

**Date: May 25, 2023**

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 May 25, 2023.**

Dear Sir/Ma'am,

In reference to our intimation dated May 19, 2023 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, May 25, 2023), has inter alia, transacted the following businesses:

1. Approved the Audited Financial Results (i.e. Standalone and Consolidated) of the Company for the quarter and year ended on March 31, 2023 as recommended by the Audit Committee.

Pursuant to Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the following:

- a. Audited Financial Results (i.e. Standalone & Consolidated) for the quarter and Financial Year ended March 31, 2023 along with Statement of Asset and Liabilities as at March 31, 2023;
- b. Audited segment wise Revenue, Results Assets and Liabilities;
- c. Auditors Report on the Financial Results (i.e. Standalone and Consolidated) for the quarter and year ended March 31, 2023 issued Ford Rhodes & Park, Statutory Auditors of the Company;
- d. Statement pursuant to Regulation 33(3)(d) of the SEBI LODR Regulations on impact of Audit Qualifications (in respect of modified opinion on Audited Standalone and Consolidated Financial Results) is enclosed herewith as per the format prescribed by SEBI vide its Circular No. CIR/CFD/CMD/56/2016 dated May, 2016;

The Meeting of the Board of Directors of the Company commenced at 4:45 p.m. and concluded at 11:10 p.m.

**Zee Learn Limited**

**Registered Office:**

135, Continental Building, Dr. Annie Besant Road,  
Worli, Mumbai - 400 018,  
CIN : L80301MH2010PLC198405

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F: +91 22 2674 3422

Customer Support: +91 93200 63100

[www.zeelearn.com](http://www.zeelearn.com)



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



**THINK EDUCATION. THINK ZEE LEARN.**



# 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.

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### Independent auditor's report on the audit of standalone annual financial results

To the Board of Directors,  
**Zee Learn Limited**

#### Qualified Opinion

We have audited the accompanying standalone annual financial results of **Zee Learn Limited** (hereinafter referred to as "the Company"), for the quarter and year ended 31 March 2023 ("the Statement" or "Standalone annual financial results"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

- is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, in this regard; and
- except for the possible effects of the matters described in the 'Basis for qualified opinion' paragraph below gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, and other accounting principles generally accepted in India of the net loss and total comprehensive loss and other financial information of the Company for the quarter and year ended 31 March 2023.

#### Basis for qualified opinion

- As stated in note 5 to the Statement, Yes Bank Limited (Yes Bank) 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 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 note, the Company and DVPL have received notices from Yes Bank 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 corporator guarantors) before the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai. Also as stated in the said note, Yes Bank vide its letters dated 30 December 2022 has informed the Company and DVPL that it has 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 is Rs. 52,254.63 lakhs (including interest and penal charges). However, the Company has not received any definitive document in support of such assignment for each of the credit facilities. As further explained in the said note, on 10 February 2023 the Hon'ble



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**



NCLT admitted the application filed by Yes Bank 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 NCLAT vide its order dated 16 February 2023 set aside the impugned order dated 10 February 2023 passed by the 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 NCLAT. On 29 March 2023, the Hon'ble Supreme Court allowed the SLP and stayed the further proceedings of NCLT and the matter is currently pending for hearing before the Hon'ble Supreme Court.

As further stated in the said note, the four trusts/entity have started running their operations effectively under the brick and mortar model and, further since the above CIRP matter of the Company is sub-judice, and considering revival of education industry post Covid-19 pandemic, the Company is of the opinion that no liability is required to be provided as at 31 March 2023.

Despite the above invocation of Corporate Guarantee and further proceedings of CIRP, the Company has not provided for any liability against the invocation of the Corporate Guarantee as at 31 March 2023 as required by the applicable Indian Accounting Standard (Ind AS). Further, in the absence of sufficient and appropriate evidence to corroborate the management's conclusion on non-recognition of the liability towards Corporate Guarantee invocation, we are unable to comment upon adjustments, if any, on the net loss, total comprehensive loss for the quarter/year ended 31 March 2023 and the financial position of the Company as at 31 March 2023.

- 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 pay 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 letter. As further stated in said note, during the year, the Company has 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 pay an amount of Rs. 2,299.59 lakhs outstanding as at 30 June 2021.

As stated in the said note, Covid-19 Pandemic had caused disruption in the activities especially in the education sector, however, the schools have opened up and students are being enrolled. Further as stated in the said note, DVPL has started making repayment of its loan through an agreed mechanism as per discussions with the Lenders. In view of above, the Company is of the opinion that no liability is required to be provided as at 31 March 2023.

However, the Company has not provided for liability against above invocation of the Corporate Guarantees as at 31 March 2023 as required by the applicable Indian Accounting Standard (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, on the net loss, total comprehensive loss for the quarter/year ended 31 March 2023 and the financial position of the Company as at 31 March 2023.

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- 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 45,202.62 lakhs, loan and receivables of Rs. 11,377.05 lakhs aggregating to Rs. 56,579.67 lakhs outstanding as at 31 March 2023. Further, as stated in the said note, the Company had in earlier years given loan to DVPL to support school operations and on account of delays in recovery of the loan, the Company had provided Rs. 11,000 lakhs towards impairment loss under the expected credit loss model against the said loan and the same was shown as Exceptional Item in the standalone financial results for the quarter/year ended 31 March 2022. As further explained in the said note, there are 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, Mumbai ("NCLT"), and accordingly, the Company out of abundant caution and prudent accounting practices, has provided Rs. 10,855 lakhs towards impairment of its investments (including redemption premium) in DVPL and the same has been shown as Exceptional Item during the quarter/year ended 31 March 2023.

DVPL defaulted in repayment of its loans availed from two lenders and w.r.t. the said loans, the lenders invoked the Corporate guarantees given by the Company on behalf of DVPL (Refer note 6 of the Statement). Further, Yes bank Limited had also invoked Corporate Guarantee issued by the Company and DVPL w.r.t. credit facilities availed by four trusts/entity, and petitions have been filed by Yes Bank Limited against the Company and DVPL (as corporate guarantors) initiating Corporate Insolvency Resolution Process (CIRP) under section 7 of the IBC (Refer note 5 of the Statement). Accordingly, owing to above events and uncertainties, and further in the absence of sufficient and appropriate evidence to substantiate management's basis for providing partial amount of Rs. 10,855 lakhs towards impairment of its investment in DVPL, we are unable to comment on the appropriateness of the balance carrying value of its investment and outstanding receivables in DVPL and its consequential impact on the net loss, total comprehensive loss for the quarter/year ended 31 March 2023 and the financial position of the Company as at 31 March 2023.

Our conclusion on the unaudited standalone financial results for the quarter ended 31 December 2022 and our opinion on the audited standalone annual financial results for the quarter/year ended 31 March 2022 was also qualified in respect of the matters stated in (a) and (b) above.

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone annual financial results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone annual financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.



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**Material Uncertainty relating to Going Concern**

As stated in Note 7 of the Statement, the Covid-19 pandemic had caused an adverse impact on the business operations of the Company and its financial health. Also, the Company and its subsidiaries defaulted in repayments of their debt and other obligations. Further as stated in para (a) and (b) above under Basis for qualified opinion, the Corporate Guarantees issued by the Company and its subsidiary, were invoked by the lenders amounting to Rs. 63,716.22 lakhs and one of the lenders also filed a petition initiating Corporate Insolvency Resolution Process (CIRP) of the Company and its subsidiary (as corporate guarantors) before the Hon'ble National Company Law Tribunal (NCLT). 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 management's reevaluation and conclusion that the Company will have sufficient liquidity to continue its operations, demand for its product portfolio, improvement in projected cashflows and further based on business potential and the mitigating steps taken by the Company, the Statement has been prepared on going concern basis.

Our opinion is not modified in respect of the above matter

**Management's and Board of Directors' responsibilities for the standalone annual financial results**

This Statement has been prepared on the basis of standalone annual financial statements. The Company's Management and Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net loss and total comprehensive loss and other financial information in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the financial reporting process of the Company.

**Auditor's responsibilities for the audit of the standalone annual financial results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the



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## FORD RHODES PARKS & CO LLP

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of standalone financial statements on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone annual financial results made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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## **FORD RHODES PARKS & CO LLP**

### **Other matter**

The Statement includes the results for the quarter ended 31 March 2023 being the balancing figures between the audited figures in respect of the full financial year ended 31 March 2023 and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

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

Chartered Accountants

Firm Registration Number 102860W/W100089



**Nitin Jain**

Partner

Membership Number 215336

Mumbai, 25 May 2023

UDIN: 23215336BGXFAR7060



**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 Audited Financial Results for the quarter and year ended 31 March 2023**

(₹ in lakhs except EPS data)

