

Date: August 8, 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 August 8, 2024.

Dear Sir/Ma'am,

In reference to our intimation dated August 1, 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, August 8, 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 ended on June 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.
2. The 14th Annual General Meeting of the Company shall be held on Thursday, September 26, 2024.

The Meeting of the Board of Directors of the Company commenced at 5:30 p.m. and concluded at 7:30 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

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 : fp_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 ended
30 June 2024**

1. We have reviewed the accompanying Statement of unaudited standalone financial results of **Zee Learn Limited** (the "Company") for the quarter ended 30 June 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 admitted the application filed by YBL against the Company and DVPL 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 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 have 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 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 have time to time been extended by J.C. Flowers alongwith payment of applicable interest till 30 May 2024 and the 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 is awaited. The Company has provided interest for the quarter of Rs. 1,018.37 lakhs on the outstanding amount and made total payment of Rs. 3,822.55 lakhs till 30 June 2024. The amount recoverable from four trusts/entity as at 30 June 2024 is Rs. 29,591.49 lakhs including interest and the same is considered as good and recoverable by the management.

However, in terms of Ind AS 109 "Financial Instruments" the Company has not carried out assessment of impairment of the recoverable amount of Rs. 29,591.49 lakhs from four trusts/entity as at 30 June 2024. In the absence of sufficient and appropriate evidence to corroborate the management's assessment of impairment of recoverable amount of Rs. 29,591.49 lakhs, we are unable to comment upon adjustments, if any, required on the Statement.




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- b) As stated in the Note 6, 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 and DVPL 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 (as corporate guarantor) and DVPL (as corporate debtor) 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. 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 June 2024.

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 the Corporate Guarantee obligations as at 30 June 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. 45,240.91 lakhs, loan and receivables of Rs. 11,377.05 lakhs aggregating to Rs. 56,617.96 lakhs as at 30 June 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 during the earlier year, out of abundant caution and prudent accounting practices, had provided Rs. 21,927.05 lakhs towards impairment of its investments (including redemption premium) in DVPL. As stated in the said note, during the quarter the Company has further provided Rs. 35 lakhs towards impairment and the total impairment as at 30 June 2024 stands at Rs. 21,962.05 lakhs, and the Company considers the net outstanding amounts of Rs 34,655.91 lakhs, as at 30 June 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/net receivables of Rs. 34,665.91 lakhs from DVPL as at 30 June 2024, we are unable to comment on the appropriateness of the net




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carrying value of its investments and recoverability of receivables from DVPL of Rs. 34,655.91 lakhs as at 30 June 2024 and its consequential impact on the Statement.

Our conclusion on the unaudited standalone financial results for the quarter ended 30 June 2023 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.

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, a settlement agreement was entered during the previous year to settle the corporate guarantee obligations of the Company and DVPL and the amount payable as at 30 June 2024 is Rs. 25,768.94 lakhs (including interest). Also as stated in the said note, the current liabilities of the Company exceeded its current assets as at 30 June 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, considering the debt raising plan and the business plan for the current financial year, as approved by the Board of Directors of the Company, which will enable the Company to settle its liabilities as they fall due, 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, 8 August 2024

UDIN: 24215336BKHCHO7997

**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 Standalone Financial Results for the quarter ended 30 June 2024

(₹ in lakhs except EPS data)

	Quarter ended			Year ended
	30 June 2024 (Unaudited)	31 March 2024 (Audited) (Refer note 9)	30 June 2023 (Unaudited)	31 March 2024 (Audited)
1 Income				
Revenue from operations	6,344.69	10,362.75	7,529.17	25,263.15
Other income	141.73	351.01	273.06	958.61
Total income	6,486.42	10,713.76	7,802.23	26,221.76
2 Expenses				
Purchase of stock-in-trade	1,506.67	2,887.95	2,125.73	6,465.63
Change in inventories of stock-in-trade	211.40	(446.32)	194.13	(104.57)
Operational cost	99.47	120.27	86.69	435.67
Employee benefits expense	1,240.17	1,013.25	958.35	3,726.67
Finance costs	575.88	686.92	675.08	2,324.76
Depreciation and amortisation expense	60.53	117.60	95.58	401.26
Selling and marketing expenses	498.84	675.32	1,335.39	2,901.52
Other expenses	720.21	990.39	798.30	3,152.20
Total expenses	4,913.17	6,045.38	6,269.25	19,303.14
3 Profit before tax (1 - 2)	1,573.25	4,668.38	1,532.98	6,918.62
Tax expense				
Current tax	492.68	1,240.04	526.32	1,985.94
Deferred tax	(44.18)	14.28	(107.98)	(67.92)
Total tax expense	448.50	1,254.32	418.34	1,918.02
5 Net Profit after tax (3-4)	1,124.75	3,414.06	1,114.64	5,000.60
6 Other comprehensive income (including tax effect)				
(i) Items that will not be reclassified to statements of profit and loss	36.59	1.44	30.06	31.43
(ii) Items that will be reclassified to statements of profit and loss	-	-	-	-
Other comprehensive income (i+ii)	36.59	1.44	30.06	31.43
7 Total comprehensive income (5+6)	1,161.34	3,415.50	1,144.70	5,032.03
8 Paid up equity share capital (face value ₹ 1 per share)	3,260.93	3,260.93	3,260.93	3,260.93
9 Other equity				7,532.54
Earnings per share (Not annualised for the interim period):				
- Basic (₹)	0.34	1.05	0.34	1.53
- Diluted (₹)	0.34	1.05	0.34	1.53



