
Selling and marketing expenses	540.97	498.92	561.07	1,039.89	1,912.08	3,048.91
Other expenses	1,016.75	812.84	1,463.10	1,829.59	2,872.61	3,802.22
<b>Total expenses</b>	<b>6,841.47</b>	<b>7,586.88</b>	<b>7,857.02</b>	<b>14,428.35</b>	<b>18,359.40</b>	<b>32,567.37</b>
<b>3 Profit/(loss) before tax (1-2)</b>	<b>(388.61)</b>	<b>822.81</b>	<b>(290.12)</b>	<b>434.20</b>	<b>836.57</b>	<b>5,252.54</b>
<b>4 Less: Exceptional items (Refer note 5 and 6)</b>	<b>-</b>	<b>-</b>	<b>1,451.06</b>	<b>-</b>	<b>1,451.06</b>	<b>(12,394.82)</b>
<b>5 Profit/(loss) before tax after exceptional items (3-4)</b>	<b>(388.61)</b>	<b>822.81</b>	<b>(1,741.18)</b>	<b>434.20</b>	<b>(614.49)</b>	<b>17,647.36</b>
<b>6 Tax expense</b>						
Current tax - current year	28.51	502.26	39.97	530.77	574.10	1,985.94
- earlier year	-	-	-	-	-	58.61
Deferred tax	(13.73)	(43.44)	49.60	(57.17)	(14.12)	33.42
<b>Total tax expense</b>	<b>14.78</b>	<b>458.82</b>	<b>89.57</b>	<b>473.60</b>	<b>559.98</b>	<b>2,077.97</b>
<b>7 Net Profit/(loss) after tax (5-6)</b>	<b>(403.39)</b>	<b>363.99</b>	<b>(1,830.75)</b>	<b>(39.40)</b>	<b>(1,174.47)</b>	<b>15,569.39</b>
<b>8 Other comprehensive income / (loss) (including tax effect)</b>						
(i) Items that will not be reclassified to statements of profit and loss	(72.55)	36.59	2.47	(35.96)	32.68	51.09
(ii) Items that will be reclassified to statements of profit and loss	-	-	-	-	-	-
<b>Other comprehensive income/(loss) (i+ii)</b>	<b>(72.55)</b>	<b>36.59</b>	<b>2.47</b>	<b>(35.96)</b>	<b>32.68</b>	<b>51.09</b>
<b>9 Total comprehensive income/(loss) (7+8)</b>	<b>(475.94)</b>	<b>400.58</b>	<b>(1,828.28)</b>	<b>(75.36)</b>	<b>(1,141.79)</b>	<b>15,620.48</b>
<b>10 Net Profit/(Loss) after tax attributable to :</b>						
Equity holders of the parent	(403.39)	363.99	(1,620.83)	(39.40)	(772.67)	16,274.49
Non-controlling interest	-	-	(209.92)	-	(401.80)	(705.10)
<b>11 Total comprehensive income /(loss) attributable to :</b>						
Equity holders of the parent	(475.94)	400.58	(1,626.36)	(75.36)	(748.00)	16,317.57
Non-controlling interest	-	-	(201.92)	-	(393.79)	(697.09)
<b>12 Paid up equity share capital (face value ₹ 1 per share)</b>	<b>3,268.90</b>	<b>3,260.93</b>	<b>3,260.93</b>	<b>3,268.90</b>	<b>3,260.93</b>	<b>3,260.93</b>
<b>13 Other equity</b>						<b>15,004.76</b>
Earnings per share (Not annualised for the interim period):						
- Basic (₹)	(0.12)	0.11	(0.50)	(0.01)	(0.24)	4.99
- Diluted (₹)	(0.12)	0.11	(0.50)	(0.01)	(0.24)	4.99





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Consolidated Unaudited Statement of Assets and Liabilities as at 30 September 2024

(₹ in lakhs)

