

**Zee Learn Limited**  
**Registered Office:**

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

P: +91 22 7154 1895  
F: +91 22 2674 3422  
Customer Support: +91 93200 63100  
www.zeelearn.com



**Date: May 30, 2022**

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 30, 2022.**

Dear Sir/Ma'am,

Further to our Intimation dated May 23, 2022 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. Monday, May 30, 2022), 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, 2022 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, 2022 along with Statement of Asset and Liabilities as at March 31, 2022;
- 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, 2022 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;



**THINK EDUCATION. THINK ZEE LEARN.**



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The Meeting of the Board of Directors of the Company commenced at 12:45 p.m. and concluded at 10:10 p.m.

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

Thanking you.

Yours faithfully,

For ZEE LEARN LIMITED

ANIL GUPTA  
COMPANY SECRETARY &  
COMPLIANCE OFFICER



Encl: as above

THINK EDUCATION. THINK ZEE LEARN.





# FORD RHODES PARKS & CO LLP

## CHARTERED ACCOUNTANTS

(Formerly Ford, Rhodes, Parks & Co.)

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

TELEPHONE : (91) 22 67979819  
: (91) 22 67979820  
FAX : (91) 22 67979821  
EMAIL : frptax@gmail.com

### 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 2022 ("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:

- a) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, in this regard; and
- b) 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 2022.

#### Basis for qualified opinion

- a) As stated in note 6 to the Statement, Yes Bank Limited (Yes Bank) has 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, subsequent to 31 March 2022, the Company has received notice from Yes Bank regarding filing of a petition under section 7 of the Insolvency and Bankruptcy Code, 2016 to initiate Corporate Insolvency Resolution Process (CIRP) of the Company, before the Hon'ble National Company Law Tribunal (NCLT), Mumbai, which is pending for admission in the NCLT. As further explained in the note, since the CIRP matter is pending for admission in the NCLT and considering expected revival of education industry post Covid-19 pandemic, the Company is of the opinion that no liability is required to be provided at this stage.

*Nitin Jain*



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**



## FORD RHODES PARKS & CO LLP

As stated in the note 8, DVPL has 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 has 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 letters. As further stated in note 8, DVPL is in discussions with the lenders and evaluating various options including orderly restructuring of loans and the Company is of the opinion that an amicable resolution will be achieved at the earliest.

However, the Company has not provided for liability against above invocation of the Corporate Guarantees as at 31 March 2022 as required by the applicable Indian Accounting Standard (Ind AS). Further, in the absence of sufficient and appropriate evidence to substantiate management's conclusion on the resolution including restructuring of some of the credit facilities, we are unable to comment upon adjustments, if any, required on the net loss, total comprehensive loss for the quarter/year ended 31 March 2022 and the financial position of the Company as at 31 March 2022.

- b) As stated in note 5 to the Statement, the Company has investment in equity shares of its subsidiary company viz MT Educare Limited (MTEL) which is carried at cost of Rs. 27,812.22 Lakhs. While MTEL on a consolidated basis has a positive net worth as at 31 March 2022, there has been significant decline in the market capitalization of MTEL which is listed on National Stock Exchange Limited (NSE) and BSE Limited (BSE). However as stated in the said note, considering the revival of education business post COVID-19, brand potential of MTEL and its subsidiaries in the education market and considering the valuation carried out by an independent agency, the management is of the opinion that no impairment is required to the said investments, and hence no adjustments have been considered by the Company to the carrying value of its investment in equity shares of MTEL as at 31 March 2022.

The management has carried out valuation of its investment in equity shares based on the valuation performed by an independent agency using the discounted future cash flows method, which is significantly dependent on achievement of certain key assumptions considered in the aforementioned valuation. Also the market capitalization of MTEL, which is listed on NSE and BSE, is significantly eroded. Further, MTEL and its subsidiary have defaulted in repayment of loan taken from Bank and Financial Institution and such loan is declared as Non-Performing Asset (NPA). Accordingly, owing to above events and uncertainties, we are unable to comment on the appropriateness of the carrying value of its investment in equity shares of MTEL and its consequential impact on the net loss, total comprehensive loss for the quarter/year ended 31 March 2022 and the financial position of the Company as at 31 March 2022.

Our conclusion on the unaudited standalone financial results for the quarter ended 30 June 2021, quarter and half year ended 30 September 2021 and quarter and nine months ended 31 December 2021 was also qualified in respect of the Matters stated in (a) and (b) above. Further, our opinion on the audited standalone annual financial results for the year ended 31 March 2021 was also qualified in respect of the matter stated in (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 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 we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.




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

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

As stated in Note 9 of the Statement, the Covid-19 pandemic has caused an adverse impact on the business operations of the Company and its financial health. Also, the Company and its subsidiaries have defaulted in repayments of their debt and other obligations. Further as stated in para (a) above under Basis for qualified opinion, the Corporate Guarantees issued by the Company and its subsidiary, have been invoked by the lenders amounting to Rs. 54,124.56 lakhs and one of the lenders has also filed a petition initiating CIRP of the Company before the NCLT, which is pending for admission in the 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 re-evaluation 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

### **Emphasis of matters**

- a) As stated in note 3 to 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. 33,507.40 lakhs, loan and receivables of Rs. 21,946.19 lakhs aggregating to Rs. 55,453.59 lakhs as at 31 March 2022. Further as stated in the said note, during earlier years, the Company had given loan to DVPL to support its business operations and on account of delays in recovery of the same (including interest accrued thereon), the Company during the quarter has provided for Rs. 11,000 lakhs towards impairment loss under the expected credit loss model against the said loan/receivables and considers the balance amount of Rs. 10,946.19 lakhs as good and recoverable. As further stated in the said note, basis the valuation report issued by an independent agency, the management considers that no impairment is required to the other outstanding investments in DVPL of Rs. 33,507.40 lakhs as at 31 March 2022.
- b) We draw attention to note 4 to the Statement which state that the management has made an assessment of the impact of COVID-19 Pandemic on the Company's operations, financial performance for the quarter/year ended 31 March 2022 and financial position as at that date. Further, as stated in the said note, the Company has carried out assessment based on the current indicators of future economic conditions and projected cash flows for the next one year, and has concluded that it expects to fully recover the carrying values of its assets as 31 March 2022. Accordingly, no adjustments have been made to the Statement. However, the extent of the impact of the COVID-19 Pandemic on the Company's financial result is dependent upon future developments.

Our opinion is not modified in respect of the above matters.

### **Management's responsibilities for the standalone annual financial results**

This Statement has been prepared on the basis of standalone annual financial statements. The Company's Board of Directors is 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.




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

### **Management's responsibilities for the standalone annual financial results**

This Statement has been prepared on the basis of standalone annual financial statements. The Company's Board of Directors is 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 Board of Directors is 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 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 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.





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

- 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.

### **Other matter**

The Statement includes the results for the quarter ended 31 March 2022 being the balancing figures between the audited figures in respect of the full financial year ended 31 March 2022 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, 30 May 2022

UDIN: 22215336AJXYOK9078



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 2022 (₹ in lakhs except EPS data)**

