

**INDEPENDENT AUDITOR'S REPORT**

**The Members**

**Digital Ventures Private Limited**

**Report on the audit of the Ind AS Financial Statement**

**1. Opinion**

I have audited the accompanying Ind AS Financial Statements of **Digital Ventures Private Limited ("the Company")**, which comprise the Balance sheet as at 31st March 2020, the Statement of Profit and Loss (including Other comprehensive income), the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the Ind AS financial statements including a summary of the significant accounting policies and other explanatory information (herein - after referred to as "Ind AS Financial Statements").

In my opinion and to the best of my information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at 31st March 2020, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**2. Basis for Opinion**

I conducted my audit of the Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). My responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of my report. I am 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 my audit of the Ind AS Financial Statements under the provisions of the Act and the Rules thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Ind AS financial statements.

**3. Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report



**4. Information Other than the Ind AS Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board Report but does not include the Ind AS Financial Statements and my auditor's report thereon.

My opinion on the Ind AS financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the Ind AS financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or my knowledge obtained during the course of my audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

**5. Management's Responsibility for the Ind AS Financial Statements**

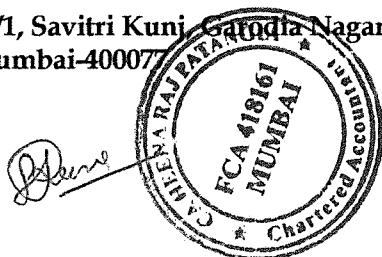
The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS Financial Statements, management 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 management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

**6. Other Matters:**

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Mobile No. 9167636109

Subsequent to the outbreak of Coronavirus (COVID-19) and consequential lock down across the Country, the Company has continued to operate and provide services to its customer without any disruptions. The Company has evaluated its liquidity position etc., and has concluded that no material adjustments is required at this stage in the financial statements. However, in the current year ahead, given the uncertainties in the economic environment, management's impact assessment is subject to significant estimation, uncertainties, and accordingly, the actual results in future may be different from those estimated as at the date of approval of these financial results. The Company will continue to monitor any material changes to the future economic conditions and consequential impact on its business operations.

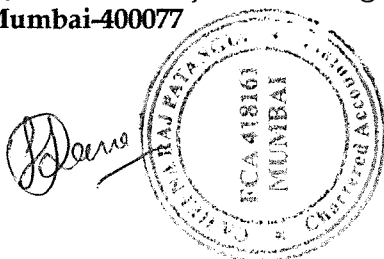
Our opinion is not modified in respect of this matter.

**7. Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

My objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing (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 these Ind AS Financial Statements.

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

- Identify and assess the risks of material misstatement of the Ind AS Financial Statements, 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 my 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, I am also responsible for expressing my opinion on whether the company has adequate internal financial controls system 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 made by management.
- Conclude on the appropriateness of management's 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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 Ind AS financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.


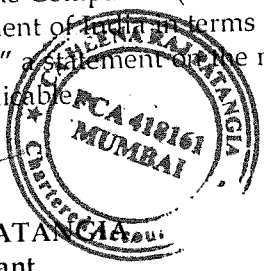
I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

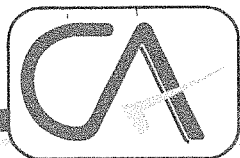
I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## 8. Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on my audit I report that:
  - a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
  - b) In my opinion, proper books of account as required by law have been kept by the company so far as it appears from my examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss (including Other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the relevant books of account;
  - d) In my opinion, the aforesaid Ind AS Financial Statements comply with the Indian
  - e) Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended

- f) On the basis of written representations received from the directors of the Company as on 31<sup>st</sup> March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate report in "Annexure A". My report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended;
- i) In my opinion and to the best of my information and according to the explanations given to us, no remuneration is paid by the Company to its directors during the year hence compliance with the provisions of Section 197 read with Schedule V to the Act is not applicable.
- j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in my opinion and to the best of my information and according to the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position of the financial statements.
  - The Company did not have any long-term contracts including derivative contracts, for which there were any material foreseeable losses.
  - There are no amounts required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, I give in the "Annexure B" a statement of the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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- CA HEENA RAJ PATANGIA  
Chartered Accountant,  
M. No. 418161  
UDIN 20418161AAAAAQ2945  
Place: Mumbai, 30.07.2020



**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 8(1)(f) under 'Report on Other Legal and Regulatory Requirements' of my report of even date)**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with my audit of the Ind AS financial statements of the Company as of and for the year ended 31<sup>st</sup> March 2020, I have audited the internal financial controls over financial reporting ('IFCOFR') of Digital Ventures Private Limited ("hereinafter referred to as "the Company"), which is a company incorporated in India, as of that date.