	As at 30 September 2024 (Unaudited)	As at 31 March 2024 (Audited) (Refer note 6)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	317.29	309.73
Right-of-use assets	2,382.16	2,423.71
Investment property	46,759.47	48,477.46
Investment property under development	3,357.23	2,638.95
Intangible assets	8,782.98	8,944.62
Intangible assets under development	27.90	19.71
Financial assets		
Loans	5,216.03	4,962.69
Other financial assets	128.40	85.62
Deferred tax assets (net)	870.06	800.80
Income tax assets (net)	1,758.26	1,715.97
Other non-current assets	309.93	100.99
<b>Total non-current assets</b>	<b>69,909.71</b>	<b>70,480.25</b>
<b>Current assets</b>		
Inventories	2,413.02	2,724.76
Financial assets		
Trade receivables	3,704.47	3,769.93
Cash and cash equivalents	444.58	1,906.15
Bank balances other than cash and cash equivalents	371.77	374.01
Other financial assets (Refer note 7)	66,335.35	28,625.58
Other current assets	668.49	522.12
<b>Total current assets</b>	<b>73,937.68</b>	<b>37,922.55</b>
<b>TOTAL ASSETS</b>	<b>1,43,847.39</b>	<b>1,08,402.80</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	3,268.90	3,260.93
Other equity	14,966.42	15,004.76
<b>Total equity</b>	<b>18,235.32</b>	<b>18,265.69</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	22,526.03	21,468.18
Lease liabilities	2,919.35	2,878.91
Other financial liabilities	1,882.44	1,804.83
Provisions	310.53	225.24
Other liabilities	12,582.67	13,144.08
<b>Total non-current liabilities</b>	<b>40,221.02</b>	<b>39,521.24</b>
<b>Current Liabilities</b>		
Financial liabilities		
Borrowings	11,630.86	11,489.82
Lease liabilities	104.91	124.59
Trade Payables		
outstanding dues of micro and small enterprises	799.07	1,028.98
outstanding dues of creditors other than micro and small enterprises	479.55	259.37
Other financial liabilities (Refer note 7)	66,125.79	29,654.77
Other current liabilities	5,924.48	7,622.62
Provisions	66.45	50.10
Current tax liabilities (net)	259.94	385.62
<b>Total current liabilities</b>	<b>85,391.05</b>	<b>50,615.87</b>
<b>Total liabilities</b>	<b>1,25,612.07</b>	<b>90,137.11</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,43,847.39</b>	<b>1,08,402.80</b>





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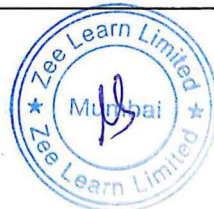
**Consolidated Statement of Cash Flows for the half year ended 30 September 2024**

(₹ Lakhs)

	30 September 2024 (Unaudited)	30 September 2023 (Unaudited)
<b>A. Cash flow from operating activities</b>		
Net profit / (loss) before tax and after exceptional items	434.20	(614.49)
<b>Adjustments for :</b>		
Depreciation and amortisation expense	1,692.16	1,342.96
Liabilities no longer required / excess provision written back	(262.91)	(292.06)
Share based payment expense (net)	12.99	6.68
Exceptional items (Refer note 5)	-	1,451.06
Finance costs	1,913.63	2,303.96
Allowances for credit losses	246.05	1,188.43
Unwinding of discount on security deposits / Financial guarantee obligation	(113.29)	(132.40)
Interest income	(634.27)	(1,564.41)
<b>Operating profit before working capital changes</b>	<b>3,288.56</b>	<b>3,689.73</b>
<b>Changes in working capital :</b>		
(Increase) / Decrease in inventories	311.75	294.06
(Increase) / Decrease in trade and other receivables	(165.71)	(127.93)
Increase / (Decrease) in trade and other payables	(2,259.06)	(2,042.22)
<b>Cash generated from operations</b>	<b>1,175.54</b>	<b>1,813.64</b>
Income tax paid (net)	(698.93)	(837.36)
<b>Net cash flow from operating activities (A)</b>	<b>476.61</b>	<b>976.28</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment / intangible assets / investment property / capital work-in-progress / intangible assets under development / investment property under development	(325.14)	(119.71)
Decrease/(Increase) in other bank balances	2.24	(12.09)
Loans given to others	(37.41)	(897.81)
Loans repaid by others	385.67	283.99
Interest received	14.21	20.91
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>39.57</b>	<b>(724.71)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares (including securities premium)	31.08	-
Share application money received pending allotment	0.91	-
Proceeds from non-current borrowings	-	300.00
Repayment of non-current borrowings	(224.49)	(236.76)
Proceeds from current borrowings	-	189.63
Repayment of current borrowings	-	(84.62)
Payment towards corporate guarantee settlement (Refer note 7)	(1,500.00)	(1,600.00)
Payment of lease liabilities (including interest)	(167.52)	(883.09)
Interest paid	(117.73)	(150.28)
<b>Net cash flow used in financing activities (C)</b>	<b>(1,977.75)</b>	<b>(2,465.12)</b>
Net cash flow during the period (A+B+C)	(1,461.57)	(2,213.55)
Cash and cash equivalents at the beginning of the period	1,906.15	2,570.86
<b>Net cash and cash equivalents at the end of the period</b>	<b>444.58</b>	<b>357.31</b>
Add : Balances earmarked	371.77	934.14
<b>Cash and bank balances at the end of the period</b>	<b>816.35</b>	<b>1,291.45</b>