		Quarter ended			Year ended	
		31 March 2023 (Audited) (Refer note 8)	31 December 2022 (Unaudited)	31 March 2022 (Audited) (Refer note 8)	31 March 2023 (Audited)	31 March 2022 (Audited)
1	<b>Income</b>					
	Revenue from operations	8,205.11	2,310.69	3,917.28	19,046.10	10,400.38
	Other income	409.71	121.99	912.80	1,489.80	3,415.07
	<b>Total income</b>	<b>8,614.82</b>	<b>2,432.68</b>	<b>4,830.08</b>	<b>20,535.90</b>	<b>13,815.45</b>
2	<b>Expenses</b>					
	Purchase of stock-in-trade	3,856.73	1,541.43	755.91	7,805.11	1,518.60
	Change in inventories of stock-in-trade	(457.94)	(1,234.82)	378.73	(2,127.48)	573.07
	Operational cost	163.06	20.94	197.12	280.34	321.85
	Employee benefits expense	870.61	692.67	692.16	2,997.50	2,095.05
	Finance costs	683.98	658.50	549.42	2,639.87	2,423.10
	Depreciation and amortisation expense	63.73	152.12	3.79	436.98	541.41
	Selling and marketing expenses	1,510.06	183.23	278.86	2,289.24	781.04
	Other expenses	1,053.58	301.11	775.06	2,197.52	1,744.26
	<b>Total expenses</b>	<b>7,743.81</b>	<b>2,315.18</b>	<b>3,631.05</b>	<b>16,519.08</b>	<b>9,998.38</b>
3	<b>Profit before tax before exceptional items (1 - 2)</b>	<b>871.01</b>	<b>117.50</b>	<b>1,199.03</b>	<b>4,016.82</b>	<b>3,817.07</b>
4	Less: Exceptional items (Refer Note 3 and 4 below)	24,761.12	13,906.11	11,000.00	38,667.23	11,000.00
5	<b>Profit/(Loss) before tax after exceptional items (3-4)</b>	<b>(23,890.11)</b>	<b>(13,788.61)</b>	<b>(9,800.97)</b>	<b>(34,650.41)</b>	<b>(7,182.93)</b>
6	<b>Tax expense</b>					
	Current tax - Current year	389.79	71.09	182.63	1,306.28	879.56
	- earlier year	4.24	52.32	39.72	56.55	39.72
	Deferred tax	(118.56)	(40.97)	147.87	(230.95)	100.21
	<b>Total tax expense</b>	<b>275.47</b>	<b>82.44</b>	<b>370.22</b>	<b>1,131.88</b>	<b>1,019.49</b>
7	<b>Net Profit / (Loss) for the period / year after tax (5-6)</b>	<b>(24,165.58)</b>	<b>(13,871.05)</b>	<b>(10,171.19)</b>	<b>(35,782.29)</b>	<b>(8,202.42)</b>
8	<b>Other comprehensive income/(loss) (including tax effect)</b>					
	(i) Items that will not be reclassified to statements of profit and loss	(6.67)	(2.56)	15.55	(0.70)	38.04
	(ii) Items that will be reclassified to statements of profit and loss	-	-	-	-	-
	<b>Other comprehensive income/(loss) (i+ii)</b>	<b>(6.67)</b>	<b>(2.56)</b>	<b>15.55</b>	<b>(0.70)</b>	<b>38.04</b>
9	<b>Total comprehensive income/(loss) for the period/year (7+8)</b>	<b>(24,172.25)</b>	<b>(13,873.61)</b>	<b>(10,155.64)</b>	<b>(35,782.99)</b>	<b>(8,164.38)</b>
10	<b>Paid up equity share capital (face value ₹ 1 per share)</b>	<b>3,260.93</b>	<b>3,260.93</b>	<b>3,260.93</b>	<b>3,260.93</b>	<b>3,260.93</b>
11	<b>Other equity</b>				<b>2,476.20</b>	<b>38,248.75</b>
	<b>Earnings per share (Not annualised for the interim period):</b>					
	- Basic (₹)	(7.41)	(4.25)	(3.12)	(10.97)	(2.52)
	- Diluted (₹)	(7.41)	(4.25)	(3.12)	(10.97)	(2.52)

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**Zee Learn Limited**

CIN : L80301MH2010PLC198405

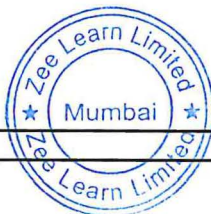
Regd Office :- Continental Bldg., 135, Dr. Annie Besant Road, Worli, Mumbai 400 018

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

**Standalone Audited Statement of Assets and Liabilities as at 31 March 2023**

(₹ in lakhs)

	As at 31 March 2023 (Audited)	As at 31 March 2022 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	212.12	246.16
Right-of-use assets	344.75	491.82
Investment property	5.85	5.85
Other Intangible assets	73.67	131.88
Intangible assets under development	5.15	-
<b>Financial assets</b>		
Investments	34,347.82	50,604.82
Loans	569.62	10,831.67
Other financial assets	57.00	72.73
Deferred tax assets (net)	761.19	530.00
Income tax assets (net)	9.93	5.43
Other non-current assets	100.99	116.74
<b>Total non-current assets</b>	<b>36,488.09</b>	<b>63,037.10</b>
<b>Current assets</b>		
Inventories	2,620.19	492.72
<b>Financial assets</b>		
Investments	-	9,572.00
Trade receivables	1,110.79	1,051.15
Cash and cash equivalents	1,770.00	1,923.54
Bank balances other than cash and cash equivalents	376.32	96.41
Other financial assets	39.06	1,232.43
Other current assets	1,232.49	129.24
<b>Total current assets</b>	<b>7,148.85</b>	<b>14,497.49</b>
<b>TOTAL ASSETS</b>	<b>43,636.94</b>	<b>77,534.59</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	3,260.93	3,260.93
Other equity	2,476.20	38,248.75
<b>Total equity</b>	<b>5,737.13</b>	<b>41,509.68</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	10,670.65	10,323.72
Lease liabilities	175.53	315.35
Other financial liabilities	766.67	711.71
Provisions	156.64	147.34
Other liabilities	5,318.38	5,383.54
<b>Total non-current liabilities</b>	<b>17,087.87</b>	<b>16,881.66</b>
<b>Current Liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	9,108.38	9,395.83
Lease liabilities	223.29	245.52
Trade payables		
outstanding dues of micro and small enterprises	795.69	911.88
outstanding dues of creditors other than micro and small enterprises	257.75	764.66
Other financial liabilities	2,832.05	2,941.85
Other current liabilities	6,717.65	4,447.68
Provisions	35.39	29.51
Current tax liabilities (net)	841.74	406.32
<b>Total current liabilities</b>	<b>20,811.94</b>	<b>19,143.25</b>
<b>Total liabilities</b>	<b>37,899.81</b>	<b>36,024.91</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>43,636.94</b>	<b>77,534.59</b>







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**Standalone Statement of Cash Flows for the year ended 31 March 2023**

(₹ In Lakhs)

	31 March 2023 (Audited)	31 March 2022 (Audited)
<b>A. Cash flow from operating activities</b>		
Net profit before tax after exceptional items	(34,650.41)	(7,182.93)
<b>Adjustments for :</b>		
Depreciation and amortisation expense	436.98	541.41
Liabilities no longer required / excess provision written back	(322.88)	(217.06)
Share based payment expense	10.40	54.27
Loss on sale / discard of property, plant and equipment / intangible assets (net)	5.47	107.14
Fair value loss on financial instrument at fair value through profit or loss	25.47	-
Interest expense	2,638.28	2,420.52
Allowances for bad and doubtful debt	485.97	256.91
Gain on derecognition of right-of-use of assets	(11.43)	(96.06)
Exceptional item (Refer note 3 and 4)	38,667.23	11,000.00
Unwinding of discount on security deposits / Financial guarantee obligation	(264.29)	(328.42)
Dividend income	(0.01)	(0.01)
Interest income	(751.22)	(2,351.51)
<b>Operating profit before working capital changes</b>	<b>6,269.56</b>	<b>4,204.26</b>
<b>Changes in working capital :</b>		
(Increase) / Decrease in inventories	(2,127.46)	573.07
(Increase) / Decrease in trade and other receivables	(1,223.00)	563.99
Increase / (Decrease) in trade and other payables	1,572.07	1,019.49
<b>Cash generated from operations</b>	<b>4,491.17</b>	<b>6,360.81</b>
Income tax paid (net)	(931.91)	(949.91)
<b>Net cash flow from operating activities (A)</b>	<b>3,559.26</b>	<b>5,410.90</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment / intangible assets / capital work-in-progress	(148.83)	(160.95)
Sale of property, plant and equipment / intangible assets	2.49	16.13
Decrease/(Increase) in other bank balances	(276.00)	(41.74)
Loans given to subsidiary companies	(834.22)	(1,247.76)
Receipt of loans given to subsidiary companies	61.75	108.50
Loans given to others	(59.00)	(160.00)
Loans repaid by others	-	47.60
Dividend received	(0.01)	-
Interest received	14.83	2.78
<b>Net cash flow used in investing activities (B)</b>	<b>(1,238.99)</b>	<b>(1,435.44)</b>
<b>C. Cash flow from financing activities</b>		
Repayment of non-current borrowings	(1,626.15)	(1,000.43)
Proceeds from current borrowings	-	200.00
Repayment of current borrowings	-	(200.00)
Payment of lease liabilities (including interest)	(303.74)	(359.74)
Interest paid	(543.92)	(778.60)
<b>Net cash flow used in financing activities (C)</b>	<b>(2,473.81)</b>	<b>(2,138.77)</b>
<b>Net cash flow during the year (A+B+C)</b>	<b>(153.54)</b>	<b>1,836.69</b>
Cash and cash equivalents at the beginning of the year	1,923.54	86.85
<b>Net cash and cash equivalents at the end of the year</b>	<b>1,770.00</b>	<b>1,923.54</b>
Add : Balances earmarked	376.32	96.41
<b>Cash and bank balances at the end of the year</b>	<b>2,146.32</b>	<b>2,019.95</b>

**Notes:**

<b>1. Component of cash and bank balances as follows</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
Cash and cash equivalents	1,770.00	1,923.54
Bank Balances other than cash and cash equivalents	376.32	96.41
<b>Total</b>	<b>2,146.32</b>	<b>2,019.95</b>

Note: During the year the Company has converted loan (including interest) given to its wholly owned subsidiary of Rs 11,578.89 lakhs into Optionally Convertible Debentures and the same being non-cash transaction, not disclosed in the above statement of cash flows.