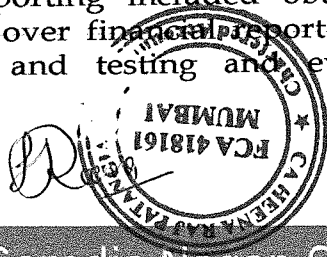
**Management's Responsibility for Internal Financial Controls**

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

My audit involves performing procedures on test basis to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating



effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In my opinion, to the best of my information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial

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controls over financial reporting are, checked on test basis, considering the size and nature of business, operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

*Heena*

HEENA R PATANGIA,  
Chartered Accountants,  
Membership No.418161  
UDIN 20418161AAAAAQ2945



Place: Mumbai  
Dated: 30.07.2020





**Annexure "B" to the Independent Auditor's Report:**

(Referred to in Paragraph 8(2) under the heading of "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" of my report of even date to the members of DIGITAL VENTURES PRIVATE LIMITED on the financial statements for the year ended 31 March 2020:

Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of Digital Ventures Private Limited ('the Company').

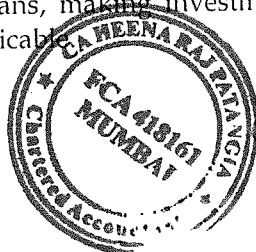
(i) In respect of its fixed assets:

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. According to information and explanation given to me, due to COVID 19 related nationwide lockdown, the management was not able to perform year end physical verification of fixed assets. The Company has a regular program for physical verification in a phased periodic manner, which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. Due to Covid-19 the entire nation was under lockdown from 24 March 2020 hence the physical verification of the fixed assets could not be done at the year end. However, the Management has stated that during the same has been done in a phased manner on test basis and no discrepancy between book records and the physical verification was found.
- c. According to the information and explanations given to me, the Company has immovable properties as detailed in Note no. 5 of Notes forming part of financial statements, that are held in the name of the Company, wherever stated, as at the balance sheet date.

(ii) In my opinion and according to the information and explanations given to me, the Company does not have any inventory during the year. Therefore, the provisions of clause 3(ii) of the Order are not applicable to the Company.

(iii) In my opinion and according to the information and explanations given to me the Company has not granted loans, secured or unsecured, to any of the companies, firms, LLPs or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 ('the Act').

(iv) In my opinion, according to the information and explanations given to me the Company has complied with the provisions of Section 185 and Section 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as and where applicable.



*Heena*

- (v) In my opinion and according to the information and explanations given to me, the company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provision of sections 73 to 76 of the Act, or any other relevant provisions of the Act and the rules framed thereunder. Therefore, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) According to information and explanations given to me, there is no order for Cost Audit received from the Central Government under the Companies (Cost records and audit) Rules, 2014 prescribed by the Central Government under Section 148 (1) of the Act. Therefore, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) According to the information and explanations given to me in respect of statutory dues:
- a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employee State Insurance, Income-tax, Service tax, Goods & Service Tax, Cess, and any other material statutory dues applicable to it with the appropriate authorities.
- b) There are no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employee State Insurance, Income-tax, Service Tax, Goods & Service Tax, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
- c) Details of dues of Income-tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2020 on account of disputes are given below:

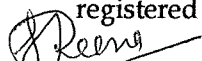
Name of the Statute	Nature of the Dues	Amount (in Rupees)	Period	Forum where dispute is pending
Income Tax Act 1961	Income Tax	3,16,59,594	A.Y.2011-12	Commissioner of Income Tax (A)-12
Income Tax Act 1961	Income Tax	8,70,220	A.Y.2012-13	Commissioner of Income Tax (A)-12
Income Tax Act 1961	Income Tax	1,46,85,220	A.Y.2013-14	Commissioner of Income Tax (A)-12

- (viii) In my opinion and according to the information and explanations given to me, the Company has not defaulted in the repayment of loans or borrowings to banks, however Reserve Bank of India has announced certain regulatory measures to mitigate the burden of debt servicing brought about by disruptions on account of COVID 19 pandemic, one of such measure announced were three-month moratorium on all term loans outstanding as on 1<sup>st</sup> of March 2020 which has been further extended by three months i.e. till August 31, 2020 in the press conference dated May 22, 2020. This makes it a total six months of moratorium on loan EMIs (Starting from March 1, 2020). The Company has opted this Moratorium facility provided by RBI hence no repayment of loans has been made since 1<sup>st</sup> of March 2020. The Company does not have any loans or



borrowings from financial institutions or government and there are no dues to debenture holders during the year.

- (ix) In my opinion and according to the information and explanations given to me, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans during the year and hence reporting under clause 3 (ix) of the Order is not applicable.
- (x) During the course of my examination of books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to information and explanation given to me, I have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have been informed of such cases by the management.
- (xi) In my opinion and according to the information and explanations given to me, the Company has not paid or provided managerial remuneration hence the provisions relating to the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act are not applicable.
- (xii) In my opinion and according to the information and explanations given to me, the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it.
- (xiii) In my opinion and according to the information and explanations given to me and based on my examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act 2013 where applicable, for details of related party transactions have been disclosed at Note no. 35 of the Notes forming part of the Standalone financial statements as required by the applicable Indian Accounting Standards.
- (xiv) According to the records of the Company examined by me, and information and explanations given to me, the Company has not made any preferential allotment or private placement of shares or partly convertible debentures during the year, hence reporting under provision of clause 3(xiv) of the order are not applicable.
- (xv) According to the records of the Company examined by me, and information and explanations given to me, the Company has not entered into any non-cash transaction with its Directors or persons connected to its directors as referred to in section 192 of the Act.
- (xvi) In my opinion and according to the information given, the company is not required to be registered under Section 45-I of the Reserve Bank of India Act 1934.