**Notes:**

1. Components of cash and bank balances is as follows	30 September 2024	30 September 2023
Cash and cash equivalents	444.58	357.31
Bank Balances other than cash and cash equivalents	371.77	934.14
<b>Total</b>	<b>816.35</b>	<b>1,291.45</b>





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**Unaudited Consolidated Financial Results for the quarter and half year ended 30 September 2024**

**Annexure "Consolidated Segment Information"**

Segment Information as per Ind AS 108 "Operating Segments" has been presented on the basis of consolidated financial results with the primary segments being Educational Services and related activities, Construction and Leasing (for education), Training, Manpower and related activities.

There being no business outside India, the entire business is considered as a single geographic segment.

**Primary Segment Disclosure - Business segment for the quarter and half year ended 30 September 2024**

(₹ in lakhs)

Particulars	Quarter ended			Half year ended		Year ended
	30 September 2024 (Unaudited)	30 June 2024 (Unaudited)	30 September 2023 (Unaudited)	30 September 2024 (Unaudited)	30 September 2023 (Unaudited)	31 March 2024 (Audited)
<b>Segment revenue</b>						
- Educational services and related activities	3,784.32	6,344.69	4,790.70	10,129.01	13,588.16	29,034.00
- Construction and leasing (for education)	301.86	300.62	301.87	602.48	602.49	1,204.99
- Training, manpower and related activities	1,788.72	1,421.61	1,587.65	3,210.33	3,087.41	5,568.45
<b>Total segment revenue</b>	<b>5,874.90</b>	<b>8,066.92</b>	<b>6,680.22</b>	<b>13,941.82</b>	<b>17,278.06</b>	<b>35,807.44</b>
Less: Inter segment revenue	55.64	34.10	36.36	89.74	71.56	180.79
<b>Net sales / income from operation</b>	<b>5,819.26</b>	<b>8,032.82</b>	<b>6,643.86</b>	<b>13,852.08</b>	<b>17,206.50</b>	<b>35,626.65</b>
<b>Segment results (Profit before tax and interest from ordinary activities)</b>						
- Educational services and related activities	392.10	2,080.11	(325.00)	2,472.21	959.88	7,767.37
- Construction and leasing (for education)	(507.88)	(512.98)	(14.11)	(1,020.86)	(30.09)	(61.77)
- Training, manpower and related activities	(79.26)	(34.73)	20.75	(113.99)	(7.07)	(471.03)
<b>Total Segment results</b>	<b>(195.04)</b>	<b>1,532.40</b>	<b>(318.36)</b>	<b>1,337.36</b>	<b>922.72</b>	<b>7,234.57</b>
<b>Add/(less):</b>						
Finance costs	(827.17)	(1,086.46)	(894.80)	(1,913.63)	(2,075.62)	(4,175.30)
Interest income/(reversal)	315.76	318.51	790.44	634.27	1,541.74	1,330.57
Exceptional items (Refer note 5 and 6)	-	-	(1,451.06)	-	(1,451.06)	12,394.82
Other income	317.84	58.36	132.60	376.20	447.73	862.70
<b>Total Profit/(loss) before tax from ordinary activities</b>	<b>(388.61)</b>	<b>822.81</b>	<b>(1,741.18)</b>	<b>434.20</b>	<b>(614.49)</b>	<b>17,647.36</b>
<b>Segment assets</b>						
- Educational services and related activities	72,620.87	36,400.63	20,700.27	72,620.87	20,700.27	37,202.12
- Construction and leasing (for education)	65,828.38	66,222.45	66,205.56	65,828.38	66,205.56	66,264.05
- Training, manpower and related activities	2,617.03	2,389.99	2,592.32	2,617.03	2,592.32	2,268.88
- Unallocated	2,781.11	2,707.64	11,886.04	2,781.11	11,886.04	2,667.75
<b>Total segment assets</b>	<b>1,43,847.39</b>	<b>1,07,720.71</b>	<b>1,01,384.19</b>	<b>1,43,847.39</b>	<b>1,01,384.19</b>	<b>1,08,402.80</b>
<b>Segment liabilities</b>						
- Educational services and related activities	75,681.28	39,685.71	34,064.65	75,681.28	34,064.65	42,503.98
- Construction and leasing (for education)	13,489.33	13,347.01	12,422.86	13,489.33	12,422.86	12,365.37
- Training, manpower and related activities	1,456.37	1,326.08	1,354.99	1,456.37	1,354.99	1,222.22
- Unallocated	34,985.09	34,687.87	52,359.16	34,985.09	52,359.16	34,045.54
<b>Total segment liabilities</b>	<b>1,25,612.07</b>	<b>89,046.67</b>	<b>1,00,201.66</b>	<b>1,25,612.07</b>	<b>1,00,201.66</b>	<b>90,137.11</b>
<b>Net Capital Employed</b>	<b>18,235.32</b>	<b>18,674.04</b>	<b>1,182.53</b>	<b>18,235.32</b>	<b>1,182.53</b>	<b>18,265.69</b>





**Notes to the Statement of Unaudited Consolidated financial results for the quarter and half year ended 30 September 2024 :**