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**Notes to the Statement of Standalone Audited financial results for the quarter and year ended 31 March 2023:**

- 1 The above Standalone Audited Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 25 May 2023.
- 2 The above Standalone Audited 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 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. 45,202.62 lakhs, loan and receivables of Rs. 11,377.05 lakhs aggregating to Rs. 56,579.67 lakhs as at 31 March 2023. During earlier years, the Company had given loan to DVPL to support school operations. On account of delays in recovery of the same (including interest accrued thereon), the Company during the year ended 31 March 2022 had provided for Rs. 11,000 lakhs towards impairment loss under the expected credit loss model against the said loan/receivables and the said impairment loss was disclosed as an "Exceptional item" in the standalone financials results for the year ended 31 March 2022. Further, there are 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 below). Accordingly, the Company, out of abundant caution and prudent accounting practices, has provided Rs. 10,855 lakhs towards impairment of its investments (including redemption premium) in DVPL and the same has been shown as an Exceptional Item during the quarter/year ended 31 March 2023.
- 4 The Company has investment in equity shares of its subsidiary company viz MT Educare Limited (MTEL or Corporate Debtor) which is carried at cost of Rs. 27,812.22 lakhs. During the previous quarter, the Hon'ble National Company Law Tribunal (NCLT) Mumbai, has admitted the application filed by an Operational Creditor and ordered the commencement of Corporate Insolvency Resolution Process (CIRP) of MTEL under Section 9 of the Insolvency and Bankruptcy Code, 2016 (IBC). The NCLT has also appointed an Interim Resolution Professional (IRP) for the Corporate Debtor. However, during the quarter, an appeal was filed before Hon'ble National Company Law Appellate Tribunal ("NCLAT") and NCLAT vide its order dated 6 January 2023 stayed the constitution of Committee of Creditors ("COC"). Considering the above ongoing CIRP proceedings and appointment of IRP, the Company, out of abundant caution and prudent accounting practices, had provided Rs. 13,906.11 lakhs towards impairment of its investments in MTEL and the same was shown as an Exceptional Item during the quarter/nine months ended 31 December 2022. Further, during the quarter/year ended 31 March 2023, the Company has provided the balance amount of Rs 13,906.11 lakhs towards impairment of its investments in MTEL and the same has been shown as an Exceptional Item during the quarter/year ended 31 March 2023.
- 5 Yes Bank Limited (Yes Bank) vide its notices dated 2 August 2021 and 9 August 2021 (received on 10 August 2021) addressed to the Company and its subsidiary, viz Digital Ventures Private Limited (DVPL) respectively, had invoked the 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 Yes Bank 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, Yes Bank vide its letters dated 30 December 2022 has informed the Company and DVPL that it has 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 is Rs. 52,254.63 lakhs (including interest and penal charges). However, the Company has not received any definitive document in support of such assignment for each of the credit facilities. Further on 10 February 2023, the Hon'ble NCLT, Mumbai admitted the application filed by Yes Bank 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 NCLAT vide its order dated 16 February 2023 set aside the impugned order dated 10 February 2023 passed by the 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 NCLAT. On 29 March 2023, the Hon'ble Supreme court allowed the SLP and stayed the further proceedings of NCLT. The matter is currently pending for hearing before the Hon'ble Supreme Court. However, the said trusts/entity have started running their operations effectively under the brick and mortar model and since the CIRP matter of the Company is sub-judice, and considering revival of education industry post Covid-19 pandemic, the Company is of the opinion that no liability is required to be provided as at 31 March 2023.
- 6 During the previous year, 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 sanction letters. Further, during the year, the Company has 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. The Covid-19 pandemic had caused disruption in the activities especially in the education sector and there were restrictions on carrying out the operations of schools under the brick and mortar model. However, the schools have opened up and students are being enrolled in the schools. Further, DVPL has started making repayment of its loan through an agreed mechanism as per discussions with the Lenders. In view of above, the Company is of the opinion that no liability is required to be provided as at 31 March 2023.
- 7 The Covid-19 pandemic had caused an adverse impact on the business operations of the Company and its financial health. The Company and its subsidiary company had received notices from Yes Bank and other lenders for invocation of corporate guarantees and there are Corporate Insolvency Resolution Process (CIRP) proceedings filed against the Company and its subsidiary as corporate guarantors (refer note 5 and 6 above). 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, the management has re-evaluated and concluded that the Company will have sufficient liquidity to continue its operations in an uninterrupted manner, demand for its product portfolio and improvement in projected cash flows through normal operations and timely monetization of assets. In view of above and further based on business potential and the mitigating steps being taken by the Company, these standalone audited financial results have been prepared on going concern basis.
- 8 Figures for the quarter ended 31 March 2023 and 31 March 2022 are the balancing figures between audited figures for the financial year and reviewed year to date figures upto third quarter of the respective financial year.
- 9 Previous period figures have been regrouped and rearranged wherever considered necessary.



*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, 25 May 2023



**ANNEXURE-I****Statement of Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results-Standalone)****Statement of Impact of Audit Qualifications for the Financial Year ended 31 March, 2023 (See regulation 33 of SEBI (LODR) Regulations, 2015)**

I	Sl. No.	Particulars	Audited Figures (Rs. In Lakhs) (as reported before adjusting for qualifications)	Audited Figures (Rs. in Lakhs) (as reported after adjusting for qualifications)
	1	Turnover/Total Income	20,535.90	20,535.90
	2	Total Expenditure (including exceptional items and tax expense)	56,318.19	56,318.19
	3	Net Profit/(loss) after tax	(35,782.29)	(35,782.29)
	4	Earnings per share (Rs.)	(10.97)	(10.97)
	5	Total Assets	43,636.94	43,636.94
	6	Total Liabilities	37,899.81	37,899.81
	7	Networth	5,737.13	5,737.13

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

- 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 45,202.62 lakhs, loan and receivables of Rs. 11,377.05 lakhs aggregating to Rs. 56,579.67 lakhs outstanding as at 31 March 2023. Further, as stated in the said note, the Company had in earlier years given loan to DVPL to support school operations and on account of delays in recovery of the loan, the Company had provided Rs. 11,000 lakhs towards impairment loss under the expected credit loss model against the said loan and the same was shown as Exceptional Item in the standalone financial results for the quarter/year ended 31 March 2022. As further explained in the said note, there are 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, Mumbai ("NCLT"), and accordingly, the Company out of abundant caution and prudent accounting practices, has provided Rs. 10,855 lakhs towards impairment of its investments (including redemption premium) in DVPL and the same has been shown as Exceptional Item during the quarter/year ended 31 March 2023.

DVPL defaulted in repayment of its loans availed from two lenders and w.r.t. the said loans, the lenders invoked the Corporate guarantees given by the Company on behalf of DVPL (Refer note 6 of the Statement). Further, Yes bank Limited had also invoked Corporate Guarantee issued by the Company and DVPL w.r.t. credit facilities availed by four trusts/entity, and petitions have been filed by Yes Bank Limited against the Company and DVPL (as corporate guarantors) initiating Corporate Insolvency Resolution Process (CIRP) under section 7 of the IBC (Refer note 5 of the Statement). Accordingly, owing to above events and uncertainties, and further in the absence of sufficient and appropriate evidence to substantiate management's basis for providing partial amount of Rs. 10,855 lakhs towards impairment of its investment in DVPL, we are unable to comment on the appropriateness of the balance carrying value of its investment and outstanding receivables in DVPL and its consequential impact on the net loss, total comprehensive loss for the quarter/year ended 31 March 2023 and the financial position of the Company as at 31 March 2023.

**Frequency of Qualification: Appearing for the First time.**

- As stated in note 5 to the Statement, Yes Bank Limited (Yes Bank) 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 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 note, the Company and DVPL have received notices from Yes Bank 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 corporator guarantors) before the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai. Also as stated in the said note, Yes Bank vide its letters dated 30 December 2022 has informed the Company and DVPL that it has 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 is Rs. 52,254.63 lakhs (including interest and penal charges). However, the Company has not received any definitive document in support of such assignment for each of the credit facilities. As further explained in the said note, on 10 February 2023 the Hon'ble NCLT admitted the application filed by Yes Bank 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 NCLAT vide its order dated 16 February 2023 set aside the impugned order dated 10 February 2023 passed by the 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 NCLAT. On 29 March 2023, the Hon'ble Supreme Court allowed the SLP and stayed the further proceedings of NCLT and the matter is currently pending for hearing before the Hon'ble Supreme Court.

As further stated in the said note, the four trusts/entity have started running their operations effectively under the brick and mortar model and, further since the above CIRP matter of the Company is sub-judice, and considering revival of education industry post Covid-19 pandemic, the Company is of the opinion that no liability is required to be provided as at 31 March 2023.

Despite the above invocation of Corporate Guarantee and further proceedings of CIRP, the Company has not provided for any liability against the invocation of the Corporate Guarantee as at 31 March 2023 as required by the applicable Indian Accounting Standard (Ind AS). Further, in the absence of sufficient and appropriate evidence to corroborate the management's conclusion on non-recognition of the liability towards Corporate Guarantee invocation, we are unable to comment upon adjustments, if any, on the net loss, total comprehensive loss for the quarter/year ended 31 March 2023 and the financial position of the Company as at 31 March 2023.