  
CA Heena Raj Patangia,  
Chartered Accountant

Membership Number: 418161

UDIN 20418161AAAAAQ2945



Place: Mumbai,

Date: 30.07.2020

## DIGITAL VENTURES PRIVATE LIMITED

Balance Sheet as at 31 March 2020

(₹ in lakhs)

	Note	31 March 2020	31 March 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Investment property	3	21,870.37	22,843.49
(b) Investment property under development	3	29,838.91	28,993.34
(c) Right of use assets	4	2,150.27	-
(d) Intangible assets	5	4,583.87	4,813.03
(e) Intangible assets under development	5	5,250.00	5,250.00
(f) Financial assets			
(i) Investments		-	-
(ii) Loans	6	5,120.45	-
(i) Other financial assets	7	657.46	616.81
(g) Income tax assets (net)	8	1,519.48	1,158.48
(h) Deferred tax assets (net)	9	2.36	2.36
(i) Other non-current assets	10	1,944.58	1,990.52
<b>Total non-current assets</b>		<b>72,937.75</b>	<b>65,668.02</b>
<b>Current assets</b>			
(a) Financial assets			
(i) Trade receivables	11	2,193.06	852.42
(ii) Cash and cash equivalents	12	12.64	294.35
(iii) Loans	6	-	2,260.29
(iv) Others	7	-	-
(b) Other current assets	10	17.99	17.69
<b>Total current assets</b>		<b>2,223.68</b>	<b>3,424.74</b>
<b>Total assets</b>		<b>75,161.43</b>	<b>69,092.77</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	13	501.00	501.00
(b) Instruments entirely equity in nature	14	11,328.66	11,327.64
(c) Other equity	15	20,754.19	20,551.07
<b>Total equity</b>		<b>32,583.85</b>	<b>32,379.71</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16	25,182.15	10,687.00
(ii) Others	17	789.44	1,047.05
(iii) Lease liability	18	2,230.55	-
(b) Provisions	19	2.80	2.87
(c) Deferred tax liabilities (net)	9	-	-
(d) Other non current liabilities	20	11,055.46	12,853.57
<b>Total non-current liabilities</b>		<b>39,260.39</b>	<b>24,590.49</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16	10.00	9,075.55
(ii) Others	17	2,510.35	2,010.80
(iii) Lease liability	18	55.65	-
(b) Other current liabilities	20	740.81	1,035.79
(c) Provisions	19	0.38	0.42
<b>Total current liabilities</b>		<b>3,317.19</b>	<b>12,122.57</b>
<b>Total liabilities</b>		<b>42,577.58</b>	<b>36,713.06</b>
<b>Total equity and liabilities</b>		<b>75,161.43</b>	<b>69,092.77</b>

Notes forming part of the financial statements

1-43

As per our attached report of even date

CA Heena Raj Patangia  
Chartered Accountant

  
Proprietor  
Membership Number 418161

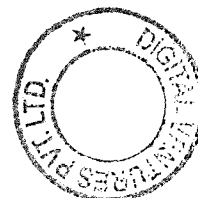


Place: Mumbai  
Date: 30 July 2020

For and on behalf of the Board of Directors of  
DIGITAL VENTURES PRIVATE LIMITED

  
Vikash Kumar Kar  
Director  
DIN No:07418787

  
Roshan Lal Kamboj  
Director  
DIN No:01076066



## DIGITAL VENTURES PRIVATE LIMITED

## Statement of Profit and Loss for the year ended 31 March 2020

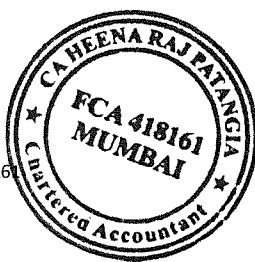
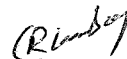
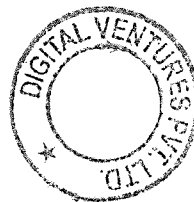
(₹ in lakhs)

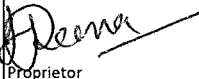
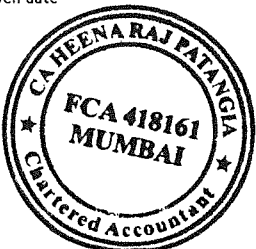
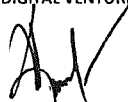