- 1 The above Unaudited Consolidated Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 7 November 2024.
- 2 The above Unaudited Consolidated Financial Results have been prepared in accordance with the applicable Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India.
- 3 Unaudited Consolidated segment information is annexed in accordance with Ind AS 108 'Operating Segments'.
- 4 In one of the subsidiaries viz Digital Ventures Private Limited (DVPL) there were loans of Rs. 6,798.90 lakhs given to various trusts and receivables of Rs. 7,672.88 lakhs from various trusts, aggregating to Rs. 14,471.78 lakhs outstanding as at 31 March 2023. During the year ended 31 March 2023, DVPL had provided for Rs. 10,855.00 lakhs towards impairment loss under the expected credit loss model against the said outstanding loans and receivables. The outstanding amount of such loans and receivables as at 30 September 2024 is Rs. 4,410.09 lakhs, which is considered as good and recoverable by the management.
- 5 In earlier years, one of the subsidiary Company viz Digital Ventures Private Limited (DVPL) had given advances and deposits to Pan India Infrastructure Private Limited (PIIPL) towards construction of schools and the outstanding balance of the same as at 30 September 2023 was Rs. 1,451.06 lakhs. There are ongoing proceedings against PIIPL w.r.t Corporate Insolvency Resolution Process (CIRP) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) before the Hon'ble National Company Law Tribunal (NCLT) Mumbai. Accordingly, the Group, out of abundant caution and prudent accounting practices provided Rs. 1,451.06 lakhs towards impairment of its advances and deposits and disclosed the same as an "Exceptional item" during the quarter and half year ended 30 September 2023.
- 6 During the financial year 2022-23, the Hon'ble National Company Law Tribunal (NCLT) Mumbai, had admitted the application filed by an Operational Creditor and ordered the commencement of Corporate Insolvency Resolution Process (CIRP) of Holding Company's subsidiary viz. MT Educare Limited (MTEL) under Section 9 of the Insolvency and Bankruptcy Code, 2016 (IBC). The Hon'ble NCLT also appointed an Interim Resolution Professional (IRP) for the Corporate Debtor. An appeal was filed before the Hon'ble National Company Law Appellate Tribunal ("NCLAT") and the Hon'ble NCLAT vide its order dated 6 January 2023 had stayed the constitution of Committee of Creditors ("CoC"). There was continuation of stay on constitution of CoC by the Hon'ble NCLAT from time to time till 2 June 2023 and final hearing was concluded on 2 June 2023 and the matter was reserved to order. Finally, the Hon'ble NCLAT order was pronounced on 18 August 2023 whereby Appeal filed by Director Mr. Vipin Choudhry was dismissed. The said order dated 18 August 2023 was served upon IRP on 21 August 2023 and IRP immediately constituted CoC. CoC at its meeting held on 29 December 2023, in terms of Section 22(2) of the IBC, resolved with the requisite voting share, to replace the IRP with Mr. Arihant Nenawati as Resolution Professional (RP) which was confirmed by the Hon'ble NCLT in its order dated 22 January 2024. Further, during the quarter ended 31 March 2024, the RP received intimation of interest from nine Resolution Applicants and finally Resolution Plans were received from two of the Applicants and negotiations took place between CoC members and the applicants on 06 May 2024. Until 31 December 2023, the Management's intent was to revive MTEL by exercising the options available under the IBC but considering appointment of CoC/RP and receipt of resolution plans from two applicants, the management decided not to exercise options available under the IBC to revive MTEL and the Board of Directors of the Holding Company passed necessary