**Frequency of Qualification: Appearing for the second time**


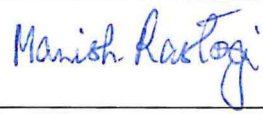



- c) As stated in the note 6, one of the subsidiaries viz. Digital Ventures Private Limited (DVPL) had defaulted in repayment of loans availed from two Lenders. In this regard, One of the Lenders vide its notice dated 14 February 2022 issued to the Company had invoked the Corporate Guarantee issued by the Company on behalf of DVPL, and called upon the Company to pay 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 letter. As further stated in said note, during the year, the Company has 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 pay an amount of Rs. 2,299.59 lakhs outstanding as at 30 June 2021.

As stated in the said note, Covid-19 Pandemic had caused disruption in the activities especially in the education sector, however, the schools have opened up and students are being enrolled. Further as stated in the said note, DVPL has started making repayment of its loan through an agreed mechanism as per discussions with the Lenders. In view of above, the Company is of the opinion that no liability is required to be provided as at 31 March 2023.

However, the Company has not provided for liability against above invocation of the Corporate Guarantees as at 31 March 2023 as required by the applicable Indian Accounting Standard (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, on the net loss, total comprehensive loss for the quarter/year ended 31 March 2023 and the financial position of the Company as at 31 March 2023.

**Frequency of Qualification: Appearing for the second time**



	(b) Type of Audit Qualification:	Qualified Opinion
	(c) For Audit Qualification(s) where the impact is quantified by the Auditor, Managements Views: NA	
	(d) For Audit Qualification(s) where the impact is not quantified by the Auditor, Management views;	
	<p>(i) 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. 45,202.62 lakhs, loan and receivables of Rs. 11,377.05 lakhs aggregating to Rs. 56,579.67 lakhs as at 31 March 2023. During earlier years, the Company had given loan to DVPL to support school operations. On account of delays in recovery of the same (including interest accrued thereon), the Company during the year ended 31 March 2022 had provided for Rs. 11,000 lakhs towards impairment loss under the expected credit loss model against the said loan/receivables and the said impairment loss was disclosed as an "Exceptional item" in the standalone financials results for the year ended 31 March 2022. Further, there are 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 below). Accordingly, the Company, out of abundant caution and prudent accounting practices, has provided Rs. 10,855 lakhs towards impairment of its investments (including premium) and the same has been shown as an Exceptional Item during the quarter/year ended 31 March 2023.</p> <p>(ii) In respect of invocation of corporate guarantee of Rs. 52,254.63 lakhs The said trusts/entity have started running their operations effectively under the brick and mortar model and since the CIRP matter of the Company is sub-judice, and considering revival of education industry post Covid-19 pandemic, the Company is of the opinion that no liability is required to be provided as at 31 March 2023.</p> <p>iii) In respect of invocation of corporate guarantee of Rs. 11,461.59 lakhs The Covid-19 pandemic had caused disruption in the activities especially in the education sector and there were restrictions on carrying out the operations of schools under the brick and mortar model. However, the schools have opened up and students are being enrolled in the schools. Further, DVPL has started making repayment of its loan through an agreed mechanism as per discussions with the Lenders. In view of above, the Company is of the opinion that no liability is required to be provided as at 31 March 2023.</p>	
	(iii) Auditor's Comment on (i) and (ii) above: Auditors comments are self-explanatory in auditor's report.	
III	<b>Signatories:</b>	
	Anish Shah Chief Financial Officer 25 May 2023	
	Manish Rastogi Chief Executive Officer and Whole Time Director 25 May 2023	
	Mr. Dattatraya Kelkar Chairman of Audit Committee 25 May 2023	
	Statutory Auditors For Ford Rhodes Parks & Co. LLP Firm Registration No. 102860W/W100089  Nitin Jain Partner Membership No. 215336 25 May 2023	 

# 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.

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EMAIL : frptax@gmail.com

### Independent auditor's report on the audit of consolidated annual financial results

To the Board of Directors,  
**Zee Learn Limited**

#### Qualified Opinion

We have audited the accompanying consolidated annual financial results of **Zee Learn Limited** (hereinafter referred to as "the Company" or "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the quarter and year ended 31 March 2023 ("the Statement" or "consolidated annual financial results") attached herewith, 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 ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate audited financial results, the aforesaid Statement:

- a) includes the annual financial results of the following entities:

**Holding Company - Zee Learn Limited**

#### Direct Subsidiaries

- (i) Liberium Global Resources Private Limited
- (ii) Digital Ventures Private Limited
- (iii) Academia Edificio Private Limited
- (iv) MT Educare Limited

#### Indirect Subsidiaries (held through MT Educare Limited)

- (i) MT Education Services Private Limited
- (ii) Lakshya Forum for Competitions Private Limited
- (iii) Chitale's Personalised Learning Private Limited
- (iv) Sri Gayatri Educational Services Private Limited
- (v) Robomate Edutech Private Limited
- (vi) Letspaper Technologies Private Limited
- (vii) Labh Ventures India Private Limited

- b) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, in this regard; and

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**



- c) except for the possible effects of the matters described in the Basis for qualified opinion paragraph below, gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the consolidated net loss/total comprehensive loss for the year ended 31 March 2023 and other financial information of the Group for the quarter/year ended 31 March 2023.

**Basis for qualified opinion**

- a) As stated in note 6 to the Statement, Yes Bank Limited (Yes Bank) 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 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 note, the Holding Company and DVPL have received notices from Yes Bank 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 corporator guarantors) before the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai. Also as stated in the said note, Yes Bank vide its letters dated 30 December 2022 has informed the Holding Company and DVPL that it has 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 is Rs. 52,254.63 lakhs (including interest and penal charges). However, the Holding Company has not received any definitive document in support of such assignment for each of the credit facilities. As further explained in the note, on 10 February 2023 the Hon'ble NCLT admitted the application filed by Yes Bank 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 NCLAT vide its order dated 16 February 2023 set aside the impugned order dated 10 February 2023 of 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 NCLAT. On 29 March 2023, the Hon'ble Supreme Court allowed the SLP and stayed the further proceedings of NCLT and the matter is currently pending for hearing before the Hon'ble Supreme Court.

As further stated in the said note, the four trusts/entity have started running their operations effectively under the brick and mortar model and, further since the above CIRP matter of the Holding Company is sub-judice, and considering revival of education industry post Covid-19 pandemic, the Holding Company is of the opinion that no liability is required to be provided as at 31 March 2023.


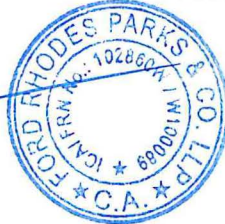
Despite the above invocation of Corporate Guarantee and further proceedings of CIRP, the Holding Company has not provided for liability against the invocation of the Corporate Guarantee as at 31 March 2023 as required by the applicable Indian Accounting Standard (Ind AS). Further, in the absence of sufficient and appropriate evidence to corroborate the management's conclusion on non-recognition of the liability towards Corporate Guarantee invocation, we are unable to comment upon adjustments, if any, on the net loss, total comprehensive loss for the quarter/year ended 31 March 2023 and the financial position of the Company as at 31 March 2023. Our opinion for the quarter/year ended 31 March 2022 was also qualified in respect of this matter.



The image shows a handwritten signature in blue ink, which appears to be 'N. K. Singh', written over a circular blue ink stamp. The stamp contains the text 'FORD RHODES PARKS & CO. LLP' around the perimeter, with 'C.A.' at the bottom and 'No. 1020601' in the center.



- b) In one of the subsidiaries viz. MT Educare Limited (MTEL), the other auditor who audited the consolidated annual financial results of MTEL reported that MTEL has recognized net deferred tax assets of Rs. 7,548.55 lakhs based on the estimate that sufficient taxable profits would be available in future years against which deferred tax assets can be utilized. In the opinion of the other auditor, due to losses during the year and earlier years and pendency of Corporate Insolvency Resolution Process (CIRP), it is uncertain that MTEL would achieve sufficient taxable income in the future against which deferred tax assets can be utilized. Accordingly, the other auditor is unable to obtain sufficient appropriate audit evidence to corroborate the Management's/Interim Resolution Professional's (IRP's) assessment of recognition of deferred tax assets as at 31 March 2023. Had the deferred tax assets not been recognized, the net loss for the year ended 31 March 2023 would have been higher by Rs. 7,548.55 lakhs and net worth as at that date would have been lower by the said amount. The Other auditor's opinion on the Consolidated annual financial results of MTEL was also qualified for the year ended 31 March 2022 in respect of this matter.
- c) In one of the subsidiaries viz. MT Educare Limited (MTEL), the other auditor who audited the consolidated annual financial results of MTEL reported that MTEL has outstanding loans, trade receivables and other receivables of Rs 8,709.24 lakhs (net of provisions on consolidated basis) as at 31 March 2023, which are overdue/rescheduled. The management/IRP envisages the same to be good and recoverable. However, owing to the aforementioned overdues/rescheduling, the other auditor is unable to comment upon adjustments, if any, that may be required to the carrying value of the said outstanding amounts and the consequential impact on the consolidated annual financial results of MTEL. The Other auditor's opinion on the Consolidated annual financial results of MTEL was also qualified for the year ended 31 March 2022 in respect of this matter.
- d) In one of the subsidiaries viz. MT Educare Limited (MTEL), the other auditor who audited the audited consolidated annual financial results of MTEL reported that the MTEL Group has not provided for interest of Rs. 1,200.63 lakhs excluding penal interest, if any, on outstanding borrowings. Had the interest expenses been recognized, the net loss for the year ended 31 March 2023 would have been higher by Rs. Rs. 1,200.63 lakhs and net worth as on that date would have been lower by the said amount. Non-provision of interest is not in compliance with Ind AS 23 "Borrowing Costs". The Other auditor's opinion on the Consolidated annual financial results of MTEL was also qualified for the year ended 31 March 2022 in respect of this matter.
- e) In one of the subsidiaries viz. MT Educare Limited (MTEL), the other auditor who audited the audited consolidated annual financial results of MTEL reported regarding admission of MTEL into CIRP and pending determination of obligations and liabilities with regard to various claims submitted by the operational/financial/other creditors and employees including claims for guarantee obligation and interest payable on loans. The other auditor is unable to comment on adjustments, if any, pending reconciliation and determination of final obligation.
- f) In one of the subsidiaries viz. MT Educare Limited (MTEL), the other auditor who audited the audited consolidated annual financial results of MTEL reported that the other auditor has not received bank statement and confirmation of amounts for the balances lying current account of Rs. 12.96 lakhs. In the absence of sufficient appropriate audit evidence, the other auditor is unable to determine any possible impact thereof on the loss for the year ended 31 March 2023 and on the carrying value of cash and cash equivalents as at that date.