Particulars	Note	31 March 2020	31 March 2019
<b>Revenue</b>			
Revenue from operations	21	3,504.90	3,380.61
Other income	22	753.73	462.10
<b>Total Income</b>		<b>4,258.63</b>	<b>3,842.40</b>
<b>Expenses</b>			
Employee benefits expense	23	27.88	31.31
Finance costs	24	2,539.67	1,767.76
Depreciation and amortisation expense	25	1,291.51	1,301.76
Other expenses	26	197.19	552.23
<b>Total Expenses</b>		<b>4,056.25</b>	<b>3,653.06</b>
<b>Profit/(Loss) before tax</b>		<b>202.38</b>	<b>189.34</b>
<b>Less : Tax expense</b>			
Current tax - current year		-	-
Deferred tax benefit including MAT credit entitlement		-	-
<b>Profit for the year</b>	(A)	<b>202.38</b>	<b>189.34</b>
<b>Other comprehensive income</b>			
<b>A. Items that will not be reclassified to profit or loss</b>			
(i) Re-measurement of defined benefit obligation		0.75	(0.02)
(ii) Income tax relating to items that will not be reclassified to the profit or loss		-	-
<b>Total other comprehensive income</b>	(B)	<b>0.75</b>	<b>(0.02)</b>
<b>Total comprehensive income for the year</b>	(A+B)	<b>203.13</b>	<b>189.32</b>
<b>Earnings per equity share (face value ₹ 10 each)</b>			
Basic	33	4.04	4.32
Diluted		4.04	4.32

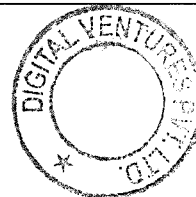
Notes forming part of the financial statements

1-43

As per our attached report of even date

CA Heena Raj Patangia  
Chartered AccountantProprietor  
Membership Number 418161Place: Mumbai  
Date: 30 July 2020For and on behalf of the Board of Directors of  
DIGITAL VENTURES PRIVATE LIMITEDVikash Kumar Kar  
Director  
DIN No:07418787Roshan Lal Kamboj  
Director  
DIN No:01076066

DIGITAL VENTURES PRIVATE LIMITED		
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2020		
(₹ in lakhs)		
Particulars	2020	2019
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before tax	202.38	189.64
<b>Adjustments for:</b>		
Depreciation	1,291.51	1,301.76
Interest Income	(428.14)	(284.05)
Interest Expense	2,439.29	1,559.90
<b>Operating Profit before Working Capital Changes</b>	<b>3,505.04</b>	<b>2,767.25</b>
<b>Adjustments for:</b>		
Decrease / (Increase) in short-term loans and advances	2,259.99	(1,300.33)
Decrease / (Increase) in other non-current assets	(5,074.51)	(206.63)
Decrease / (Increase) in trade receivable	(1,340.64)	(191.45)
Increase / (Decrease) in other current liabilities	(10,916.71)	10,338.83
Increase / (Decrease) in provisions	(0.11)	0.46
<b>Cash Generated from Operations</b>	<b>(11,566.94)</b>	<b>11,408.13</b>
Direct Taxes paid	(360.67)	-
<b>Net Cash from/(used in) Operating Activities (A)</b>	<b>(11,927.60)</b>	<b>11,408.13</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of fixed assets (including Capital Work in Progress)	(127.20)	(877.88)
Interest received	387.58	247.07
<b>Net Cash used in Investing Activities (B)</b>	<b>260.37</b>	<b>(630.81)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from long-term borrowings	12,834.95	(3,108.72)
Decrease / (Increase) in long term loans and advances	(1.54)	(283.48)
Increase / (Decrease) in other long-term liabilities	(42.08)	(5,876.22)
Interest paid	(1,405.81)	(1,449.37)
Dividend for Preference Shares	-	(0.01)
<b>Net Cash from/(used in) Financing Activities (C)</b>	<b>11,385.52</b>	<b>(10,717.80)</b>
<b>Net Changes in Cash and Cash Equivalent (A+B+C)</b>	<b>(281.71)</b>	<b>59.52</b>
Cash and Cash Equivalents at the beginning of the year	294.35	234.83
<b>Cash and Cash Equivalents at the end of the year</b>	<b>12.64</b>	<b>294.35</b>
<b>Components of cash and cash equivalents</b>		
Cash in hand	2.01	0.02
Balance with Scheduled Banks in		
- Current Accounts	10.63	294.33
<b>Total cash and cash equivalents</b>	<b>12.64</b>	<b>294.35</b>
<b>Note:</b> 1) Previous year's figures have been regrouped, recast wherever necessary.		
<div> <div> As per our attached report of even date  <b>CA Heena Raj Patangia</b>  Chartered Accountant    Proprietor  Membership Number 418161 </div> <div>  </div> </div> <div> <div> For and on behalf of the Board of Directors of  <b>DIGITAL VENTURES PRIVATE LIMITED</b>    <b>Vikash Kumar Kar</b>  Director  DIN No:07418787 </div> <div>   <b>Roshan Lal Kamboj</b>  Director  DIN No:01076066 </div> </div> <div> Place: Mumbai  Date: 30 July 2020 </div>		



## DIGITAL VENTURES PRIVATE LIMITED

## Statement of changes in equity for the year ended 31 March 2020

## A. Equity share capital

	Note	No of Shares	(₹ in lakhs)
As at 01 April 2019		5,010,000	501.00
Changes in equity share capital	13a		-
As at March 31 2020		5,010,000	501.00
Changes in equity share capital	13a		-
As at 31 March 2020		5,010,000	501.00

## B. Other equity

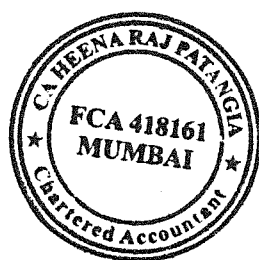
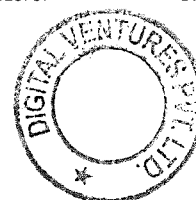
(₹ in lakhs)