resolution in this regard. In view of above, the Holding Company can no longer exercise any right to control the activities of MTEL and accordingly MTEL ceased to be a subsidiary w.e.f. 01 January 2024. Accordingly, the Holding company had derecognized all the assets, liabilities, retained earnings, other comprehensive income, carrying amount of Non-controlling interest of the said subsidiary and recognized the resultant gain of Rs. 13,845.88 lakhs in the Consolidated statement of profit and loss during the year ended 31 March 2024 and the same was shown as an exceptional item.
- 7 Yes Bank Limited (YBL) vide its notices dated 2 August 2021 and 9 August 2021 addressed to the Holding Company and its subsidiary, viz Digital Ventures Private Limited (DVPL) respectively, had invoked their respective Corporate Guarantee upon non-repayment of credit facilities (during COVID-19 pandemic) availed by four trusts/entity, and called upon the Holding Company and DVPL to make payment of an amount of Rs. 44,962.56 lakhs (including interest and other charges upto 31 July 2021). Also, the Holding Company and DVPL received notices dated 22 April 2022 and 01 December 2022 respectively, regarding filing of petitions by YBL under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) to initiate Corporate Insolvency Resolution Process (CIRP) of the Holding Company and DVPL (as corporate guarantors) before the Hon'ble National Company Law Tribunal (NCLT), Mumbai. Further, YBL vide its letters dated 30 December 2022 informed the Holding Company and DVPL that it had assigned and transferred the above credit facilities to J.C. Flowers Asset Reconstructions Private Limited (J.C. Flowers) and the amount outstanding therein as at 30 November 2022 was Rs. 52,254.63 lakhs (including interest and penal charges). Thereafter on 10 February 2023, the Hon'ble NCLT, Mumbai admitted the application filed by YBL against the Holding Company and ordered the commencement of CIRP under the IBC. However, an appeal was filed before the Hon'ble National Company Law Appellate Tribunal ("NCLAT") by the Holding Company and the Hon'ble NCLAT vide its order dated 16 February 2023 set aside the impugned order dated 10 February 2023 passed by the Hon'ble NCLT and disposed off the appeal in accordance with law. Subsequently, J.C. Flowers filed Special Leave Petition (SLP) in the Hon'ble Supreme Court for setting aside of the final order dated 16 February 2023 passed by the Hon'ble NCLAT. On 29 March 2023, the Hon'ble Supreme Court allowed the SLP and stayed the further proceedings of the Hon'ble NCLT. The matter is currently pending for hearing before the Hon'ble Supreme Court. However, in respect of petition filed by J.C. Flowers under Section 7 of the IBC to initiate CIRP proceedings against DVPL, the same was dismissed as withdrawn by the Hon'ble NCLT. Further, on August 7, 2023, the Holding Company, DVPL along with four trusts/entity entered into settlement agreement with J.C. Flowers to settle the above Corporate Guarantee obligations with respect to loans borrowed by the said four trusts/entity. As per the terms of the settlement agreement, Holding Company, DVPL along with four trusts/entity agreed to settle the above obligation for Rs. 28,500 lakhs (to be paid jointly and severally by Holding Company, DVPL along with four trusts/entity) pursuant to which Corporate Guarantee obligations and other securities created by Holding Company and DVPL will be released by J.C. Flowers on receipt of the said settlement amount. The said settlement agreement became effective during the quarter ended 31 March 2024 and accordingly, during the quarter ended 31 March 2024, the Holding Company had provided Rs. 28,573.12 lakhs including interest (net of Rs. 400 lakhs paid by said trusts/entity) towards Corporate