- g) In one of the subsidiaries viz. MT Educare Limited (MTEL), the other auditor who audited the audited consolidated annual financial results of MTEL reported that in the absence of comprehensive review of carrying amount of certain assets (loans and advances, balances with government authorities, deposits, trade and other receivables) and liabilities, the other auditor is unable to comment upon adjustments, if any, that may be required to the carrying amount of such assets and liabilities and consequential impact, if any, on the reported losses for the quarter and the year ended 31 March 2023. Non-determination of fair value of financial assets and liabilities are not in compliance with Ind AS 109 "Financial Instruments" and Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets".

The net worth of the Group excludes the possible effects of the above qualifications which are non-quantifiable as referred therein.

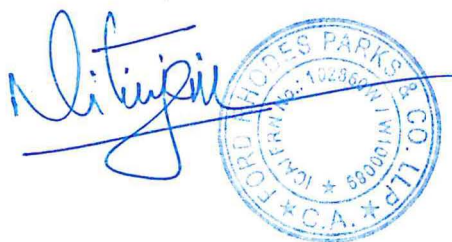
We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated annual financial results section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provision of the Act and the Rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in 'Other Matters' paragraph, is sufficient and appropriate to provide a basis for our qualified audit opinion.

**Material uncertainty relating to Going Concern**

As stated in Note 10 of the Statement, the Covid-19 pandemic had caused an adverse impact on the business operations of the Holding Company and its financial health. Also, the Holding Company and its subsidiaries defaulted in repayments of their debt and other obligations. Further as stated in para (a) above under Basis for qualified opinion, the Corporate Guarantee issued by the Holding Company and its subsidiary, were invoked by one of the lenders amounting to Rs. 52,254.63 lakhs and the said lender has also filed a petition initiating Corporate Insolvency Resolution Process (CIRP) of the Holding Company and its subsidiary (as corporate guarantors) before the Hon'ble National Company Law Tribunal (NCLT). Further, as stated in Note 11 of the Statement, the Hon'ble NCLT has also admitted a petition under Insolvency and Bankruptcy Code 2016 (IBC) against one of the Subsidiaries viz MT Educare Limited. These events indicate the existence of material uncertainty that may cast significant doubt on the Holding Company's ability to continue as a going concern. However, considering the management's reevaluation and conclusion that the Holding Company will have sufficient liquidity to continue its operations, demand for its product portfolio, improvement in projected cashflows and further based on business potential and the mitigating steps taken by the Holding Company, the Statement has been prepared on going concern basis.

Our opinion is not modified in respect of this matter.

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**Management's and Board of Directors' responsibilities for the consolidated annual financial results**

This Statement has been prepared on the basis of consolidated annual financial statements. The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the consolidated net loss and consolidated total comprehensive loss and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective companies or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

**Auditor's responsibilities for the audit of the consolidated annual financial results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.





## FORD RHODES PARKS & CO LLP

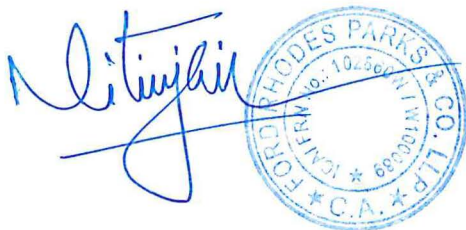
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of consolidated financial statements on whether the Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the Statement made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial results of such entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Other matters

- a) The Statement includes the audited financial results of eleven subsidiaries whose financial statements (before consolidation adjustments) reflect total assets of Rs. 1,01,746.46 lakhs as at 31 March 2023, total revenues of Rs.15,109.88 lakhs, total net loss after tax of Rs. 18,279.58 lakhs, total comprehensive loss of Rs. 18,277.98 lakhs and total cash inflows of Rs. 161 lakhs for the year ended on that date, as considered in the Statement. These annual financial results/consolidated annual financial results have been audited by other auditors whose reports have been furnished to us and our opinion on the Statement, in so far as it relates these subsidiaries is based solely on the reports of the other auditors.



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## FORD RHODES PARKS & CO LLP

Our opinion on the Statement is not modified in respect of the above matter with regard to our reliance on the work done and the reports of the other auditors.

- b) The Statement for the quarter ended 31 March 2023 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us as required under the Listing Regulations.

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

Chartered Accountants

Firm Registration Number 102860W/W100089

**Nitin Jain**

Partner

Membership Number 215336



Mumbai, 25 May 2023

UDIN: 23215336BGXFAT4312





## 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 Consolidated Audited Financial Results for the quarter and year ended 31 March 2023

(₹ in lakhs except EPS data)

		Quarter ended			Year ended	
		31 March 2023 (Audited) (Refer note 12)	31 December 2022 (Unaudited)	31 March 2022 (Audited) (Refer note 12)	31 March 2023 (Audited)	31 March 2022 (Audited)
1	<b>Income</b>					
	Revenue from operations	11,103.15	5,472.82	7,757.66	32,417.07	24,788.27
	Other income	838.06	367.88	1,405.63	2,024.18	3,437.59
	<b>Total income</b>	<b>11,941.21</b>	<b>5,840.70</b>	<b>9,163.29</b>	<b>34,441.25</b>	<b>28,225.86</b>
2	<b>Expenses</b>					
	Purchase of stock-in-trade	3,856.73	1,541.43	755.91	7,805.11	1,518.60
	Change in inventories of stock-in-trade	(457.94)	(1,234.82)	378.73	(2,127.48)	573.07
	Operational cost	1,034.62	893.54	1,052.48	4,109.37	3,426.95
	Employee benefits expense	2,722.34	2,499.59	2,725.79	10,382.10	9,417.33
	Finance costs	1,099.66	1,133.39	1,191.05	4,355.15	4,425.38
	Depreciation and amortisation expense	829.57	844.37	646.81	3,209.14	3,669.45
	Selling and marketing expenses	1,519.65	183.06	387.58	2,613.36	1,128.04
	Other expenses	4,462.32	571.42	1,797.32	7,107.94	3,983.92
	<b>Total expenses</b>	<b>15,066.95</b>	<b>6,431.98</b>	<b>8,935.67</b>	<b>37,454.69</b>	<b>28,142.74</b>
3	<b>Profit/(Loss) before tax (1-2)</b>	<b>(3,125.74)</b>	<b>(591.28)</b>	<b>227.62</b>	<b>(3,013.44)</b>	<b>83.12</b>
4	Less: Exceptional items (Refer Note 4 and 5 below)	26,516.82	15,661.82	-	42,178.64	-
5	<b>Profit/(Loss) before tax after exceptional items (3-4)</b>	<b>(29,642.56)</b>	<b>(16,253.10)</b>	<b>227.62</b>	<b>(45,192.08)</b>	<b>83.12</b>
6	<b>Tax expense</b>					
	Current tax - current year	390.49	62.38	202.37	1,324.61	944.56
	- earlier year	18.46	52.32	319.53	70.77	335.85
	Deferred tax	(289.27)	(33.61)	211.93	(428.60)	118.55
	<b>Total tax expense</b>	<b>119.68</b>	<b>81.09</b>	<b>733.83</b>	<b>966.78</b>	<b>1,398.96</b>
7	<b>Net Profit / (Loss) for the period/year after tax (5-6)</b>	<b>(29,762.24)</b>	<b>(16,334.19)</b>	<b>(506.21)</b>	<b>(46,158.86)</b>	<b>(1,315.84)</b>
8	<b>Other comprehensive income / (loss) (including tax effect)</b>					
	(i) Items that will not be reclassified to statements of profit and loss	(8.85)	(0.50)	40.31	0.91	50.72
	(ii) Items that will be reclassified to statements of profit and loss	-	-	-	-	-
	<b>Other comprehensive income (i+ii)</b>	<b>(8.85)</b>	<b>(0.50)</b>	<b>40.31</b>	<b>0.91</b>	<b>50.72</b>
9	<b>Total comprehensive income/(loss) for the period/year(7+8)</b>	<b>(29,771.09)</b>	<b>(16,334.69)</b>	<b>(465.90)</b>	<b>(46,157.95)</b>	<b>(1,265.12)</b>
10	<b>Profit/(Loss) for the year attributable to :</b>					
	Equity holders of the parent	(28,490.69)	(16,107.98)	5.17	(44,342.47)	(272.42)
	Non-controlling interest	(1,271.55)	(226.21)	(511.38)	(1,816.39)	(1,043.42)
11	<b>Total comprehensive income /(loss) attributable to :</b>					
	Equity holders of the parent	(28,499.45)	(16,108.90)	36.37	(44,341.60)	(225.80)
	Non-controlling interest	(1,271.64)	(225.79)	(502.27)	(1,816.35)	(1,039.32)
12	<b>Paid up equity share capital (face value ₹ 1 per share)</b>	<b>3,260.93</b>	<b>3,260.93</b>	<b>3,260.93</b>	<b>3,260.93</b>	<b>3,260.93</b>
13	<b>Other equity</b>				<b>(1,431.38)</b>	<b>42,994.08</b>
	Earnings per share (Not annualised for the interim period):					
	- Basic (₹)	(8.74)	(4.94)	0.002	(13.60)	(0.08)
	- Diluted (₹)	(8.74)	(4.94)	0.002	(13.60)	(0.08)