	Other equity			
	Reserve and Surplus			Total other equity
	Capital Contribution from Holding company	Securities Premium	Retained earnings	
As at 01 April 2019	860.67	19,662.00	(161.21)	20,361.46
Profit for the year	-	-	189.64	189.64
Other comprehensive income	-	-	(0.02)	(0.02)
Total comprehensive income for the year	-	-	189.62	189.62
	860.67	19,662.00	28.41	20,551.08
Less: Dividend on 0.1% Non-Convertible Non-Cumulative Redeemable Preference Shares	-	-	(0.01)	(0.01)
As at March 31 2020	860.67	19,662.00	28.40	20,551.07
Profit for the year	-	-	202.38	202.38
Other comprehensive income	-	-	0.75	0.75
Total comprehensive income for the year	-	-	203.13	203.13
	860.67	19,662.00	231.53	20,754.20
Less: Dividend on 0.1% Non-Convertible Non-Cumulative Redeemable Preference Shares	-	-	(0.01)	(0.01)
	-	-	(0.01)	(0.01)
As at 31 March 2020	860.67	19,662.00	231.52	20,754.19

Notes forming part of the financial statements

1-43

As per our attached report of even date

CA Heena Raj Patangia  
Chartered AccountantProprietor  
Membership Number 418161Place: Mumbai  
Date: 30 July 2020For and on behalf of the Board of Directors of  
DIGITAL VENTURES PRIVATE LIMITED  
Vikash Kumar Kar  
Director  
DIN No:07418787  
Roshan Lal Kamboj  
Director  
DIN No:01076066

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

## 1 Corporate Information

Digital Ventures Private Limited ("the Company"), incorporated on 20 October 2006 in the state of Maharashtra with Company Registration No. U72900MH2006PTC165215. The company is in the business of providing and servicing school infrastructure on long term agreements. The company became a subsidiary of Zee Learn Limited with effect from 01 April 2011.

## 2 Significant Accounting Policies

## a Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and guidelines issued by Security and Exchange Board of India (SEBI).

The accounting policies are applied consistently to all the periods.

i) The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The standard sets out principles for recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor.

Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Company has applied Ind AS 116 using the modified retrospective approach. As a result, the comparative information has not been restated.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies stated out below.

## Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

## Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

## b Property, plant and equipment

(i) Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

(ii) Capital work-in-progress comprises cost of property, plant and equipment and related expenses that are not yet ready for their intended use at the reporting date.

## c Investment property

Investment property includes land, held for capital appreciation and earning rentals, Buildings, Furniture and Fixtures, Office Equipments and Computers, held for earning rentals. Investment property is measured initially at cost including purchase price. Land is measured and carried at cost and other investment properties are measured at cost less accumulated depreciation and accumulated impairment, if any.

## d Intangible assets

Intangible assets acquired or developed are measured on initial recognition at cost and stated at cost less accumulated amortisation and impairment loss, if any.

## e Depreciation / amortisation on property, plant and equipment / intangible assets

Depreciable amount for property, plant and equipment / intangible fixed assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

(i) Depreciation on property, plant and equipment (except freehold land which is stated at cost) is provided on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

(ii) Leasehold Improvements are amortised over the period of Lease.

(iii) Intangible assets are amortised on straight line basis over their respective individual useful lives estimated by the management or as per the contractual terms.

## f Impairment of Property, plant and equipment / intangible assets/ Investment Property

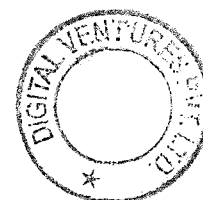
The carrying amounts of the Company's property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

An impairment is recognised in statement of profit and loss whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of net selling price, defined as the fair value less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and risks specific to the asset.

An impairment loss for an individual asset or cash generating unit are reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognised and is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss are recognised in the statement of profit and loss.

## g Derecognition of property, plant and equipment / intangibles / investment property

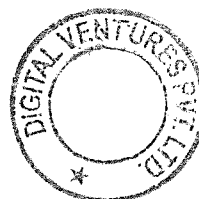
The carrying amount of an item of property, plant and equipment / intangibles is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment / intangibles is measured as the difference between the net disposal in proceeds and the carrying amount of the item and is recognised in the statement of profit and loss when the item is derecognised.