		Quarter ended			Year ended	
		31 March 2022 (Audited) (Refer note 10)	31 December 2021 (Unaudited)	31 March 2021 (Audited) (Refer note 10)	31 March 2022 (Audited)	31 March 2021 (Audited)
1	<b>Income</b>					
	Revenue from operations	3,917.28	2,100.86	2,035.75	10,400.38	9,031.07
	Other income	912.80	802.62	907.25	3,415.07	3,000.55
	<b>Total income</b>	<b>4,830.08</b>	<b>2,903.48</b>	<b>2,943.00</b>	<b>13,815.45</b>	<b>12,031.62</b>
2	<b>Expenses</b>					
	Purchase of stock-in-trade	755.91	231.37	225.23	1,518.60	784.59
	Change in inventories of stock-in-trade	378.73	89.27	180.90	573.07	704.14
	Operational cost	197.12	33.39	91.38	321.85	331.91
	Employee benefits expense	692.16	442.37	602.26	2,095.05	2,483.94
	Finance costs	549.42	637.79	741.54	2,423.10	2,585.70
	Depreciation and amortisation expense	3.79	156.35	102.02	541.41	771.62
	Selling and marketing expenses	278.86	168.71	142.59	781.04	581.86
	Other expenses	775.06	255.47	303.41	1,744.26	1,504.29
	<b>Total expenses</b>	<b>3,631.05</b>	<b>2,014.72</b>	<b>2,389.33</b>	<b>9,998.38</b>	<b>9,748.05</b>
3	<b>Profit before tax before exceptional items (1 - 2)</b>	<b>1,199.03</b>	<b>888.76</b>	<b>553.67</b>	<b>3,817.07</b>	<b>2,283.57</b>
4	Less: Exceptional item (Refer Note 3 below)	11,000.00	-	-	11,000.00	-
	<b>Profit/(Loss) before tax after exceptional items (3-4)</b>	<b>(9,800.97)</b>	<b>888.76</b>	<b>553.67</b>	<b>(7,182.93)</b>	<b>2,283.57</b>
5	<b>Tax expense</b>					
	Current tax - Current year	182.63	218.57	173.43	879.56	771.57
	- earlier year	39.72	-	-	39.72	-
	Deferred tax	147.87	1.00	19.61	100.21	(146.50)
	<b>Total tax expense</b>	<b>370.22</b>	<b>219.57</b>	<b>193.04</b>	<b>1,019.49</b>	<b>625.07</b>
6	<b>Net Profit / (Loss) for the period / year after tax (5-6)</b>	<b>(10,171.19)</b>	<b>669.19</b>	<b>360.63</b>	<b>(8,202.42)</b>	<b>1,658.50</b>
7	<b>Other comprehensive income/(loss) (including tax effect)</b>					
	(i) Items that will not be reclassified to statements of profit and loss	15.55	(7.49)	18.65	38.04	21.06
	(ii) Items that will be reclassified to statements of profit and loss	-	-	-	-	-
	<b>Other comprehensive income (i+ii)</b>	<b>15.55</b>	<b>(7.49)</b>	<b>18.65</b>	<b>38.04</b>	<b>21.06</b>
8	<b>Total comprehensive income for the period/year (6+7)</b>	<b>(10,155.64)</b>	<b>661.70</b>	<b>379.28</b>	<b>(8,164.38)</b>	<b>1,679.56</b>
9	<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>
10	<b>Other equity</b>				<b>38,248.75</b>	<b>46,358.84</b>
	<b>Earnings per share (Not annualised for the interim period):</b>					
	- Basic (₹)	(3.12)	0.21	0.11	(2.52)	0.51
	- Diluted (₹)	(3.12)	0.21	0.11	(2.52)	0.51

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## Zee Learn Limited

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## Standalone Audited Statement of Assets and Liabilities as at 31 March 2022

(₹ in lakhs)

	As at 31 March 2022 (Audited)	As at 31 March 2021 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	246.16	426.06
Right-of-use assets	491.82	1,216.12
Investment property	5.85	5.85
Other intangible assets	131.88	114.01
Intangible assets under development	-	12.20
<b>Financial assets</b>		
Investments	50,604.82	50,603.80
Loans	10,831.67	18,467.12
Other financial assets	72.73	172.31
Deferred tax assets (net)	530.00	642.99
Income tax assets (net)	5.43	5.43
Other non-current assets	116.74	111.52
<b>Total non-current assets</b>	<b>63,037.10</b>	<b>71,777.41</b>
<b>Current assets</b>		
Inventories	492.72	1,065.78
<b>Financial assets</b>		
Investments	9,572.00	9,572.00
Trade receivables	1,051.15	1,578.89
Cash and cash equivalents	1,923.54	86.85
Bank balances other than cash and cash equivalents	96.41	59.43
Other financial assets	1,232.43	1,147.25
Other current assets	129.24	169.70
<b>Total current assets</b>	<b>14,497.49</b>	<b>13,679.90</b>
<b>TOTAL ASSETS</b>	<b>77,534.59</b>	<b>85,457.31</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	3,260.93	3,260.93
Other equity	38,248.75	46,358.84
<b>Total equity</b>	<b>41,509.68</b>	<b>49,619.77</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	10,323.72	11,064.53
Lease liabilities	315.35	1,133.60
Other financial liabilities	711.71	697.04
Provisions	147.34	191.76
Other liabilities	5,383.54	5,936.01
<b>Total non-current liabilities</b>	<b>16,881.66</b>	<b>19,022.94</b>
<b>Current Liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	9,395.83	8,431.03
Lease liabilities	245.52	223.69
Trade payables		
outstanding dues of micro and small enterprises	911.88	953.46
outstanding dues of creditors other than micro and small enterprises	764.66	990.45
Other financial liabilities	2,941.85	2,830.71
Other current liabilities	4,447.68	2,914.46
Provisions	29.51	33.85
Current tax liabilities (net)	406.32	436.95
<b>Total current liabilities</b>	<b>19,143.25</b>	<b>16,814.60</b>
<b>Total liabilities</b>	<b>36,024.91</b>	<b>35,837.54</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>77,534.59</b>	<b>85,457.31</b>

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**Standalone Statement of Cash Flows for the year ended 31 March 2022**

(₹ Lakhs)

	31 March 2022 (Audited)	31 March 2021 (Audited)
<b>A. Cash flow from operating activities</b>		
Net profit before tax	3,817.07	2,283.57
<b>Adjustments for :</b>		
Depreciation and amortisation expense	541.41	771.62
Liabilities no longer required / excess provision written back	(217.06)	(199.38)
Share based payment expense	54.27	187.16
Loss on sale / discard of property, plant and equipment / intangible assets (net)	107.14	17.03
Interest expense	2,420.52	2,583.30
Allowances for credit losses	256.91	621.69
Gain on derecognition of right-of-use of assets	(96.06)	(35.84)
Amortization of ancillary borrowing costs	-	6.26
Unwinding of discount on security deposits / Financial guarantee obligation	(328.42)	(333.66)
Dividend income	(0.01)	(0.01)
Interest income	(2,351.51)	(2,009.66)
<b>Operating profit before working capital changes</b>	<b>4,204.26</b>	<b>3,892.08</b>
<b>Changes in working capital :</b>		
(Increase) / Decrease in inventories	573.07	704.15
(Increase) / Decrease in trade and other receivables	563.99	(483.20)
Increase / (Decrease) in trade and other payables	1,019.49	(1,946.01)
<b>Cash generated from operations</b>	<b>6,360.81</b>	<b>2,167.02</b>
Income tax paid (net)	(949.91)	(394.79)
<b>Net cash flow from operating activities (A)</b>	<b>5,410.90</b>	<b>1,772.23</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment / intangible assets / capital work-in-progress	(160.95)	(46.27)
Sale of property, plant and equipment / intangible assets	16.13	-
Decrease/(Increase) in other bank balances	(41.74)	(2.81)
Loans given to subsidiary companies	(1,247.76)	(2,090.49)
Receipt of loans given to subsidiary companies	108.50	1,202.84
Loans given to others	(160.00)	-
Loans repaid by others	47.60	-
Dividend received	-	(0.02)
Interest received	2.78	3.12
<b>Net cash flow used in investing activities (B)</b>	<b>(1,435.44)</b>	<b>(933.63)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from non-current borrowings	-	1,470.47
Repayment of non-current borrowings	(1,000.43)	(861.17)
Proceeds from current borrowings	200.00	-
Repayment of current borrowings	(200.00)	-
Payment of lease liabilities (including interest)	(359.74)	(591.02)
Interest paid	(778.60)	(877.35)
<b>Net cash flow used in financing activities (C)</b>	<b>(2,138.77)</b>	<b>(859.07)</b>
<b>Net cash flow during the year (A+B+C)</b>	<b>1,836.69</b>	<b>(20.47)</b>
Cash and cash equivalents at the beginning of the year	86.85	107.32
<b>Net cash and cash equivalents at the end of the year</b>	<b>1,923.54</b>	<b>86.85</b>
Add : Balances earmarked	96.41	59.43
<b>Cash and bank balances at the end of the year</b>	<b>2,019.95</b>	<b>146.28</b>