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Zee Learn Limited

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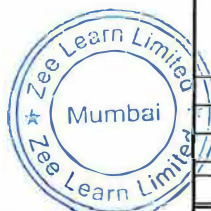
Website: www.zeelearn.com ; email: investor\_relations@zeelearn.com ; Tel : 91-22-71541895

## Consolidated Audited Statement of Assets and Liabilities as at 31 March 2023

(₹ in lakhs)

	As at 31 March 2023 (Audited)	As at 31 March 2022 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,440.47	3,220.02
Right-of-use assets	3,687.83	3,583.32
Capital work-in-progress	21.83	56.79
Investment property	22,683.51	23,614.74
Investment property under development	32,144.88	31,219.85
Goodwill	-	31,323.64
Other intangible assets	3,977.25	5,721.61
Intangible assets under development	5,250.60	5,245.45
<b>Financial assets</b>		
Investments	0.36	0.36
Loans	3,008.25	8,277.45
Other financial assets	381.37	593.73
Deferred tax assets (net)	8,304.68	7,808.09
Income tax assets (net)	2,901.09	2,822.42
Other non-current assets	1,557.74	1,589.55
<b>Total non-current assets</b>	<b>86,359.86</b>	<b>1,25,077.02</b>
<b>Current assets</b>		
Inventories	2,620.19	492.72
<b>Financial assets</b>		
Investments	-	0.01
Trade receivables	2,637.53	10,299.74
Cash and cash equivalents	2,570.86	2,563.40
Bank balances other than cash and cash equivalents	927.66	624.16
Loans	3,755.87	2,831.31
Other financial assets	1,796.85	2,528.92
Other current assets	1,709.37	332.43
<b>Total current assets</b>	<b>16,018.33</b>	<b>19,672.69</b>
<b>TOTAL ASSETS</b>	<b>1,02,378.19</b>	<b>1,44,749.71</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	3,260.93	3,260.93
Other equity	(1,431.38)	42,994.08
<b>Equity attributable to equity holders of the parent</b>	<b>1,829.55</b>	<b>46,255.01</b>
Non controlling interest	12,153.15	13,969.49
<b>Total equity</b>	<b>13,982.70</b>	<b>60,224.50</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	25,108.47	22,855.21
Lease liabilities	3,801.72	3,262.77
Other financial liabilities	1,678.35	1,503.60
Deferred tax liabilities	159.48	80.09
Provisions	308.57	538.83
Other liabilities	14,650.98	15,298.94
<b>Total non-current liabilities</b>	<b>45,707.57</b>	<b>43,539.44</b>
<b>Current Liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	16,993.13	17,087.99
Lease liabilities	370.99	528.17
Trade Payables		
outstanding dues of micro and small enterprises	1,436.75	1,088.59
outstanding dues of creditors other than micro and small enterprises	5,583.45	6,285.68
Other financial liabilities	6,731.35	7,466.18
Other current liabilities	10,308.30	7,900.11
Provisions	403.88	157.40
Current tax liabilities (net)	860.07	471.65
<b>Total current liabilities</b>	<b>42,687.92</b>	<b>40,985.77</b>
<b>Total liabilities</b>	<b>88,395.49</b>	<b>84,525.21</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,02,378.19</b>	<b>1,44,749.71</b>

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**Consolidated Statement of Cash Flows for the year ended 31 March 2023**

(₹ Lakhs)

	31 March 2023 (Audited)	31 March 2022 (Audited)
<b>A. Cash flow from operating activities</b>		
Net profit before tax after exceptional items	(45,192.08)	83.12
<b>Adjustments for :</b>		
Depreciation and amortisation expense	3,209.14	3,669.45
Liabilities no longer required / excess provision written back	(552.52)	(1,274.07)
Share based payment expenses	10.40	54.27
Loss on sale / discard of property, plant and equipment / intangible assets (net)	620.80	326.66
Impairment loss on Property, plant and equipment	-	48.22
Gain on derecognition of right-of-use assets	(11.43)	(395.92)
Exceptional items (Refer note 4 and 5)	42,178.64	-
Interest expense	4,260.99	4,273.66
Allowances for credit losses	1,880.14	865.59
Unwinding of discount on security deposits	(264.29)	(284.89)
Interest income	(1,104.59)	(1,136.80)
<b>Operating profit before working capital changes</b>	<b>5,035.20</b>	<b>6,229.29</b>
<b>Changes in working capital :</b>		
(Increase) / Decrease in inventories	(2,127.48)	573.07
(Increase) / Decrease in trade and other receivables	(243.44)	(147.26)
Increase / (Decrease) in trade and other payables	2,618.97	615.50
<b>Cash generated from operations</b>	<b>5,283.25</b>	<b>7,270.60</b>
Income tax paid (net)	(1,085.32)	(1,020.29)
<b>Net cash flow from operating activities (A)</b>	<b>4,197.93</b>	<b>6,250.31</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment / intangible assets / investment property / capital work-in-progress	(417.18)	(111.42)
Sale of property, plant and equipment / intangible assets	24.69	54.83
Decrease/(Increase) in other bank balances	(299.59)	131.28
Sale of non current investments	0.01	-
Loans given to others	(937.34)	(1,472.50)
Loans repaid by others	270.76	717.81
Interest received	156.48	116.37
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(1,202.17)</b>	<b>(563.63)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from non-current borrowings	231.31	-
Repayment of non-current borrowings	(800.00)	(1,220.43)
Proceeds from current borrowings	-	525.98
Repayment of current borrowings	(109.00)	(826.89)
Payment of lease liabilities (including interest)	(1,591.95)	(1,090.58)
Dividend paid (including dividend distribution tax)	-	-
Interest paid	(718.66)	(1,077.63)
<b>Net cash flow used in financing activities (C)</b>	<b>(2,988.30)</b>	<b>(3,689.55)</b>
<b>Net cash flow during the year (A+B+C)</b>	<b>7.46</b>	<b>1,997.13</b>
Cash and cash equivalents at the beginning of the year	2,563.40	566.27
<b>Net cash and cash equivalents at the end of the year</b>	<b>2,570.86</b>	<b>2,563.40</b>
Add : Balances earmarked	927.66	624.16
<b>Cash and bank balances at the end of the year</b>	<b>3,498.52</b>	<b>3,187.56</b>

**Notes:**

<b>1. Component of cash and bank balances as follows</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
Cash and cash equivalents	2,570.86	2,563.40
Bank Balances other than cash and cash equivalents	927.66	624.16
<b>Total</b>	<b>3,498.52</b>	<b>3,187.56</b>

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**Consolidated Audited Financial Statements for the quarter and year ended 31 March 2023**

**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 year ended 31 March 2023**

Particulars	Quarter ended			Year ended	
	31 March 2023 (Audited) (Refer note 12)	31 December 2022 (Unaudited)	31 March 2022 (Audited) (Refer note 12)	31 March 2023 (Audited)	31 March 2022 (Audited)
<b>Segment revenue</b>					
- Educational services and related activities	9,119.25	3,670.54	4,751.16	24,865.34	15,705.36
- Construction and leasing (for education)	299.38	301.87	1,197.32	1,203.74	2,638.37
- Training, manpower and related activities	1,731.03	1,563.89	1,875.04	6,613.61	6,600.54
<b>Total segment revenue</b>	<b>11,149.66</b>	<b>5,536.30</b>	<b>7,823.52</b>	<b>32,682.69</b>	<b>24,944.27</b>
Less: Inter segment revenue	46.51	63.48	65.86	265.61	156.00
<b>Net sales / income from operation</b>	<b>11,103.15</b>	<b>5,472.82</b>	<b>7,757.66</b>	<b>32,417.08</b>	<b>24,788.27</b>
<b>Segment results (Profit before tax and interest from ordinary activities)</b>					
- Educational services and related activities	(3,207.20)	258.39	(795.12)	(333.80)	(201.89)
- Construction and leasing (for education)	457.10	(20.05)	792.05	(103.24)	1,232.64
- Training, manpower and related activities	(114.04)	(64.11)	16.11	(245.44)	40.16
<b>Total Segment results</b>	<b>(2,864.14)</b>	<b>174.23</b>	<b>13.04</b>	<b>(682.48)</b>	<b>1,070.91</b>
<b>Add/(less):</b>					
Finance costs	(1,099.66)	(1,133.39)	(1,191.05)	(4,355.15)	(4,425.38)
Interest income/(reversal)	386.65	252.81	267.40	1,104.59	1,136.80
Exceptional items (Refer note 5)	(26,516.82)	(15,661.82)	-	(42,178.64)	-
Other income	451.41	115.07	1,138.23	919.60	2,300.79
<b>Total Profit/(loss) before tax from ordinary activities</b>	<b>(29,642.56)</b>	<b>(16,253.10)</b>	<b>227.62</b>	<b>(45,192.08)</b>	<b>83.12</b>
<b>Segment assets</b>					
- Educational services and related activities	21,245.95	24,721.99	53,298.53	21,245.95	53,298.53
- Construction and leasing (for education)	67,507.21	78,046.11	78,417.91	67,507.21	78,417.91
- Training, manpower and related activities	2,158.30	2,041.34	2,241.64	2,158.30	2,241.64
- Unallocated	11,466.73	11,210.31	10,791.63	11,466.73	10,791.63
<b>Total segment assets</b>	<b>1,02,378.19</b>	<b>1,16,019.75</b>	<b>1,44,749.71</b>	<b>1,02,378.19</b>	<b>1,44,749.71</b>
<b>Segment liabilities</b>					
- Educational services and related activities	34,581.50	30,121.11	28,764.41	34,581.50	28,764.41
- Construction and leasing (for education)	12,779.57	12,468.56	12,661.77	12,779.57	12,661.77
- Training, manpower and related activities	975.65	864.10	1,024.45	975.65	1,024.45
- Unallocated	52,211.92	56,091.89	56,044.07	52,211.92	56,044.07
<b>Total segment liabilities</b>	<b>1,00,548.64</b>	<b>99,545.66</b>	<b>98,494.70</b>	<b>1,00,548.64</b>	<b>98,494.70</b>
<b>Net Capital Employed</b>	<b>1,829.55</b>	<b>16,474.09</b>	<b>46,255.01</b>	<b>1,829.55</b>	<b>46,255.01</b>