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

- h Leases**  
The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.  
At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.  
Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.  
The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.  
Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis.  
The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the weighted average cost of capital to the company. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.
- (i) **Finance lease**  
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.
- (ii) **Operating lease**  
Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating Lease payments / revenue are recognised on straight line basis over the lease period in the statement of profit and loss account unless increase is on account of inflation.
- i Cash and cash equivalents**  
Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.  
For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.
- j Inventories**  
Inventories are valued at lower of cost or estimated net realizable value. Cost comprises cost of purchase, freight and other expense incurred in bringing the inventories to their present location and condition. Costs are taken on weighted average basis and specific identification method.
- k Financial Instruments**  
Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.
- (i) **Initial Recognition**  
Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the statement of profit and loss.
- (ii) **Subsequent Measurement**
- (A) **Financial assets**  
Financial assets are classified into the following specified categories: amortised cost, financial assets 'at Fair value through profit and loss' (FVTPL), 'Fair value through other comprehensive income' (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.
- (B) **Debt Instrument**
- (a) **Amortised Cost**  
A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. This category generally applies to trade and other receivables.
- (b) **Fair value through other comprehensive income (FVTOCI)**  
A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets.  
b) The asset's contractual cash flows represent solely payments of principal and interest.  
Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the Effective Interest Rate (EIR) method.
- (c) **Fair value through Profit and Loss (FVTPL)**  
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').  
Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(C) **Equity investments**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to statement of profit and loss. Dividends from such investments are recognised in statement of profit and loss as other income when the Company's right to receive payment is established.

**Investment in subsidiaries, joint ventures and associates**

Investment in subsidiaries, joint ventures and associates are carried at cost less impairment loss in accordance with IND AS 27 on "Separate Financial Statements".

(iii) **Derecognition of financial assets**

A financial asset is derecognised only when :

- i) The Company has transferred the rights to receive cash flows from the asset or the rights have expired or
- ii) The Company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

(iv) **Impairment of financial assets**

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

**Financial liabilities and equity instruments**

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(v) **Financial liabilities Subsequent Measurement**

Financial liabilities measured at amortised cost:

Financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

Financial liabilities measured at fair value through profit and loss (FVTPL) :

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Derivatives, including separated embedded derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities at fair value through profit and loss are carried in the financial statements at fair value with changes in fair value recognized in other income or finance costs in the statement of profit and loss.

Derecognition of financial liabilities :

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

(vi) **Determination of fair value**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

l **Borrowings and borrowing costs**

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the EIR method.

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of cost of the assets. All other borrowing costs are expensed in the period they occur.

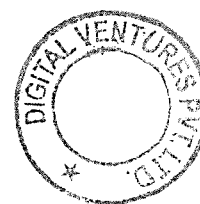
m **Provisions, contingent liabilities and contingent assets**

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset and is recognised as an asset.

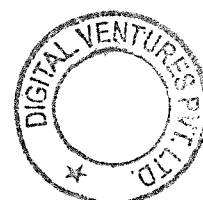


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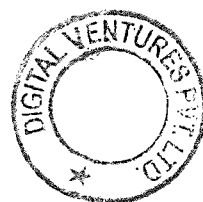
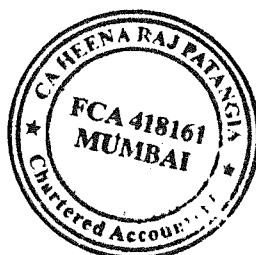
## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

- n Revenue recognition**  
Revenue is recognised to the extent it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. All revenues are accounted on accrual basis except to the extent stated otherwise.
- (i) Lease income is recognised as per the agreed terms of the lease agreement.
  - (ii) Sales is recognized when the significant risk and rewards of ownership are passed onto the customers, which is generally on dispatch or agreed terms.
  - (iii) Dividend income is recognised when the Company's right to receive dividend is established.
  - (iv) Revenue from other services are recognised as and when such services are completed/performed.
- o Retirement and other employee benefits**
- (i) The Company operates both defined benefit and defined contribution schemes for its employees.  
For defined contribution schemes the amount charged as expense is equal to the contributions paid or payable when employees have rendered services entitling them to the contributions.  
For defined benefit plans, actuarial valuations are carried out at each balance sheet date using the Projected Unit Credit Method. All such plans are unfunded.  
All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability/ (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability/ (asset) comprising actuarial gains and losses (excluding interest on the net defined benefit liability/ (asset)) are recognised in Other Comprehensive Income (OCI). Such remeasurements are not reclassified to the statement of profit and loss, in the subsequent periods.
  - (ii) Other long term employee benefits:  
The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.  
  
The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond twelve months, the same is presented as non-current liability.
  - (iii) Short term employee benefits:  
All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability.
- p Transactions in foreign currencies**
- (i) The functional currency of the Company is Indian Rupees ("₹").  
Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.
  - (ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements are recognised as income or as expenses in the period in which they arise.
  - (iii) Non-monetary foreign currency items are carried at historical cost and translated at the exchange rate prevalent at the date of the transaction.
- q Accounting for taxes on income**  
Tax expense comprises of current and deferred tax.
- (i) **Current tax**  
Current tax is the amount of income taxes payable in respect of taxable profit for a period. Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.
  - (ii) **Deferred tax**  
Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.  
Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.  
Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The recent year amendments considers that tax law determines which deductions are offset against taxable income and that no deferred tax asset is recognised if the reversal of the deductible temporary difference will not lead to tax deductions. Accordingly, segregating deductible temporary differences in accordance with tax law and assessing them on entity basis or on the basis of type of income is necessary to determine whether taxable profits are sufficient to utilise deductible temporary difference.  
**Presentation of current and deferred tax**  
Current and deferred tax are recognized as income or an expense in the statement of profit and loss, except to the extent they relate to items are recognized in other comprehensive income, in which case, the current and deferred tax income / expense are recognised in other comprehensive income.
  - (iii) **Minimum Alternate Tax (MAT)** paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognised as an asset only when, based on convincing evidence, it is probable that the future economic benefits associated with it will flow to the Company and the assets can be measured reliably.
- r Financial guarantee contract**  
Financial guarantee contract are recognized as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with IND AS - 37. Provision, contingent liabilities and contingent assets and the amount initially recognized less cumulative amortization, where appropriate.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