**Notes:**

<b>1. Component of cash and bank balances as follows</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Cash and cash equivalents	1,923.54	86.85
Bank Balances other than cash and cash equivalents	96.41	59.43
<b>Total</b>	<b>2,019.95</b>	<b>146.28</b>

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**Notes to the Statement of Standalone Audited financial results for the quarter and year ended 31 March 2022 :**

- 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 30 May 2022.
- 2 These standalone audited financial results have been prepared in accordance with the 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. 33,507.40 lakhs, loan and receivables of Rs. 21,946.19 lakhs aggregating to Rs. 55,453.59 lakhs as at 31 March 2022. During earlier years, the Company had given loan to DVPL to support its business operations. On account of delays in recovery of the same (including interest accrued thereon), the Company during the quarter has provided for Rs. 11,000 lakhs towards impairment loss under the expected credit loss model against the said loan/receivables and considers the balance amount of Rs. 10,946.19 lakhs as good and recoverable. The impairment loss of Rs. 11,000 lakhs is disclosed as an "Exceptional item" in the standalone audited financials results for the quarter and year ended 31 March 2022. Further, basis the valuation report issued by an independent agency, the management considers that no impairment is required to the other outstanding investments in DVPL of Rs. 33,507.40 lakhs as at 31 March 2022.
- 4 The nation-wide lockdown due to spread of COVID-19 pandemic and other significant restrictions imposed on the movement had an impact on the education sector as most of the schools continued to remain shut for major part of the year ended 31 March 2022. However, during this period, the Company has taken lots of efforts to keep the disruption in the business to the minimum.  
In preparation of these standalone financial results, the Company has taken into account internal and external sources of information to assess possible impacts of the pandemic, including but not limited to the assessment of liquidity and going concern, recoverable value of its financial and non-financial assets, and the impact on revenues. Based on current indicators of future economic conditions, the Company expects to fully recover the carrying amount of its assets. Basis the Company's projected cash flows for the next one year, management has concluded that the Company will have sufficient liquidity to continue its operations.
- 5 The Company has investment in its equity shares of its subsidiary company viz MT Educare Limited (MTEL) which is carried at cost of Rs. 27,812.22 lakhs. While, MTEL on a consolidated basis has a positive net worth as at 31 March 2022, there has been significant decline in the market capitalization of MTEL which is listed on BSE and NSE. However, considering the revival of education business post COVID-19, brand potential of MTEL and its subsidiaries in the education market and considering the valuation carried out by an independent agency, the management is of the opinion that no impairment is required to the said investments, and hence no adjustments have been considered by the Company to the carrying value of its investment in equity shares of MTEL as at 31 March 2022.
- 6 Yes Bank Limited (Yes Bank) vide its notices dated 2 August 2021 and 9 August 2021 addressed to the Company and its subsidiary, viz Digital Ventures Private Limited (DVPL) respectively has invoked the Corporate Guarantee 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). The said notices have been received by the Company and DVPL on 10 August 2021. Subsequent to 31 March 2022, Company has received notice of the petition filed by Yes Bank under Section 7 of the Insolvency and Bankruptcy Code, 2016 to initiate Corporate Insolvency Resolution Process (CIRP) of the Company (as corporate guarantor) before National Company Law Tribunal (NCLT) and the matter is pending for admission in the NCLT. The said trusts/entity have been running all their operations under the brick and mortar model in pre-covid era and had switched to digital mode of imparting education during the lockdown. However, the trusts/entity have now started offline education and students are enrolling in schools and business recovery is envisaged. Since the CIRP matter is pending for admission in the NCLT and considering expected revival of education industry post Covid-19 pandemic, the Company is of the opinion that no liability is required to be provided at this stage.
- 7 During the year, the Company has defaulted in repayment of Term Loan and Interest on Term Loan/Overdraft taken from one of its lender Bank. The overdue amount of such loan including interest outstanding as at 31 March 2022 is Rs. 1,694.71 lakhs.
- 8 During the year, one of the subsidiaries viz Digital Ventures Private Limited (DVPL) has 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, has 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.  
The pandemic Covid-19 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 are opening up and students are being enrolled in the schools. Further, DVPL is in discussions with the Lenders and evaluating various options including orderly restructuring of loans, and the Company is of the opinion that an amicable resolution will be achieved at the earliest.
- 9 The Covid-19 pandemic has caused an adverse impact on the business operations of the Company and its financial health. The Company and its subsidiary company have received notices from Yes Bank and other lenders for invocation of corporate guarantees (refer note 6 and 8 above). Further Yes Bank has filed petition in National Company Law Tribunal (NCLT) against the Company as corporate guarantor which is pending for admission in the 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, 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 financial results have been prepared on going concern basis.
- 10 Figures for the quarter ended 31 March 2022 and 31 March 2021 are the balancing figures between audited figures for the financial year and reviewed year to date figure upto third quarter of the respective financial year.
- 11 Previous period figures have been regrouped and rearranged wherever considered necessary.



Mumbai, 30 May 2022

Anish Shah  
Chief Financial Officer

For and on behalf of the Board of Directors

Ritesh Handa  
CEO & Whole-time Director  
DIN: 02725365



**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, 2022 (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	13,815.45	13,815.45
	2	Total Expenditure	9,998.38	9,998.38
	3	Net Profit/(loss) after tax	(8,202.42)	(8,202.42)
	4	Earnings per share (Rs.)	(2.52)	(2.52)
	5	Total Assets	77,534.59	77,534.59
	6	Total Liabilities	36,024.91	36,024.91
	7	Networth	41,509.68	41,509.68

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

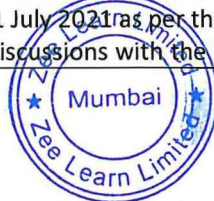
1. As stated in note 5 to the Statement, the Company has investment in equity shares of its subsidiary company viz MT Educare Limited (MTEL) which is carried at cost of Rs. 27,812.22 Lakhs. While MTEL on a consolidated basis has a positive net worth as at 31 March 2022, there has been significant decline in the market capitalization of MTEL which is listed on National Stock Exchange Limited (NSE) and BSE Limited (BSE). However as stated in the said note, considering the revival of education business post COVID-19, brand potential of MTEL and its subsidiaries in the education market and considering the valuation carried out by an independent agency, the management is of the opinion that no impairment is required to the said investments, and hence no adjustments have been considered by the Company to the carrying value of its investment in equity shares of MTEL as at 31 March 2022.

The management has carried out valuation of its investment in equity shares based on the valuation performed by an independent agency using the discounted future cash flows method, which is significantly dependent on achievement of certain key assumptions considered in the aforementioned valuation. Also the market capitalization of MTEL, which is listed on NSE and BSE, is significantly eroded. Further, MTEL and its subsidiary have defaulted in repayment of loan taken from Bank and Financial Institution and such loan is declared as Non-Performing Asset (NPA). Accordingly, owing to above events and uncertainties, we are unable to comment on the appropriateness of the carrying value of its investment in equity shares of MTEL and its consequential impact on the net loss, total comprehensive loss for the quarter/year ended 31 March 2022 and the financial position of the Company as at 31 March 2022.