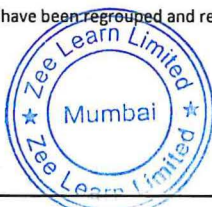
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**Notes to the Statement of Consolidated Audited financial results for the quarter and year ended 31 March 2023 :**

- 1 The above Consolidated Audited Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 25 May 2023.
- 2 The above Consolidated Audited 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 Consolidated Audited 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 are 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 quarter/year, DVPL has provided for Rs. 10,855.00 lakhs towards impairment loss under the expected credit loss model against the said outstanding loans and receivables, and considers the balance outstanding amount of Rs. 3,616.78 lakhs as at 31 March 2023 as good and recoverable. The said impairment loss of Rs. 10,855.00 lakhs is disclosed as an Exceptional item during the quarter/year ended 31 March 2023.
- 5 The Audited consolidated financial statements as at 31 March 2023 include goodwill having carrying value of Rs 31,323.64 lakhs pertaining to acquisition of its subsidiary company viz MT Educare Ltd (MTEL). During the previous quarter, the Hon'ble National Company Law Tribunal (NCLT) Mumbai, has admitted the application filed by an Operational Creditor and ordered the commencement of Corporate Insolvency Resolution Process (CIRP) of MTEL under Section 9 of the Insolvency and Bankruptcy Code, 2016 (IBC). The NCLT has also appointed an Interim Resolution Professional (IRP) for the Corporate Debtor. However, during the quarter, an appeal was filed before the Hon'ble National Company Law Appellate Tribunal ("NCLAT") and NCLAT vide its order dated 6 January 2023 stayed the constitution of Committee of Creditors ("COC").  
Considering the above ongoing CIRP proceedings and appointment of IRP, the Company, out of abundant caution and prudent accounting practices, had provided Rs. 15,661.82 lakhs towards impairment of Goodwill and the same was shown as an Exceptional Item during the quarter/nine months ended 31 December 2022. Further, during the quarter/year ended 31 March 2023, the Company has provided the balance amount of Rs 15,661.82 lakhs towards impairment of Goodwill and the same has been shown as an Exceptional Item during the quarter/year ended 31 March 2023.
- 6 Yes Bank Limited (Yes Bank) vide its notices dated 2 August 2021 and 9 August 2021 (received on 10 August 2021) addressed to the Holding Company and its subsidiary, viz Digital Ventures Private Limited (DVPL) respectively, had invoked the 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 Yes Bank under Section 7 of the Insolvency and Bankruptcy Code, 2016 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, Yes Bank vide its letters dated 30 December 2022 has informed the Holding Company and DVPL that it has 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 is Rs. 52,254.63 lakhs (including interest and penal charges). However, the Holding Company has not received any definitive document in support of such assignment for each of the credit facilities. Further on 10 February 2023, the Hon'ble NCLT, Mumbai admitted the application filed by Yes Bank 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 Holding Company and NCLAT vide its order dated 16 February 2023 set aside the impugned order dated 10 February 2023 passed by the 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 NCLAT. On 29 March 2023, the Hon'ble Supreme court allowed the SLP and stayed the further proceedings of NCLT. The matter is currently pending for hearing before the Hon'ble Supreme Court.  
However, the said trusts/entity have started running their operations effectively under the brick and mortar model and since the CIRP matter of the Holding Company is sub-judice, and considering revival of education industry post Covid-19 pandemic, the Holding Company is of the opinion that no liability is required to be provided as at 31 March 2023.
- 7 During the previous year, one of the subsidiaries 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 year, the Holding Company has 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.  
The Covid-19 pandemic had caused disruption in the activities especially in the education sector and there were restrictions on carrying out the operations of schools under the brick and mortar model. However, the schools have opened up and students are being enrolled in the schools. Further, DVPL has started making repayment of its loan through an agreed mechanism as per discussions with the Lenders.
- 8 MT Educare Limited (MTEL) and its subsidiaries (MTEL group) have loans, trade and other receivables of Rs 8,709.24 lakhs (net of provisions on consolidated basis) outstanding as at 31 March 2023 from other parties having operations in the education sector, which are overdue/rescheduled. Management anticipates progress in business in the coming period which will enable recovery of the receivables in an orderly manner. At this present juncture, the management considers the outstanding dues to be good and recoverable.
- 9 MTEL and its subsidiaries had taken loan from Bank and Financial Institution and others ("lenders"). The MTEL Group has not recognised interest expense (excluding penal interest if any) cumulative of Rs. 1200.63 lakhs upto year ended 31 March 2023. The claims are submitted by financial creditors, however the adjustments, if any, thereof including other claims shall be done in accordance with the outcome of the CIRP.
- 10 The Covid-19 pandemic had caused an adverse impact on the business operations of the Group and its financial health. The Holding company and certain subsidiary companies had defaulted in their debt obligations and also the Holding Company/one subsidiary company had received notices from Yes Bank and other lenders for invocation of corporate guarantees (Refer note 6 and 7 above). Further, Yes Bank has filed petitions in National Company Law Tribunal (NCLT) to initiate Corporate Insolvency Resolution Process (CIRP) against the Holding Company and its subsidiary company as corporate guarantors. Also in the case of one subsidiary company viz MT Educare Limited NCLT has admitted the application and ordered the commencement of CIRP (Refer note 11 below). 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, the management has re-evaluated and concluded that the Group will have sufficient liquidity to continue its operations in an uninterrupted manner, demand for its product portfolio and improvement in projected cash flows through normal operations and timely monetization of assets. In view of above and further based on business potential and the mitigating steps being taken by the Group, these consolidated unaudited financial results have been prepared on going concern basis.
- 11 Pursuant to an application filed by Connect Residuary Private Limited (Operational Creditor of MTEL) before the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder ("Code"), the NCLT has admitted the application and ordered the commencement of corporate insolvency resolution process ("CIRP") of one of its subsidiaries i.e. MT Educare Limited ("Corporate Debtor", "MTEL") vide its order dated 16 December 2022. The NCLT appointed Mr. Ashwin Bhavanji Shah as the Interim Resolution Professional (IRP) for the Corporate Debtor vide its order, dated 16 December 2022. Interim Resolution Professional took charge of the affairs of the corporate debtor on 23 December 2022. Director Mr. Vipin Choudhry challenged the order of Hon'ble NCLT dated 16 December 2022 before Hon'ble NCLAT, New Delhi. The Hon'ble National Company Law Appellate Tribunal ("NCLAT") by an order dated 6 January 2023 had ordered to hold the formation of Committee of Creditors (COC) till further hearing i.e. till 21 February 2023. There has been continuation of stay on Constitution of COC by Hon'ble NCLAT from time to time till 26 May 2023 and accordingly the COC is not yet formed.
- 12 Figures for the quarter ended 31 March 2023 and 31 March 2022 are the balancing figures between audited figures for the financial year and reviewed year to date figures upto third quarter of the respective financial year.
- 13 Previous period figures have been regrouped and rearranged wherever considered necessary.



Mumbai, 25 May 2023

*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



**ANNEXURE-I****Statement of Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results-Consolidated)****Statement of Impact of Audit Qualifications for the Financial Year ended 31 March, 2023 (See regulation 33 of SEBI (LODR) Regulations, 2015)**