- s Earnings per share**  
Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the period. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.
- t Dividend**  
Provision is made for the amount of any dividend declared on or before the end of the reporting period but remaining undistributed at the end of the reporting period, where the same has been appropriately authorised and is no longer at the discretion of the entity.
- u Contributed equity**  
Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.
- v Exceptional items**  
Certain occasions, the size, type, or incidences of the item of income or expenses pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expenses is classified as an exceptional item and accordingly, disclosed in the financial statements.
- w Critical accounting judgment and estimates**  
The preparation of financial statements requires management to exercise judgment in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures including disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future periods affected.
- a Contingencies**  
In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that have a low probability of crystallising or are very difficult to quantify reliably, are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. There can be no assurance regarding the final outcome of these legal proceedings.
- b Useful lives and residual values**  
The Company reviews the useful lives and residual values of property, plant and equipment and intangible assets at each financial year end.
- c Impairment testing**  
i Judgment is also required in evaluating the likelihood of collection of customer debt after revenue has been recognised. This evaluation requires estimates to be made, including the level of provision to be made for amounts with uncertain recovery profiles. Provisions are based on historical trends in the percentage of debts which are not recovered, or on more detailed reviews of individually significant balances.  
ii Determining whether the carrying amount of these assets has any indication of impairment also requires judgment. If an indication of impairment is identified, further judgment is required to assess whether the carrying amount can be supported by the net present value of future cash flows forecast to be derived from the asset. This forecast involves cash flow projections and selecting the appropriate discount rate.
- d Tax**  
i The Company's tax charge is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process.  
ii Accruals for tax contingencies require management to make judgments and estimates in relation to tax related issues and exposures.  
iii The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. Where the temporary differences are related to losses, the availability of the losses to offset against forecast taxable profits is also considered. Recognition therefore involves judgment regarding the future financial performance of the particular legal entity or tax Company in which the deferred tax asset has been recognized.
- e Fair value measurement**  
A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.  
When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:  
-Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.  
-Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).  
-Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).  
If the inputs used to measure the fair value of an asset or a liability fall into different levels of a fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.  
  
The Company recognizes transfers between levels of the fair value hierarchy at the end of reporting year during which the change has occurred.
- f Defined benefit obligation**  
The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 32, 'Employee benefits'.



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## DIGITAL VENTURES PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

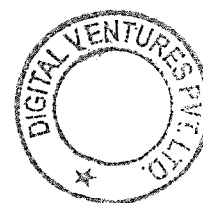
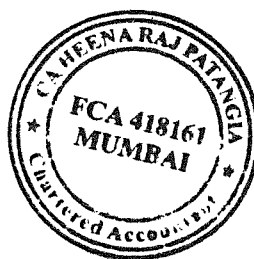
(₹ in lakhs)

Description of Assets	Free hold land	Building	Furniture & Fixtures	Office Equipment	Computer	Total
<b>3 Investment property</b>						
<b>I. Deemed Cost</b>						
As at 01 April 2018	642.31	14,962.85	571.95	409.38	158.73	16,745.23
Additions	-	8,172.85	104.84	96.33	32.47	8,406.49
Disposals	-	-	-	-	-	-
<b>As at 31 March 2019</b>	<b>642.31</b>	<b>23,135.71</b>	<b>676.79</b>	<b>505.71</b>	<b>191.19</b>	<b>25,151.72</b>
Additions	-	-	15.03	37.58	3.45	56.07
Disposals	-	-	-	-	-	-
<b>As at 31 March 2020</b>	<b>642.31</b>	<b>23,135.71</b>	<b>691.83</b>	<b>543.30</b>	<b>194.65</b>	<b>25,207.79</b>
<b>I. Depreciation upto 01 April 2018</b>	-	823.15	121.29	190.46	103.87	1,238.78
Depreciation charge for the year	-	869.68	69.68	96.04	34.05	1,069.45
Disposals	-	-	-	-	-	-
<b>Upto 31 March 2019</b>	-	<b>1,692.83</b>	<b>190.97</b>	<b>286.50</b>	<b>137.93</b>	<b>2,308.23</b>
Depreciation charge for the year	-	869.68	69.76	74.39	15.36	1,029.19
Disposals	-	-	-	-	-	-
<b>Upto 31 March 2020</b>	-	<b>2,562.51</b>	<b>260.73</b>	<b>360.89</b>	<b>153.29</b>	<b>3,337.42</b>
<b>Net book value</b>						
As at 31 March 2020	642.31	20,573.20	431.09	182.41	41.36	21,870.37
As at 31 March 2019	642.31	21,442.87	485.82	219.21	53.27	22,843.49
As at 01 April 2018	642.31	9,706.86	473.44	266.04	64.10	11,152.74
<b>Fair value</b>						
As at 31 March 2020	1,111.55	20,573.20	431.09	182.41	41.36	22,339.60
As at 31 March 2019	1,046.16	21,442.87	485.82	219.21	53.27	23,247.34

Net book value	31 March 2020	31 March 2019
Investment Property	21,870.37	22,843.49
Capital work-in-progress	29,838.91	28,993.34

**Note:**

The fair value of the Company's investment property has been arrived by the management on the basis of a appropriate ready reckoner value. The fair value measurement is categorised as Level 3.