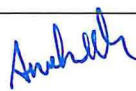
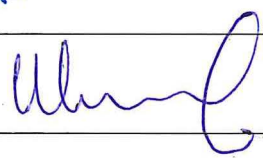


**Frequency of Qualification: Appearing for the third time**

2. As stated in note 6 to the Statement, Yes Bank Limited (Yes Bank) has 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, subsequent to 31 March 2022, the Company has received notice from Yes Bank regarding filing of a petition under section 7 of the Insolvency and Bankruptcy Code, 2016 to initiate Corporate Insolvency Resolution Process (CIRP) of the Company, before the Hon'ble National Company Law Tribunal (NCLT), Mumbai, which is pending for admission in the NCLT. As further explained in the note, since the CIRP matter is pending for admission in the NCLT and considering expected revival of education industry post Covid-19 pandemic, the Company is of the opinion that no liability is required to be provided at this stage. As stated in the note 8, DVPL has 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 has 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 letters. As further stated in note 8, DVPL is in discussions with the lenders and evaluating various

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	<p>options including orderly restructuring of loans and the Company is of the opinion that an amicable resolution will be achieved at the earliest.</p> <p>However, the Company has not provided for liability against above invocation of the Corporate Guarantees as at 31 March 2022 as required by the applicable Indian Accounting Standard (Ind AS). Further, in the absence of sufficient and appropriate evidence to substantiate management's conclusion on the resolution including restructuring of some of the credit facilities, we are unable to comment upon adjustments, if any, required on the net loss, total comprehensive loss for the quarter/year ended 31 March 2022 and the financial position of the Company as at 31 March 2022.</p> <p><b>Frequency of Qualification: Appearing for the first time</b></p>	
	<b>(b) Type of Audit Qualification:</b>	Qualified Opinion
	<b>(c) For Audit Qualification(s) where the impact is quantified by the Auditor, Managements Views: NA</b>	
	<b>(d) For Audit Qualification(s) where the impact is not quantified by the Auditor, Management views;</b>	
	<p>(i) The Company has investment in its equity shares of its subsidiary company viz MT Educare Limited (MTEL) which is carried at cost of Rs. 27,812.22 lakhs. While, MTEL on a consolidated basis has a positive net worth as at 31 March 2022, there has been significant decline in the market capitalization of MTEL which is listed on BSE and NSE. However, considering the revival of education business post COVID-19, brand potential of MTEL and its subsidiaries in the education market and considering the valuation carried out by an independent valuer, the management is of the opinion that no impairment is required to the said investments, and hence no adjustments have been considered by the Company to the carrying value of its investment in equity shares of MTEL as at 31 March 2022.</p> <p>(ii) In respect of invocation of corporate guarantee of Rs. 44,962.56 lakhs The Four trusts/entity have been running all their operations under the brick and mortar model in pre-covid era and had switched to digital mode of imparting education during the lockdown. However, the trusts/entity have now started offline education and students are enrolling in schools and business recovery is envisaged. Since the CIRP matter is pending for admission before NCLT and considering expected revival of education industry post Covid-19 pandemic, the Company is of the opinion that no liability is required to be provided at this stage. In respect of invocation of corporate guarantee of Rs. 9,162 lakhs DVPL is in discussions with the lenders and evaluating various options including orderly restructuring of loans and the Company is of the opinion that an amicable resolution will be achieved at the earliest.</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 30 May 2022	
	Ritesh Handa Chief Executive Officer and Whole Time Director 30 May 2022	
	Nanette D'SA Chairman of Audit Committee 30 May 2022	
	Statutory Auditors For Ford Rhodes Parks & Co. LLP Firm Registration No. 102860W/W100089  Nitin Jain Partner Membership No. 215336 30 May 2022	 

# FORD RHODES PARKS & CO LLP

## CHARTERED ACCOUNTANTS

(Formerly Ford, Rhodes, Parks & Co.)

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### 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 2022 ("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**



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- 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 profit/total comprehensive income for the quarter ended 31 March 2022, consolidated net loss/total comprehensive loss for the year ended 31 March 2022 and other financial information of the Group for the quarter/year ended 31 March 2022.



### Basis for qualified opinion

- a) As stated in note 6 to the Statement, Yes Bank Limited (Yes Bank) has invoked the Corporate Guarantee issued by the Holding Company and its wholly owned subsidiary i.e. Digital Ventures Private Limited (DVPL) upon defaults in 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, subsequent to 31 March 2022, the Holding Company has received notice from Yes Bank regarding filing of petition under section 7 of the Insolvency and Bankruptcy Code, 2016 to initiate Corporate Insolvency Resolution Process (CIRP) of the Holding Company, before the Hon'ble National Company Law Tribunal (NCLT), Mumbai, which is pending for admission in the NCLT. As further explained in the note, since the CIRP matter is pending for admission in the NCLT and considering expected revival of education industry post Covid-19 pandemic, the Holding Company is of the opinion that no liability is required to be provided at this stage.

However, the Holding Company has not provided for liability against above invocation of the Corporate Guarantee as at 31 March 2022 as required by the applicable Indian Accounting Standard (Ind AS). Further, in the absence of sufficient and appropriate evidence to substantiate management's conclusion on the resolution including restructuring of some of the credit facilities, we are unable to comment upon adjustments, if any, required on the consolidated net profit/total comprehensive income for the quarter ended 31 March 2022, consolidated net loss/total comprehensive loss for the year ended 31 March 2022 and on the financial position of the Company as at 31 March 2022.

- b) As stated in note 5 to the Statement, there is goodwill of Rs 31,323.64 lakhs as at 31 March 2022 (carried at cost) in respect of acquisition of its subsidiary company viz MT Educare Limited (MTEL). While MTEL on a consolidated basis has a positive net worth as at 31 March 2022, there has been significant decline in the market capitalization of MTEL which is listed on National Stock Exchange Limited (NSE) and BSE Limited (BSE). However as stated in the said note, considering the revival of education business post COVID-19, brand potential of MTEL and its subsidiaries in the education market and considering the valuation carried out by an independent agency, the management is of the opinion that no impairment is required to the carrying value of goodwill, and hence no adjustments have been considered by the Holding Company to the carrying value of goodwill as at 31 March 2022.

The management has carried out valuation of MTEL based on the valuation performed by an independent agency using the discounted future cash flows method, which is significantly dependent on the achievement of certain key assumptions considered in the aforementioned valuation. Also the market capitalization of MTEL, which is listed on NSE and BSE, is significantly eroded. Further, MTEL and its subsidiary have defaulted in repayment of loan taken from Bank and Financial Institution and such loan is declared as Non-Performing Asset (NPA). Accordingly, owing to above events and uncertainties, we are unable to comment on the appropriateness of the carrying value of goodwill and its consequential impact on the consolidated net profit/total comprehensive income for the quarter ended 31 March 2022, consolidated net loss/total comprehensive loss for the year ended 31 March 2022 and on the financial position of the Company as at 31 March 2022.



## FORD RHODES PARKS & CO LLP

- 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 recognized net deferred tax assets of Rs. 6,959.96 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 uncertainties over the estimated profits for future years and the existence of unutilized tax losses available, it is uncertain that MTEL would achieve sufficient taxable profits in 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 assessment of recognition of deferred tax assets as at 31 March 2022. Had the deferred tax assets not been recognized, the net loss for the year ended 31 March 2022 would have been higher by Rs. 6,959.96 lakhs and other equity as at that date would have been lower by the said amount.
- d) 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 loans and other receivables of Rs 8,402.36 lakhs (net of provisions on consolidated basis) outstanding as at 31 March 2022, from other parties having operations in the education sector, which are overdue/rescheduled. The management considers that COVID-19 has disrupted the operations of parties in education sector and such outstandings have arisen primarily due to lockdowns. Even after withdrawal of lockdown, MTEL is facing difficulties in ramping up the business and the management considers that this has resulted in deferment of recovery process than envisaged but the same is considered as good and recoverable. Accordingly, owing to the aforementioned overdues/reschedulement, the other auditor is unable to comment upon adjustments, if any, that may be required to the carrying value of the outstanding receivables and further provisions, if any, required and the consequential impact on the Statement.
- e) Attention is drawn to note 11 of the Statement, wherein 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 not provided interest w.e.f 1 October 2021 on loan taken from Bank and Financial Institution ("lenders") declared as Non-Performing Assets (NPA) and are under dispute with the lenders and also the matter is pending for admission in the National Company Law Tribunal (NCLT) by one of the lenders. Had the interest expenses been recognised the loss for the year ended 31 March 2022 would have been higher by Rs. 257.74 lakhs (excluding penal interest if any) and other equity as at that date would have been lower by the said amount.

Our conclusion on the consolidated unaudited financial results for the quarter ended 30 June 2021, quarter and half year ended 30 September 2021 was also qualified in respect of the matters stated in (a) to (d) above and for the quarter and nine months ended 31 December 2021 was also qualified in respect of the matters stated in (a) to (e). Our opinion on the consolidated audited financial results for the year ended 31 March 2021 was also qualified in respect of the matters stated in (b) to (d) 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 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.