I	Sl. No.	Particulars	Audited Figures (Rs. In Lakhs) (as reported before adjusting for qualifications)	Audited Figures (Rs. in Lakhs) (as reported after adjusting for qualifications)
	1	Turnover/Total Income	34,441.25	34,441.25
	2	Total Expenditure (including exceptional items and tax expenses)	80,600.11	89,349.29
	3	Net Profit/(loss) after tax	(46,158.86)	(54,908.04)
	4	Out of 3 above, Net Profit attributable to the owners of the parent.	(44,342.47)	(49,514.98)
	5	Earnings per share (Rs.)	(13.60)	(15.18)
	6	Total Assets	102,378.19	94,829.64
	7	Total Liabilities	88,395.49	89,596.12
	8	Networth	1,829.55	(3,342.96)
II	<b>Audit Qualifications :</b>  <b>(a) Details of Audit Qualifications where the impact is quantified by the Auditor and Management views thereof :</b>  i) In one of the subsidiaries viz. MT Educare Limited (MTEL), the other auditor who audited the consolidated annual financial results of MTEL reported that MTEL has recognized net deferred tax assets of Rs. 7,548.55 lakhs based on the estimate that sufficient taxable profits would be available in future years against which deferred tax assets can be utilized. In the opinion of the other auditor, due to losses during the year and earlier years and pendency of Corporate Insolvency Resolution Process (CIRP), it is uncertain that MTEL would achieve sufficient taxable income in the future against which deferred tax assets can be utilized. Accordingly, the other auditor is unable to obtain sufficient appropriate audit evidence to corroborate the Management's/Interim Resolution Professional's (IRP's) assessment of recognition of deferred tax assets as at 31 March 2023. Had the deferred tax assets not been recognized, the net loss for the year ended 31 March 2023 would have been higher by Rs. 7,548.55 lakhs and net worth as at that date would have been lower by the said amount. The Other auditor's opinion on the Consolidated annual financial results of MTEL was also qualified for the year ended 31 March 2022 in respect of this matter. <b>Frequency of Qualification:</b> Appearing for the fourth time  <b>Management Views :</b> Pursuant to an application filed by Connect Residuary Private Limited before the National Company Law Tribunal, Mumbai Bench ("NCLT") in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder ("Code"), the NCLT had admitted the application and ordered the commencement of corporate insolvency resolution process ("CIRP") of MT Educare Limited ("Corporate Debtor", "the Company") vide its order dated December 16, 2022. The NCLT had appointed Mr. Ashwin B. Shah as the interim resolution professional for the Corporate Debtor vide its order dated December 16, 2022. Interim Resolution Professional took charge of the affairs of the corporate debtor on 23rd December, 2022. Director Mr. Vipin Choudhry challenged the order of Hon'ble NCLT dated 16-12-2022 before Hon'ble NCLAT, New Delhi. The Hon'ble National Company Law Appellate Tribunal ("NCLAT") by an order dated January 6, 2023 had ordered to hold the formation of COC till further hearing i.e till 21st February, 2023. There has been continuation of stay on Constitution of COC by Hon'ble NCLAT from time to time till 26th May, 2023 and accordingly the COC is not yet formed.			



The Business operation of the Corporate Debtor is continued as going concern. In accordance with IBC Objective, the IRP is required to ensure that business operation of the Corporate Debtor are continued as going concern as far as possible to maximise the value of the Corporate Debtor. Since the constitution of COC is not yet formed, IRP has continued the business as Going Concern.

- ii) In one of the subsidiaries viz. MT Educare Limited (MTEL), the other auditor who audited the audited consolidated annual financial results of MTEL reported that the MTEL Group has not provided for interest of Rs. 1,200.63 lakhs excluding penal interest, if any, on outstanding borrowings. Had the interest expenses been recognized, the net loss for the year ended 31 March 2023 would have been higher by Rs. Rs. 1,200.63 lakhs and net worth as on that date would have been lower by the said amount. Non-provision of interest is not in compliance with Ind AS 23 "Borrowing Costs". The Other auditor's opinion on the Consolidated annual financial results of MTEL was also qualified for the year ended 31 March 2022 in respect of this matter.

**Frequency of Qualification:** Appearing for the second time

**Management Views :**

In respect of MT Educare Limited (Holding Company) the Secured creditors have submitted their claims with IRP for the dues till 16th December, 2022. The Impact recording of Interest liability till 16th December 2022 shall be subject to outcome of CIRP proceedings of the Holding Company. However, Interest liability post 16th December, 2022 can not be recognised as claim shall be submitted by Creditor for dues including Interest as of 16th December, 2022. And in respect of other entities being subsidiary companies the similar treatment is continued.

**(b) Details of Audit Qualifications where the impact is not quantified by the Auditor and Management views thereof :**

- i) As stated in note 6 to the Statement, Yes Bank Limited (Yes Bank) 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 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 note, the Holding Company and DVPL have received notices from Yes Bank 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 corporator guarantors) before the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai. Also as stated in the said note, Yes Bank vide its letters dated 30 December 2022 has informed the Holding Company and DVPL that it has 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 is Rs. 52,254.63 lakhs (including interest and penal charges). However, the Holding Company has not received any definitive document in support of such assignment for each of the credit facilities. As further explained in the note, on 10 February 2023 the Hon'ble NCLT admitted the application filed by Yes Bank 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 NCLAT vide its order dated 16 February 2023 set aside the impugned order dated 10 February 2023 of 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 NCLAT. On 29 March 2023, the Hon'ble Supreme Court allowed the SLP and stayed the further proceedings of NCLT and the matter is currently pending for hearing before the Hon'ble Supreme Court.

As further stated in the said note, the four trusts/entity have started running their operations effectively under the brick and mortar model and, further since the above CIRP matter of the Holding Company is sub-judice, and considering revival of education industry post Covid-19 pandemic, the Holding Company is of the opinion that no liability is required to be provided as at 31 March 2023.



Despite the above invocation of Corporate Guarantee and further proceedings of CIRP, the Holding Company has not provided for liability against the invocation of the Corporate Guarantee as at 31 March 2023 as required by the applicable Indian Accounting Standard (Ind AS). Further, in the absence of sufficient and appropriate evidence to corroborate the management's conclusion on non-recognition of the liability towards Corporate Guarantee invocation, we are unable to comment upon adjustments, if any, on the net loss, total comprehensive loss for the quarter/year ended 31 March 2023 and the financial position of the Company as at 31 March 2023. Our opinion for the quarter/year ended 31 March 2022 was also qualified in respect of this matter.

**Frequency of Qualification:** Appearing for the second time

**Management Views :**

The said trusts/entity have started running their operations effectively under the brick and mortar model and since the CIRP matter of the Holding Company is sub-judice, and considering revival of education industry post Covid-19 pandemic, the Holding Company is of the opinion that no liability is required to be provided as at 31 March 2023.

- ii) In one of the subsidiaries viz. MT Educare Limited (MTEL), the other auditor who audited the consolidated annual financial results of MTEL reported that MTEL has outstanding loans, trade receivables and other receivables of Rs 8,709.24 lakhs (net of provisions on consolidated basis) as at 31 March 2023, which are overdue/rescheduled. The management/IRP envisages the same to be good and recoverable. However, owing to the aforementioned overdues/rescheduling, the other auditor is unable to comment upon adjustments, if any, that may be required to the carrying value of the said outstanding amounts and the consequential impact on the consolidated annual financial results of MTEL. The Other auditor's opinion on the Consolidated annual financial results of MTEL was also qualified for the year ended 31 March 2022 in respect of this matter.

**Frequency of Qualification:** Appearing for the third time

**Management views :**

The management is of the opinion that the parties are facing difficulties in ramping the business which has resulted in deferment of recovery process beyond what has been envisaged. We anticipate progress in business in the coming quarters which will enable recovery of the receivables in an orderly manner. At this present juncture, the management considers the outstanding dues to be good and recoverable.

- iii) In one of the subsidiaries viz. MT Educare Limited (MTEL), the other auditor who audited the audited consolidated annual financial results of MTEL reported regarding admission of MTEL into CIRP and pending determination of obligations and liabilities with regard to various claims submitted by the operational/financial/other creditors and employees including claims for guarantee obligation and interest payable on loans. The other auditor is unable to comment on adjustments, if any, pending reconciliation and determination of final obligation.

**Frequency of Qualification:** Appearing for the first time

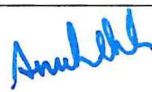
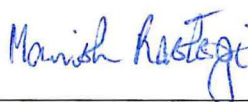

**Management views :**

The Claim submission and upgradation till finalisation of resolution plan is dynamic process and subject to approval of Committee of Creditors (COC's). The Constitution of COC is stayed by Hon'ble NCLAT till 26<sup>th</sup> May, 2023

- iv) In one of the subsidiaries viz. MT Educare Limited (MTEL), the other auditor who audited the audited consolidated annual financial results of MTEL reported that the other auditor has not received bank statement and confirmation of amounts for the balances lying current account of Rs. 12.96 lakhs. In the absence of sufficient appropriate audit evidence, the other auditor is unable to determine any possible impact thereof on the loss for the year ended 31 March 2023 and on the carrying value of cash and cash equivalents as at that date.

**Frequency of Qualification:** Appearing for the first time



	<p><b>Management views :</b> These are old and non-operative bank accounts wherein there no transactions during the year and which will not have any material impact</p> <p>v) In one of the subsidiaries viz. MT Educare Limited (MTEL), the other auditor who audited the audited consolidated annual financial results of MTEL reported that in the absence of comprehensive review of carrying amount of certain assets (loans and advances, balances with government authorities, deposits, trade and other receivables) and liabilities, the other auditor is unable to comment upon adjustments, if any, that may be required to the carrying amount of such assets and liabilities and consequential impact, if any, on the reported losses for the quarter and the year ended 31 March 2023. Non-determination of fair value of financial assets and liabilities are not in compliance with Ind AS 109 "Financial Instruments" and Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets".</p> <p><b>Frequency of Qualification:</b> Appearing for the first time</p> <p><b>Management views :</b> The Company had made excess provision in the earlier years and adjustments of provision to various loans and advances, balances with government authorities, deposits, trade and other receivables shall be subject to approval of COC's which is not yet constituted. Further deposit with Government Authorities in respect of disputed matter is subject to outcome of dispute.</p>	
		(iii) Auditor's Comment on (i) and (ii) above: Auditors comments are self-explanatory in auditor's report.
III	<b>Signatories:</b>	
	Anish Shah Chief Financial Officer 25 May 2023	
	Manish Rastogi Chief Executive Officer and Whole Time Director 25 May 2023	
	Mr. Dattatraya Kelkar Chairman of Audit Committee 25 May 2023	
	Statutory Auditors For Ford Rhodes Parks & Co. LLP Firm Registration No. 102860W/W100089  Nitin Jain Partner Membership No. 215336 25 May 2023	