Guarantee obligation as per the said settlement agreement and the same was shown as recoverable from four trusts/entity as at 31 March 2024 under "other current financial assets". The timelines for payment of the said settlement amount had time to time been extended by J.C. Flowers alongwith payment of applicable interest till 30 May 2024 and the Holding Company further requested J.C. Flowers for extension of time till 30 June 2024 and 15 August 2024 for which confirmation from J.C. Flowers was awaited. However, subsequent to the quarter ended 30 September 2024, the Holding Company and DVPL received letter dated 11 October 2024 from J.C. Flowers intimating termination of the said settlement agreement and further informing that all terms set out in the Financing document shall continue in full force and effect and amounts paid under settlement agreement shall be adjusted towards repayment of the outstanding credit facilities of four trusts/entity as if the settlement agreement had never been executed. Thereafter, J.C. Flowers and Assets Care & Reconstruction Enterprise Limited (ACRE) vide their respective communications dated 31 October 2024 informed the Holding Company and DVPL that such outstanding credit facilities of four trusts/entity of Rs. 62,481.28 lakhs (as on 11 October 2024) have been assigned and transferred by J.C. Flowers to ACRE. In view of above, during the quarter/half year ended 30 September 2024, the Holding Company has provided further liability of Rs 36,712.34 lakhs (in addition to liability already provided till 30 June 2024 of Rs 25,768.94 lakhs) and the corresponding amount is recoverable from four trusts/entity and the total amount recoverable from four trusts/entity is Rs. 66,303.83 lakhs (including amount recoverable of Rs 29,591.49 lakhs as at 30 June 2024) as at 30 September 2024 and the same is shown under "other current financial assets". The Holding Company along with DVPL will take necessary steps to find resolution to above outstanding credit facilities. The four trusts/entity are operating and running K-12 schools across the country. Therefore, the management believes that effective resolution can be worked out through settlement with ACRE and monetization of assets. In view of the above, management is of the opinion that above amount of Rs. 66,303.83 lakhs is good and recoverable.
- 8 During the financial year 2021-22, one of the subsidiary company viz Digital Ventures Private Limited (DVPL) had defaulted in repayment of loans taken from two Lenders. In this regard, one of the Lenders vide its notice dated 14 February 2022 issued to the Holding Company had invoked the Corporate Guarantee issued by the Holding Company on behalf of DVPL and called upon the Holding Company to make payment of an amount of Rs. 9,162.00 lakhs outstanding as at 30 June 2021 with further interest w.e.f. 01 July 2021 as per the terms of sanction letters. Further, during the financial year 2022-23, the Holding Company had also received notice from the other lender invoking Corporate Guarantee issued by the Holding Company on behalf of DVPL and called upon the Holding Company to make payment of an amount of Rs. 2,299.59 lakhs outstanding as at 30 June 2021. Further, during the previous year, the Holding Company (Corporate Guarantor) and DVPL (Corporate Debtor) had received notices dated 21 December 2023 (received on 23 December 2023) and 28 November 2023 (received on 2 December 2023) respectively from Axis Bank Limited, regarding filing of petitions under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) to initiate Corporate Insolvency Resolution Process (CIRP) of the Holding Company and DVPL before the Hon'ble National Company Law Tribunal (NCLT), Mumbai, which is pending for admission. Further, the petition filed in respect of DVPL is reserved for orders by Hon'ble NCLT, Mumbai, as per order dated 21 June 2024. Since DVPL has been repaying its loan through an agreed mechanism as per discussion with the lenders and further the CIRP matter of the Holding Company and DVPL is pending for admission before the Hon'ble NCLT, the Holding Company is of the opinion that no liability is required to be provided as at 30 September 2024.