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### Material uncertainty relating to Going Concern

As stated in Note 13 of the Statement, the Covid-19 pandemic has caused an adverse impact on the business operations of the Group and its financial health. Also, the Holding Company and its subsidiaries have defaulted in repayments of their debt and other obligations. Further as stated in para (a) above under Basis for qualified opinion, the Corporate Guarantees issued by the Company and its subsidiary, have been invoked by the Yes Bank amounting to Rs. 44,962.56 lakhs and Yes Bank has also filed a petition initiating CIRP of the Company before the NCLT, which is pending for admission in the 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 re-evaluation and conclusion that the Group 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 Group, the Statement has been prepared on going concern basis.

Our opinion is not modified in respect of this matter.

### Emphasis of matters

- a) We draw attention to note 10 to the Statement which state that the management has made an assessment of the impact of COVID-19 Pandemic on the Group's operations, financial performance for the quarter/year ended 31 March 2022 and financial position as at that date. Further, as stated in the said note, the Group has carried out assessment based on the current indicators of future economic conditions and projected cash flows for the next one year, and has concluded that it expects to fully recover the carrying values of its assets as 31 March 2022. Accordingly, no adjustments have been made to the Statement. However, the extent of the impact of the COVID-19 pandemic on the Group's result is dependent upon future developments.
- b) In one of the subsidiaries viz MT Educare Limited (MTEL), the other auditor who audited the consolidated annual financial results of MTEL reported (Refer note 14) regarding recoverability of long outstanding vocational trade receivables and unbilled receivables aggregating to Rs. 2,274.40 lakhs (net of provisions) outstanding as at 31 March 2022, which represent amounts recoverable from various Central and State Government/ Agencies projects in education/skill development sector. Based on the internal assessment of the management which includes considering the progress of the discussions with the relevant government parties, past trends, contractual rights and evidence of service delivery, realization of partial amounts during the year, the management is of the view that the aforesaid receivables (net of provisions) outstanding as at 31 March 2022 are good and recoverable.
- c) In one of the subsidiaries viz MT Educare Limited (MTEL), the other auditor who audited the consolidated annual financial results of MTEL reported (Refer note 12) regarding invocation of pledge held by one of the promoter of MTEL by the lender on account of defaults in repayment of loan by MTEL.

Our opinion is not modified in respect of the above matters.

### Management's responsibilities for the consolidated annual financial results

This Statement have been prepared on the basis of consolidated annual financial statements. The Holding Company's Board of Directors is 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 Board of Directors of the companies included in the




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

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 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 management either intends to liquidate the Group 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.
- 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.



The block contains a handwritten signature in blue ink and a circular blue stamp. The stamp is for Ford Rhodes Parks & Co. LLP, Chartered Accountants, with the registration number 102860. The text 'FORD RHODES PARKS & CO. LLP' is written around the top inner edge of the circle, and 'CHARTERED ACCOUNTANTS' is written around the bottom inner edge. The number '102860' is in the center.



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

- 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. 1,16,576.35 lakhs as at 31 March 2022, total revenues of Rs.17,179.60 lakhs, total net loss after tax of Rs. 3,717.29 lakhs, total comprehensive loss of Rs. 3,704.61 lakhs and total cash inflows of Rs. 160.43 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.

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 2022 being the balancing figures between the audited figures in respect of the full financial year ended 31 March 2022 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, 30 May 2022

UDIN: 22215336AJXYUO9257



## 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 2022

(₹ in lakhs except EPS data)

		Quarter ended			Year ended	
		31 March 2022 (Audited) (Refer note 15)	31 December 2021 (Unaudited)	31 March 2021 (Audited) (Refer note 15)	31 March 2022 (Audited)	31 March 2021 (Audited)
1	<b>Income</b>					
	Revenue from operations	7,757.66	5,194.10	4,699.07	24,788.27	25,712.25
	Other income	1,405.63	466.40	1,503.32	3,437.59	5,632.53
	<b>Total income</b>	<b>9,163.29</b>	<b>5,660.50</b>	<b>6,202.39</b>	<b>28,225.86</b>	<b>31,344.78</b>
2	<b>Expenses</b>					
	Purchase of stock-in-trade	755.91	231.37	225.22	1,518.60	784.59
	Change in inventories of stock-in-trade	378.73	89.27	180.91	573.07	704.14
	Operational cost	1,052.48	638.55	1,017.92	3,426.95	4,236.29
	Employee benefits expense	2,725.79	2,430.34	2,361.17	9,417.33	10,354.56
	Finance costs	1,191.05	1,001.03	1,409.72	4,425.38	5,149.12
	Depreciation and amortisation expense	646.81	998.85	1,027.59	3,669.45	4,994.95
	Selling and marketing expenses	387.58	324.49	391.90	1,128.04	895.29
	Other expenses	1,797.32	608.50	1,114.04	3,983.92	4,427.69
	<b>Total expenses</b>	<b>8,935.67</b>	<b>6,322.40</b>	<b>7,728.47</b>	<b>28,142.74</b>	<b>31,546.63</b>
3	<b>Profit/(Loss) before tax (1-2)</b>	<b>227.62</b>	<b>(661.90)</b>	<b>(1,526.08)</b>	<b>83.12</b>	<b>(201.85)</b>
4	<b>Tax expense</b>					
	Current tax - current year	202.37	226.74	(316.29)	944.56	827.62
	- earlier year	319.53	16.32	215.71	335.85	215.71
	Deferred tax	211.93	(21.25)	1,271.01	118.55	869.86
	<b>Total tax expense</b>	<b>733.83</b>	<b>221.81</b>	<b>1,170.43</b>	<b>1,398.96</b>	<b>1,913.19</b>
5	<b>Net Profit / (Loss) for the period/year after tax (3-4)</b>	<b>(506.21)</b>	<b>(883.71)</b>	<b>(2,696.51)</b>	<b>(1,315.84)</b>	<b>(2,115.04)</b>
6	<b>Other comprehensive income / (loss) (including tax effect)</b>					
	(i) Items that will not be reclassified to statements of profit and loss	40.31	(2.88)	15.06	50.72	53.91
	(ii) Items that will be reclassified to statements of profit and loss	-	-	-	-	-
	<b>Other comprehensive income (i+ii)</b>	<b>40.31</b>	<b>(2.88)</b>	<b>15.06</b>	<b>50.72</b>	<b>53.91</b>
7	<b>Total comprehensive income/(loss) for the period/year(5+6)</b>	<b>(465.90)</b>	<b>(886.59)</b>	<b>(2,681.45)</b>	<b>(1,265.12)</b>	<b>(2,061.13)</b>
8	<b>Profit/(Loss) for the year attributable to :</b>					
	Equity holders of the parent	5.17	(491.45)	(1,494.44)	(272.42)	(879.30)
	Non-controlling interest	(511.38)	(392.26)	(1,202.07)	(1,043.42)	(1,235.74)
9	<b>Total comprehensive income / (loss) attributable to :</b>					
	Equity holders of the parent	36.37	(496.19)	(1,477.43)	(225.80)	(838.70)
	Non-controlling interest	(502.27)	(390.40)	(1,204.02)	(1,039.32)	(1,222.43)
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>42,994.08</b>	<b>43,165.62</b>
	Earnings per share (Not annualised for the interim period):					
	- Basic (₹)	0.002	(0.15)	(0.46)	(0.08)	(0.27)
	- Diluted (₹)	0.002	(0.15)	(0.46)	(0.08)	(0.27)

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Consolidated Audited Statement of Assets and Liabilities as at 31 March 2022

(₹ in lakhs)