Notes to the Statement of Unaudited Standalone financial results for the quarter ended 30 June 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 8 August 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. 45,240.91 lakhs, loan and receivables of Rs. 11,377.05 lakhs aggregating to Rs. 56,617.96 lakhs as at 30 June 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 during the earlier years, out of abundant caution and prudent accounting practices, had provided Rs. 21,927.05 lakhs towards impairment of its investments (including redemption premium) and Rs 35 lakhs during the quarter ended 30 June 2024 and considers the net outstanding amounts of Rs 34,655.91 lakhs as at 30 June 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. Arianth Nenanwati 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 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 have 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 have time to time been extended by J.C. Flowers alongwith payment of applicable interest till 30 May 2024 and the 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 is awaited. The Company has provided interest for the quarter of Rs. 1,018.37 lakhs on the outstanding amount and made total payment of Rs. 3,822.55 lakhs till 30 June 2024. The amount recoverable from four trusts/entity as at 30 June 2024 is Rs. 29,591.49 lakhs including interest and the same is shown under "other current financial assets" and is considered as 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 orders by Hon'ble NCLT, Mumbai, as per order dated 21 June 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, a settlement agreement was entered during the previous year to settle the corporate guarantee obligations of the Company and DVPL and the amount payable as at 30 June 2024 is Rs. 25,768.93 lakhs (including interest). Also, the current liabilities of the Company exceeded its current assets as at 30 June 2024 resulting in negative working capital. In order to repay the above settlement amount, the Board of Directors of the Company has approved raising of debt. 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. The Company believes that the above debt funding plan in addition to the business plan for the current financial year will enable to settle its liabilities as they fall due, 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 June 2024 and continued to show the outstanding amounts in respect of said credit facilities as at 30 June 2024 as unsecured current borrowings.
- Figures for the quarter ended 31 March 2024 are the balancing figures between audited figures for the full financial year 2023-24 and published year to date unaudited figures upto the end of the third quarter of the said financial year which were subjected to limited review.

For and on behalf of the Board of Directors



Anish Shah
Anish Shah
Chief Financial Officer

Manish Rastogi
Manish Rastogi
CEO & Whole-time Director
DIN: 10056027

Mumbai, 8 August 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),
MUMBAI - 400 088.

TELEPHONE : (91) 22 35114719
EMAIL : fp_mumbai@hotmail.com

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 ended 30 June 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 ended 30 June 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:

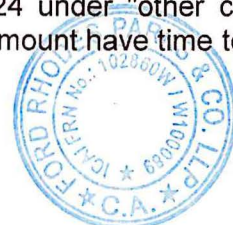
Holding Company – Zee Learn Limited

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 admitted the application filed by YBL against the Holding Company and DVPL 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 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 have 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 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 have time to time



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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 is awaited. The Holding Company has provided interest for the quarter of Rs. 1,018.37 lakhs on the outstanding amount and made total payment of Rs. 3,822.55 lakhs till 30 June 2024. The amount recoverable from four trusts/entity as at 30 June 2024 is Rs. 29,591.49 lakhs including interest and the same is considered as good and recoverable by the management.