- 9 The Holding Company had taken term loan of Rs. 3,500.00 lakhs and overdraft facility of Rs. 1,900.00 lakhs vide credit facility sanction letter dated 18 July 2017 (together referred as credit facilities) from Abu Dhabi Commercial Bank (ADCB). Further, ADCB assigned the said credit facilities to DCB Bank Limited (DCB) as per the Deed of Assignment and Subrogation Agreement both dated 31 March 2020 with same terms and conditions as per the original sanction letter. Furthermore, during earlier years, the Holding Company had defaulted in repayment of the said credit facilities including interest to DCB. However, DCB had issued No Dues Certificate to the Holding Company and also satisfied the charges on the said outstanding credit facilities. In view of above, the said credit facilities were classified as unsecured as at 31 March 2023 and the Holding Company had provided interest (including penal interest) on outstanding term loan and overdraft facility till 31 March 2023. During the previous year, the Holding Company had taken an expert opinion on the above matter and considering the same the Holding Company was of the view that no interest provision on the said credit facilities is required to be made till the time the Holding Company can ascertain any liability arising out of the said Deed of Assignment and Subrogation Agreement. In view of above, the Holding Company has not provided any interest on the said credit facilities w.e.f. 01 April 2023 till 30 September 2024 and continued to show the outstanding amounts in respect of said credit facilities as at 30 September 2024 as unsecured current borrowings.
- 10 The Holding Company and one of the subsidiary company viz. Digital Ventures Private Limited (DVPL) had received notices from three lenders for invocation of corporate guarantees and two of the lenders had also initiated Corporate Insolvency Resolution Process (CIRP) against the Holding Company (Corporate guarantor) and DVPL (Corporate guarantor/Corporate debtor) (Refer note 7 and 8 above). Further, the settlement agreement, which was entered during the previous year to settle the corporate guarantee obligation of the Holding Company and DVPL, was terminated subsequent to the quarter and accordingly the amount payable to settle the said corporate guarantee obligation is now Rs. 62,481.28 lakhs (Refer note 7 above). Also, the current liabilities of the Group exceeded its current assets as at 30 September 2024 resulting in negative working capital. The Holding Company and DVPL will be take necessary steps to find resolution on the said corporate guarantee obligation including monetization of assets (Refer note 7 above). Further, the Holding Company's business plan for current financial year, as approved by the Board of Directors, exhibits higher growth in revenues and profits thereby increasing operational cash flows, and accordingly these unaudited consolidated financial results have been prepared on a going concern basis.
- 11 During the quarter ended 30 September 2024, the Holding Company issued and allotted 796,796 Equity shares of Rs. 1/- each fully paid up pursuant to exercise of stock options under the Employee Stock Option Scheme (ZLL ESOP 2010-Amended 2015).

  
Anish Shah  
Chief Financial Officer

For and on behalf of the Board of Directors  
  
Manish Rastogi  
CEO & Whole-time Director  
DIN: 10056027

Mumbai, 7 November 2024