	As at 31 March 2022 (Audited)	As at 31 March 2021 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3,220.02	4,124.03
Right-of-use assets	3,583.32	5,604.99
Capital work-in-progress	56.79	-
Investment property	23,614.74	24,677.55
Investment property under development	31,219.85	30,305.62
Goodwill	31,323.64	31,323.64
Other intangible assets	5,721.61	6,422.87
Intangible assets under development	5,245.45	5,257.65
Financial assets		
Investments	0.36	0.34
Loans	8,277.45	6,124.16
Other financial assets	593.73	582.94
Deferred tax assets (net)	7,808.09	7,894.13
Income tax assets (net)	2,822.42	3,053.12
Other non-current assets	1,589.55	1,582.17
<b>Total non-current assets</b>	<b>125,077.02</b>	<b>126,953.21</b>
<b>Current assets</b>		
Inventories	492.72	1,065.78
Financial assets		
Investments	0.01	0.01
Trade receivables	10,299.74	9,135.97
Cash and cash equivalents	2,563.40	566.27
Bank balances other than cash and cash equivalents	624.16	760.21
Loans	2,831.31	4,580.67
Other financial assets	2,528.92	3,626.40
Other current assets	332.43	496.31
<b>Total current assets</b>	<b>19,672.69</b>	<b>20,231.62</b>
<b>TOTAL ASSETS</b>	<b>144,749.71</b>	<b>147,184.83</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	3,260.93	3,260.93
Other equity	42,994.08	43,165.62
<b>Equity attributable to equity holders of the parent</b>	<b>46,255.01</b>	<b>46,426.55</b>
Non controlling interest	13,969.49	15,008.81
<b>Total equity</b>	<b>60,224.50</b>	<b>61,435.36</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	22,855.21	25,067.31
Lease liabilities	3,262.77	4,192.15
Other financial liabilities	1,503.60	1,838.86
Deferred tax liabilities	80.09	84.65
Provisions	538.83	645.66
Other liabilities	15,298.94	16,147.13
<b>Total non-current liabilities</b>	<b>43,539.44</b>	<b>47,975.76</b>
<b>Current Liabilities</b>		
Financial liabilities		
Borrowings	17,087.99	13,614.89
Lease liabilities	528.17	1,523.05
Trade Payables		
outstanding dues of micro and small enterprises	1,088.59	1,046.31
outstanding dues of creditors other than micro and small enterprises	6,285.68	8,170.04
Other financial liabilities	7,466.18	6,207.81
Other current liabilities	7,900.11	6,540.56
Provisions	157.40	234.68
Current tax liabilities (net)	471.65	436.37
<b>Total current liabilities</b>	<b>40,985.77</b>	<b>37,773.71</b>
<b>Total liabilities</b>	<b>84,525.21</b>	<b>85,749.47</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>144,749.71</b>	<b>147,184.83</b>

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**Consolidated Statement of Cash Flows for the year ended 31 March 2022**

(₹ Lakhs)

	31 March 2022 (Audited)	31 March 2021 (Audited)
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before tax	83.12	(201.85)
<b>Adjustments for :</b>		
Depreciation and amortisation expense	3,669.45	4,994.95
Liabilities no longer required / excess provision written back	(1,274.07)	(1,497.98)
Share based payment expenses	54.27	187.16
Loss on sale / discard of property, plant and equipment / intangible assets (net)	326.66	26.98
Impairment loss on Property, plant and equipment	48.22	103.76
Gain on derecognition of right-of-use assets	(395.92)	(166.89)
Net gain on sale of investments	-	(24.44)
Net loss on foreign exchange transaction and translation	-	0.61
Interest expense	4,273.66	5,077.11
Allowances for credit losses	865.59	2,229.40
Amortization of ancillary borrowing costs	-	6.26
Unwinding of discount on security deposits	(284.89)	(352.19)
Interest income	(1,136.80)	(3,179.19)
<b>Operating profit before working capital changes</b>	<b>6,229.29</b>	<b>7,203.69</b>
<b>Changes in working capital :</b>		
(Increase) / Decrease in inventories	573.07	704.15
(Increase) / Decrease in trade and other receivables	(147.26)	(1,907.65)
Increase / (Decrease) in trade and other payables	615.50	(4,134.82)
<b>Cash generated from operations</b>	<b>7,270.60</b>	<b>1,865.37</b>
Income tax paid (net)	(1,020.29)	(622.37)
<b>Net cash flow from operating activities (A)</b>	<b>6,250.31</b>	<b>1,243.00</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment / intangible assets / investment property / capital work-in-progress	(111.42)	(133.82)
Sale of property, plant and equipment / intangible assets	54.83	62.34
Decrease/(Increase) in other bank balances	131.28	612.09
Sale of non current investments	-	1,051.93
Loans given to others	(1,472.50)	(565.30)
Loans repaid by others	717.81	-
Loans paid to subsidiary company	-	-
Receipt of Loans given to others	-	-
Dividend received	-	10.32
Interest received	116.37	388.25
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(563.63)</b>	<b>1,425.81</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from non-current borrowings	-	1,569.00
Repayment of non-current borrowings	(1,220.43)	(1,475.82)
Proceeds from current borrowings	525.98	-
Repayment of current borrowings	(826.89)	-
Payment of lease liabilities (including interest)	(1,090.58)	(1,225.45)
Interest paid	(1,077.63)	(1,779.67)
<b>Net cash flow used in financing activities (C)</b>	<b>(3,689.55)</b>	<b>(2,911.94)</b>
<b>Net cash flow during the year (A+B+C)</b>	<b>1,997.13</b>	<b>(243.13)</b>
Cash and cash equivalents at the beginning of the year	566.27	809.40
<b>Net cash and cash equivalents at the end of the year</b>	<b>2,563.40</b>	<b>566.27</b>
Add : Balances earmarked	624.16	760.21
<b>Cash and bank balances at the end of the year</b>	<b>3,187.56</b>	<b>1,326.48</b>

**Notes:**

<b>1. Component of cash and bank balances as follows</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Cash and cash equivalents	2,563.40	566.27
Bank Balances other than cash and cash equivalents	624.16	760.21
<b>Total</b>	<b>3,187.56</b>	<b>1,326.48</b>

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**Consolidated Audited Financial Statements for the quarter and year ended 31 March 2022**

**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 2022**


Particulars	Quarter ended			Year ended	
	31 March 2022 (Audited) (Refer note 15)	31 December 2021 (Unaudited)	31 March 2021 (Audited) (Refer note 15)	31 March 2022 (Audited)	31 March 2021 (Audited)
<b>Segment revenue</b>					
- Educational services and related activities	4,751.16	3,001.01	2,429.40	15,705.36	16,548.88
- Construction and leasing (for education)	1,197.32	433.12	926.80	2,638.37	3,252.03
- Training, manpower and related activities	1,875.04	1,787.99	1,458.26	6,600.54	6,474.51
<b>Total segment revenue</b>	<b>7,823.52</b>	<b>5,222.12</b>	<b>4,814.46</b>	<b>24,944.27</b>	<b>26,275.42</b>
Less: Inter segment revenue	65.86	28.02	115.39	156.00	563.17
<b>Net sales / income from operation</b>	<b>7,757.66</b>	<b>5,194.10</b>	<b>4,699.07</b>	<b>24,788.27</b>	<b>25,712.25</b>
<b>Segment results (Profit before tax and interest from ordinary activities)</b>					
- Educational services and related activities	(795.12)	(212.56)	(2,203.92)	(201.89)	(2,544.48)
- Construction and leasing (for education)	792.05	96.18	575.12	1,232.64	1,878.08
- Training, manpower and related activities	16.11	(10.89)	9.10	40.16	(18.86)
<b>Total Segment results</b>	<b>13.04</b>	<b>(127.27)</b>	<b>(1,619.70)</b>	<b>1,070.91</b>	<b>(685.26)</b>
<b>Add/(less):</b>					
Finance costs	(1,191.05)	(1,001.03)	(1,409.72)	(4,425.38)	(5,149.12)
Interest income/(reversal)	267.40	294.23	807.34	1,136.80	3,268.23
Other income	1,138.23	172.17	696.00	2,300.79	2,364.30
<b>Total Profit before tax from ordinary activities</b>	<b>227.62</b>	<b>(661.90)</b>	<b>(1,526.08)</b>	<b>83.12</b>	<b>(201.85)</b>
<b>Segment assets</b>					
- Educational services and related activities	53,298.53	55,366.69	57,974.59	53,298.53	57,974.59
- Construction and leasing (for education)	78,417.91	77,047.58	75,985.90	78,417.91	75,985.90
- Training, manpower and related activities	2,241.64	2,279.41	1,862.15	2,241.64	1,862.15
- Unallocated	10,791.63	11,350.76	11,277.54	10,791.63	11,277.54
<b>Total segment assets</b>	<b>144,749.71</b>	<b>146,044.44</b>	<b>147,100.18</b>	<b>144,749.71</b>	<b>147,100.18</b>
<b>Segment liabilities</b>					
- Educational services and related activities	28,764.41	33,288.93	30,500.15	28,764.41	30,500.15
- Construction and leasing (for education)	12,661.77	13,837.87	13,569.76	12,661.77	13,569.76
- Training, manpower and related activities	1,024.45	1,214.23	994.66	1,024.45	994.66
- Unallocated	56,044.07	51,490.06	55,609.06	56,044.07	55,609.06
<b>Total segment liabilities</b>	<b>98,494.70</b>	<b>99,831.09</b>	<b>100,673.63</b>	<b>98,494.70</b>	<b>100,673.63</b>
<b>Net Capital Employed</b>	<b>46,255.01</b>	<b>46,213.35</b>	<b>46,426.55</b>	<b>46,255.01</b>	<b>46,426.55</b>