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. 29,591.49 lakhs from four trusts/entity as at 30 June 2024. In the absence of sufficient and appropriate evidence to corroborate the management's assessment of impairment of recoverable amount of Rs. 29,591.49 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 Company (Corporate guarantor) and DVPL (Corporate guarantor/Corporate debtor) (Refer note 7 and 8 of the Statement). As further stated in the said note, a settlement agreement was entered during the previous year to settle the corporate guarantee obligations of the Holding Company and DVPL and the amount payable as at 30 June 2024 is Rs. 25,768.94 lakhs (including interest). Also as stated in the said note, the current liabilities of the Group exceeded its current assets as at 30 June 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, considering the debt raising plan and the business plan for the current financial year, as approved by the Board of Directors of the Holding Company, which will enable the Group to settle its liabilities as they fall due, the Statement has been prepared on a going concern basis.

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



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8. Other matters

- a) We did not review the interim financial results of two subsidiaries, whose interim financial results (before consolidation adjustments) reflect total revenues of Rs. 1,993.45 lakhs, total net loss after tax of Rs. 929.03 lakhs and total comprehensive loss of Rs. 929.03 lakhs for the quarter ended 30 June 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 net loss of Rs 0.57 lakhs for the quarter ended 30 June 2024 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, 08 August 2024

UDIN: 24215336BKHCHP4636

**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 ended 30 June 2024

(₹ in lakhs except EPS data)

	Quarter ended			Year ended
	30 June 2024 (Unaudited)	31 March 2024 (Audited) (Refer note 11)	30 June 2023 (Unaudited)	31 March 2024 (Audited)
1 Income				
Revenue from operations	8,032.82	11,646.82	10,562.64	35,626.65
Other income	376.87	655.34	1,066.43	2,193.26
Total income	8,409.69	12,302.16	11,629.07	37,819.91
2 Expenses				
Purchase of stock-in-trade	1,506.67	2,887.95	2,125.73	6,465.63
Change in inventories of stock-in-trade	211.39	(446.32)	194.13	(104.58)
Operational cost	99.47	120.26	1,050.86	3,197.74
Employee benefits expense	2,526.96	2,202.96	2,507.26	9,574.26
Finance costs	1,086.46	1,001.05	1,180.82	4,175.30
Depreciation and amortisation expense	844.17	419.86	683.06	2,407.89
Selling and marketing expenses	498.92	675.91	1,351.01	3,048.91
Other expenses	812.84	1,057.57	1,409.51	3,802.22
Total expenses	7,586.88	7,919.24	10,502.38	32,567.37
3 Profit before tax (1-2)	822.81	4,382.92	1,126.69	5,252.54
4 Less: Exceptional items (Refer note 5 and 6)	-	(13,845.88)	-	(12,394.82)
5 Profit before tax after exceptional items (3-4)	822.81	18,228.80	1,126.69	17,647.36
6 Tax expense				
Current tax - current year	502.26	1,209.60	534.13	1,985.94
- earlier year	-	58.61	-	58.61
Deferred tax	(43.44)	22.74	(63.72)	33.42
Total tax expense	458.82	1,290.95	470.41	2,077.97
7 Net Profit after tax (5-6)	363.99	16,937.85	656.28	15,569.39
8 Other comprehensive income / (loss) (including tax effect)				
(i) Items that will not be reclassified to statements of profit and loss	36.59	1.14	30.21	51.09
(ii) Items that will be reclassified to statements of profit and loss	-	-	-	-
Other comprehensive income (i+ii)	36.59	1.14	30.21	51.09
9 Total comprehensive income (7+8)	400.58	16,938.99	686.49	15,620.48
10 Net Profit/(Loss) after tax attributable to :				
Equity holders of the parent	363.99	16,937.85	848.16	16,274.49
Non-controlling interest	-	-	(191.88)	(705.10)
11 Total comprehensive income /(loss) attributable to :				
Equity holders of the parent	400.58	16,938.99	878.36	16,317.57
Non-controlling interest	-	-	(191.87)	(697.09)
12 Paid up equity share capital (face value ₹ 1 per share)	3,260.93	3,260.93	3,260.93	3,260.93
13 Other equity				15,004.76
Earnings per share (Not annualised for the interim period):				
- Basic (₹)	0.11	5.19	0.26	4.99
- Diluted (₹)	0.11	5.19	0.26	4.99





Zee Learn Limited

CIN : L80301MH2010PLC198405

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

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Unaudited Consolidated Financial Results for the quarter ended 30 June 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 ended 30 June 2024

(₹ in lakhs)