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**Notes to the Statement of Consolidated Audited financial results for the quarter and year ended 31 March 2022 :**

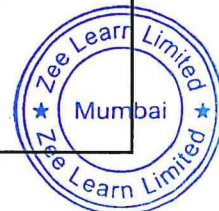
- 1 The above Consolidated Audited Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 30 May 2022.
- 2 These consolidated Audited financial results have been prepared in accordance with the Indian Accounting Standards (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 During the year, the Holding Company has defaulted in repayment of Term Loan and Interest on Term Loan/Overdraft taken from Development Credit Bank (DCB). The overdue amount of such loan including interest outstanding as at 31 March 2022 is Rs. 1,694.71 lakhs.
- 5 The audited consolidated financial statements as at 31 March 2022 include goodwill having carrying value of Rs 31,323.64 lakhs on acquisition of its subsidiary company viz MT Educare Ltd (MTEL). While, MTEL on a consolidated basis has a positive net worth as at 31 March 2022, there has been significant decline in the market capitalization of MTEL which is listed on BSE and NSE. However, considering the revival of education business post COVID-19, brand potential of MTEL and its subsidiaries in the education market and considering the valuation carried out by an independent agency, the Group is of the opinion that no impairment is required to the said goodwill, and hence no adjustments have been considered by the Company to the carrying value of goodwill as at 31 March 2022.
- 6 Yes Bank Limited (Yes Bank) vide its notices dated 2 August 2021 and 9 August 2021 issued to the Holding Company and its subsidiary, viz Digital Ventures Private Limited (DVPL) respectively has invoked the Corporate Guarantee 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). The said notices have been received by the Holding Company and DVPL on 10 August 2021. Subsequent to 31 March 2022, Holding Company has received notice of the petition filed by Yes Bank under Section 7 of the Insolvency and Bankruptcy Code, 2016 to initiate Corporate Insolvency Resolution Process (CIRP) of the Company (as corporate guarantor) before National Company Law Tribunal (NCLT) and the matter is pending for admission before NCLT.  
The said trusts/entity have been running all their operations under the brick and mortar model in pre-covid era and had switched to digital mode of imparting education during the lockdown. However, the trusts/entity have now started offline education and students are enrolling in schools and business recovery is envisaged. Since the CIRP matter is pending for admission before NCLT and considering expected revival of education industry post Covid-19 pandemic, the Holding Company is of the opinion that no liability is required to be provided at this stage.
- 7 During the year, one of the subsidiaries viz Digital Ventures Private Limited (DVPL) has 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 has 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 lakhs outstanding as at 30 June 2021 with further interest w.e.f. 01 July 2021 as per the terms of sanction letters.  
The pandemic Covid-19 had caused disruption in the activities especially in the education sector and there are restrictions on carrying out the operations of schools under the brick and mortar model. However, the schools are opening up and students are being enrolled in the schools. Further, DVPL is in discussions with the Lenders and evaluating various options including orderly restructuring of loans and is of the opinion that an amicable resolution will be achieved at the earliest.
- 8 The Holding Company and its subsidiaries (together referred to as the Group) have loans and other receivables of Rs 8,402.36 lakhs (net of provisions on consolidated basis) outstanding as at 31 March 2022 from other parties having operations in the education sector, which are overdue. The management is of the opinion that COVID-19 pandemic and the subsequent lockdowns have disrupted the operations of parties in education sector. Although, even after the withdrawal of lockdown, the Group is facing difficulties in ramping up the business which has resulted in deferment of recovery process beyond what has been envisaged. The Group anticipates 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.
- 9 During the year, the subsidiary company viz MT Educare Limited (MT) and its subsidiaries (together referred to as MT Group) had carried out Confirmation/reconciliation process with most of its vendors and others parties including certain advances other than related parties and accordingly effect of these reconciliations have been considered in other income amounting to Rs. 835 lakhs.
- 10 The nation-wide lockdown due to spread of COVID-19 and other significant restrictions imposed on the movement had an impact on the education sector as most of the schools continued to remain shut for major part of the year ended 31 March 2022. However, during this period, the Group has taken lots of efforts to keep the disruption in the business to the minimum.  
In preparation of these consolidated financial results, the Group has taken into account internal and external sources of information to assess possible impacts of the pandemic, including but not limited to the assessment of liquidity and going concern, recoverable value of its financial and non-financial assets, and the impact on revenues. Based on current indicators of future economic conditions, the Group expects to fully recover the carrying amount of its assets. Basis the Group's projected cash flows for the next one year, management has concluded that the Group will have sufficient liquidity to continue its operations.
- 11 MT Educare Limited and its subsidiary (MT and its subsidiary) have taken loan from Bank and Financial Institution ("lenders") and have applied for One Time Restructuring (OTR) but were rejected by the lenders and accordingly was declared as Non-Performing Assets (NPA). Subsequently one of the lender filed petition in NCLT against the MT and its subsidiary which was pending for admission in the NCLT. Since there are disputes w.r.t the claims and the matter is before NCLT, the MT and its subsidiary have not recognized the interest expense there upon w.e.f 01 October 2021 amounting to Rs. 257.74 lakhs (excluding penal interest if any).
- 12 The subsidiary company viz MT Educare Limited (MT) had taken loan from Bank (Lender) which was secured against the pledge of equity shares of MT held by one of the promoters of MT. The pledge was invoked by the lender during the year and Rs 228.76 lakhs is adjusted against the dues owed by MT.
- 13 The Covid-19 pandemic has caused an adverse impact on the business operations of the Group and its financial health. The Group and certain subsidiary companies have defaulted in their debt obligations and further the Holding Company/subsidiary have received notices from Yes Bank and other lenders for invocation of corporate guarantees (refer note 6 and 7 above). Further, Yes Bank has filed a petition in National Company Law Tribunal (NCLT) against the Holding Company as corporate guarantor which is pending for admission in the NCLT. 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 financial results have been prepared on going concern basis.
- 14 The Group has undertaken various Central and State Government/ Agencies, projects in education/skill development sector. Most of these projects are complete and partial recoveries have been made during the year. However, as at 31 March 2022, Rs. 2,274.40 lakhs (net of provisions) is still receivable from the concerned department/ agency which is mainly on account of delays/ long process . In the opinion of the management, such balances are fully recoverable however, necessary provision has been made wherever required.
- 15 Figures for the quarter ended 31 March 2022 and 31 March 2021 are the balancing figures between audited figures for the financial year and reviewed year to date figure upto third quarter of the respective financial year.
- 16 Previous period figures have been regrouped and rearranged wherever considered necessary.

  
Anish Shah  
Chief Financial Officer

For and on behalf of the Board of Directors

  
Ritesh Handa  
CEO & Whole-time Director  
DIN: 02725365

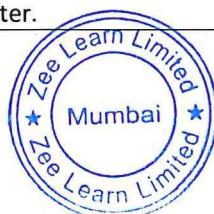
Mumbai, 30 May 2022



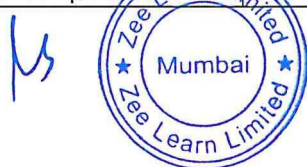


ANNEXURE-I				
Statement of Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results-Consolidated)				
Statement of Impact of Audit Qualifications for the Financial Year ended 31 March, 2022 (See regulation 33 of SEBI (LODR) Regulations, 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	28,225.86	28,225.86
	2	Total Expenditure	28,142.74	28,400.48
	3	Net Profit/(loss) after tax	(1,315.84)	(8,533.54)
	4	Out of 3 above, Net Profit attributable to the owners of the parent.	(272.42)	(4,539.52)
	5	Earnings per share (Rs.)	(0.08)	(1.39)
	6	Total Assets	144,749.71	137,789.75
	7	Total Liabilities	84,525.21	84,782.95
	8	Networth	46,255.01	41,987.91
II	<b>Audit Qualifications :</b>  <b>(a) Details of Audit Qualification:</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. 6,959.96 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 uncertainties over the estimated profits for future years and the existence of unutilized tax losses available, it is uncertain that MTEL would achieve sufficient taxable profits in 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 assessment of recognition of deferred tax assets as at 31 March 2022. Had the deferred tax assets not been recognized, the net loss for the year ended 31 March 2022 would have been higher by Rs. 6,959.96 lakhs and other equity as at that date would have been lower by the said amount. <b>Frequency of Qualification:</b> Appearing for the third time  ii)Attention is drawn to note 11 of the Statement, wherein 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 not provided interest w.e.f 1 October 2021 on loan taken from Bank and Financial Institution ("lenders") declared as Non-Performing Assets (NPA) and are under dispute with the lenders and also the matter is pending for admission in the National Company Law Tribunal (NCLT) by one of the lenders. Had the interest expenses been recognised the loss for the year ended 31 March 2022 would have been higher by Rs. 257.74 lakhs (excluding penal interest if any) and other equity as at that date would have been lower by the said amount. <b>Frequency of Qualification:</b> Appearing for the first time			
	<b>(b) Type of Audit Qualification:</b>		Qualified Opinion	
	<b>(c) For Audit Qualification(s) where the impact is quantified by the Auditor, Managements Views:</b> a. The management has made internal assessment and have projected Profit & Loss for next 5 years and are of view to have sufficient taxable profits to utilise the DTA. b. The matter is under dispute with the lenders and also matter is pending for admission in the National Company Law Tribunal (NCLT) by one of the lender. The Group is in discussions with lenders to find the resolution of the matter.			

13



	(d) For Audit Qualification(s) where the impact is not quantified by the Auditor: i) Management's estimation on the impact of audit qualification:
<p>As stated in note 5 to the Statement, there is goodwill of Rs 31,323.64 lakhs as at 31 March 2022 (carried at cost) in respect of acquisition of its subsidiary company viz MT Educare Limited (MTEL). While MTEL on a consolidated basis has a positive net worth as at 31 March 2022, there has been significant decline in the market capitalization of MTEL which is listed on National Stock Exchange Limited (NSE) and BSE Limited (BSE). However as stated in the said note, considering the revival of education business post COVID-19, brand potential of MTEL and its subsidiaries in the education market and considering the valuation carried out by an independent agency, the management is of the opinion that no impairment is required to the carrying value of goodwill, and hence no adjustments have been considered by the Holding Company to the carrying value of goodwill as at 31 March 2022.</p> <p>The management has carried out valuation of MTEL based on the valuation performed by an independent agency using the discounted future cash flows method, which is significantly dependent on the achievement of certain key assumptions considered in the aforementioned valuation. Also the market capitalization of MTEL, which is listed on NSE and BSE, is significantly eroded. Further, MTEL and its subsidiary have defaulted in repayment of loan taken from Bank and Financial Institution and such loan is declared as Non-Performing Asset (NPA). Accordingly, owing to above events and uncertainties, we are unable to comment on the appropriateness of the carrying value of goodwill and its consequential impact on the consolidated net profit/total comprehensive income for the quarter ended 31 March 2022, consolidated net loss/total comprehensive loss for the year ended 31 March 2022 and on the financial position of the Company as at 31 March 2022.</p> <p><b>Frequency of Qualification:</b> Appearing for the third time</p>	<p>MTEL on a consolidated basis has a positive net worth as at 31 March 2022, there has been significant decline in the market capitalization of MTEL which is listed on BSE and NSE. However, considering the revival of education business post COVID-19, brand potential of MTEL and its subsidiaries in the education market and considering the valuation carried out by an independent agency, the Group is of the opinion that no impairment is required to the said goodwill, and hence no adjustments have been considered by the Company to the carrying value of goodwill as at 31 March 2022.</p>
	(d) For Audit Qualification(s) where the impact is not quantified by the Auditor: ii) If Management is unable to estimate the impact, reasons for the same:
<p>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 loans and other receivables of Rs 8,402.36 lakhs (net of provisions) as on</p>	<p>The management is of the opinion that COVID-19 pandemic and the subsequent lockdowns have disrupted the operations of parties in education sector. Although, even after the withdraw of lockdown, the Group / Company is facing difficulties</p>





<p>consolidated basis) outstanding as at 31 March 2022, from other parties having operations in the education sector, which are overdue/rescheduled. The management considers that COVID-19 has disrupted the operations of parties in education sector and such outstandings have arisen primarily due to lockdowns. Even after withdrawal of lockdown, MTEL is facing difficulties in ramping up the business and the management considers that this has resulted in deferment of recovery process than envisaged but the same is considered as good and recoverable. Accordingly, owing to the aforementioned overdues/reschedulement, the other auditor is unable to comment upon adjustments, if any, that may be required to the carrying value of the outstanding receivables and further provisions, if any, required and the consequential impact on the Statement.</p> <p><b>Frequency of Qualification:</b> Appearing for the second time</p>	<p>in ramping up 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.</p>
<p><b>(d) For Audit Qualification(s) where the impact is not quantified by the Auditor: iii) If Management is unable to estimate the impact, reasons for the same:</b></p>	
<p>As stated in note 6 to the Statement, Yes Bank Limited (Yes Bank) has invoked the Corporate Guarantee issued by the Holding Company and its wholly owned subsidiary i.e. Digital Ventures Private Limited (DVPL) upon defaults in 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, subsequent to 31 March 2022, the Holding Company has received notice from Yes Bank regarding filing of petition under section 7 of the Insolvency and Bankruptcy Code, 2016 to initiate Corporate Insolvency Resolution Process (CIRP) of the Holding Company, before the Hon'ble National Company Law Tribunal (NCLT), Mumbai, which is pending for admission in the NCLT. As further explained in the note, since the CIRP matter is pending for admission in the NCLT and considering expected revival of education industry post Covid-19 pandemic, the Holding Company is of the opinion that no liability is required to be provided at this stage.</p> <p>However, the Holding Company has not provided for liability against above invocation of the Corporate Guarantee as at 31 March 2022 as required by the applicable Indian Accounting Standard (Ind AS). Further, in the absence of sufficient and appropriate evidence to substantiate management's conclusion on the resolution including restructuring of some of the</p>	<p>The said trusts/entity have been running all their operations under the brick and mortar model in pre-covid era and had switched to digital mode of imparting education during the lockdown. However, the trusts/entity have now started offline education and students are enrolling in schools and business recovery is envisaged. Since the CIRP matter is pending for admission before NCLT and considering expected revival of education industry post Covid-19 pandemic, the Holding Company is of the opinion that no liability is required to be provided at this stage.</p>

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	credit facilities, we are unable to comment upon adjustments, if any, required on the consolidated net profit/total comprehensive income for the quarter ended 31 March 2022, consolidated net loss/total comprehensive loss for the year ended 31 March 2022 and on the financial position of the Company as at 31 March 2022	
		(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 30 May 2022	
	Ritesh Handa Chief Executive Officer and Whole Time Director 30 May 2022	
	Nanette D'SA Chairman of Audit Committee 30 May 2022	
	Statutory Auditors For Ford Rhodes Parks & Co. LLP Firm Registration No. 102860W/W100089  Nitin Jain Partner Membership No. 215336 30 May 2022	 