Particulars	Quarter ended			Year ended
	30 June 2024 (Unaudited)	31 March 2024 (Audited)	30 June 2023 (Unaudited)	31 March 2024 (Audited)
Segment revenue				
- Educational services and related activities	6,344.69	10,362.75	8,797.46	29,034.00
- Construction and leasing (for education)	300.62	300.63	300.62	1,204.99
- Training, manpower and related activities	1,421.61	1,063.00	1,499.76	5,568.45
Total segment revenue	8,066.92	11,726.38	10,597.84	35,807.44
Less: Inter segment revenue	34.10	79.56	35.20	180.79
Net sales / income from operation	8,032.82	11,646.82	10,562.64	35,626.65
Segment results (Profit before tax and interest from ordinary activities)				
- Educational services and related activities	2,080.11	5,151.96	1,284.88	7,767.37
- Construction and leasing (for education)	(512.98)	(15.81)	(15.98)	(61.77)
- Training, manpower and related activities	(34.73)	(407.53)	(27.82)	(471.03)
Total Segment results	1,532.40	4,728.62	1,241.08	7,234.57
Add/(less):				
Finance costs	(1,086.46)	(1,001.05)	(1,180.82)	(4,175.30)
Interest income/(reversal)	318.51	298.65	751.30	1,330.57
Exceptional items (Refer note 5 and 6)	-	13,845.88	-	12,394.82
Other income	58.36	356.70	315.13	862.70
Total Profit/(loss) before tax from ordinary activities	822.81	18,228.80	1,126.69	17,647.36
Segment assets				
- Educational services and related activities	36,400.63	37,202.12	21,111.51	37,202.12
- Construction and leasing (for education)	66,222.45	66,264.05	67,445.93	66,264.05
- Training, manpower and related activities	2,389.99	2,268.88	2,283.27	2,268.88
- Unallocated	2,707.64	2,667.75	11,601.96	2,667.75
Total segment assets	1,07,720.71	1,08,402.80	1,02,442.67	1,08,402.80
Segment liabilities				
- Educational services and related activities	39,685.71	42,503.98	33,904.11	42,503.98
- Construction and leasing (for education)	13,347.01	12,365.37	12,438.54	12,365.37
- Training, manpower and related activities	1,326.08	1,222.22	1,121.42	1,222.22
- Unallocated	34,687.87	34,045.54	52,243.85	34,045.54
Total segment liabilities	89,046.67	90,137.11	99,707.92	90,137.11
Net Capital Employed	18,674.04	18,265.69	2,734.75	18,265.69



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Notes to the Statement of Unaudited Consolidated financial results for the quarter ended 30 June 2024 :

- 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 8 August 2024.
- 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.
- Unaudited Consolidated segment information is annexed in accordance with Ind AS 108 'Operating Segments'.
- 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. On 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 June 2024 is Rs. 4,273.72 lakhs, which is considered as good and recoverable by the management.
- 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 year ended 31 March 2024.
- 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 quarter/year ended 31 March 2024 and the same was shown as an exceptional item.
- 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 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 have 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 have 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 is awaited. The Company has provided interest for the quarter of Rs. 1,018.37 lakhs on the outstanding amount and made total payment of Rs. 3,822.55 lakhs till 30 June 2024. The amount recoverable from four trusts/entity as at 30 June 2024 is Rs. 29,591.49 lakhs including interest and the same is shown under "other current financial assets" and is considered as 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 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.
- 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 June 2024 and continued to show the outstanding amounts in respect of said credit facilities as at 30 June 2024 as unsecured current borrowings.
- 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, a settlement agreement was entered during the previous year to settle the corporate guarantee obligations of the Holding Company and DVPL and the amount payable as at 30 June 2024 is Rs. 25,768.93 lakhs (including interest). Also, the current liabilities of the Group exceeded its current assets as at 30 June 2024 resulting in negative working capital. In order to repay the above settlement amount, the Board of Directors of the Holding Company has approved raising of debt. Further, the Holding Company's business plan for the current financial year, as approved by the Board of Directors, exhibits higher growth in revenues and profits thereby increasing operational cash flows. The Holding Company believes that the above debt funding plan in addition to the business plan for the current financial year will enable to settle its liabilities as they fall due, and accordingly, these unaudited consolidated financial results have been prepared on a going concern basis.
- Figures for the quarter ended 31 March 2024 are the balancing figures between audited figures for the full financial year 2023-24 and published year to date unaudited figures upto the end of the third quarter of the said financial year which were subjected to limited review.



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, 8 August 2024