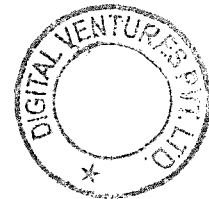
**DIGITAL VENTURES PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

(₹ in lakhs)

Description of Assets	Right of Use	Total
<b>4 Right of Use</b>		
<b>I. Deemed Cost</b>		
As at 01 April 2018	-	-
Additions during the year	-	-
Disposals during the year		-
<b>As at 31 March 2019</b>	-	-
Additions during the year	2,183.43	2,183.43
Disposals during the year		-
<b>As at 31 March 2020</b>	2,183.43	2,183.43
<b>II. Amortization upto 01 April 2018</b>	-	-
Amortisation for the year	-	-
Disposal		-
<b>upto 31 March 2019</b>	-	-
Amortisation for the year	33.16	33.16
Disposal		-
<b>upto 31 March 2020</b>	33.16	33.16
<b>Net book value</b>		
As at 31 March 2020	2,150.27	2,150.27
As at 31 March 2019	-	-

<b>Net book value</b>	<b>31 March 2020</b>
Right of use	2,150.27



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## DIGITAL VENTURES PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

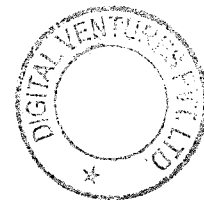
(₹ in lakhs)

Description of Assets	Development rights	Software	Total
<b>5 Intangible assets</b>			
<b>I. Deemed Cost</b>			
As at 01 April 2018	2,026.83	13.48	2,040.32
Additions during the year	3,150.00	-	3,150.00
Disposals during the year			-
<b>As at 31 March 2019</b>	<b>5,176.83</b>	<b>13.48</b>	<b>5,190.32</b>
Additions during the year	-	-	-
Disposals during the year			-
<b>As at 31 March 2020</b>	<b>5,176.83</b>	<b>13.48</b>	<b>5,190.32</b>
<b>II. Amortization upto 01 April 2018</b>	<b>135.42</b>	<b>9.55</b>	<b>144.98</b>
Amortisation for the year	229.16	3.15	232.31
Disposal			-
<b>upto 31 March 2019</b>	<b>364.58</b>	<b>12.71</b>	<b>377.29</b>
Amortisation for the year	229.15	-	229.15
Disposal			-
<b>upto 31 March 2020</b>	<b>593.73</b>	<b>12.71</b>	<b>606.44</b>
<b>Net book value</b>			
As at 31 March 2020	4,583.10	0.77	4,583.87
As at 31 March 2019	4,812.26	0.77	4,813.03

Net book value	31 March 2020	31 March 2019
Intangible Assets	4,583.87	4,813.03
Intangible Assets under Development	5,250.00	5,250.00

\*Developments rights is a (i) right to execute development work, (ii) right to set up, run, operate and administer, and manage the school, institutes and units set up on the allocated plot and undertake other ancillary operations in accordance with the terms of this Agreements; (iii) the first right to receive all funds, receivables, revenues, profits and other incomes in respect of the operations of the school, institutes and Units from all parties in accordance with terms of arrangement between parties.

\*\*Expenses incurred for execution of work as per terms of arrangement under development rights yet to be ready to use is shown as intangible assets under development.



DIGITAL VENTURES PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(₹ in lakhs)

	Non-Current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
<b>6 Loans</b>				
Loans (Unsecured and considered good)	5,120.45	-	-	2,260.29
<b>Total</b>	<b>5,120.45</b>	<b>-</b>	<b>-</b>	<b>2,260.29</b>

(₹ in lakhs)

	Non-Current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
<b>7 Other Financial Assets</b>				
Deposit with banks having original maturity period of more than twelve months - fixed deposit (DSRA- ₹ 125.00 Cr)	626.37	587.26	-	-
Deposits - unsecured and considered good - to others	30.79	29.23	-	-
Other Loans and Advances-unsecured and considered good -other advances	0.30	0.33	-	-
<b>Total</b>	<b>657.46</b>	<b>616.81</b>	<b>-</b>	<b>-</b>

(₹ in lakhs)

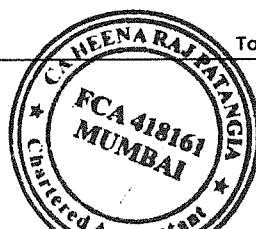
	31 March 2020	31 March 2019
<b>8 Non-current tax assets (net)</b>		
Balances with government authorities - direct taxes (net of provisions)	1,519.48	1,158.48
<b>Total</b>	<b>1,519.48</b>	<b>1,158.48</b>

(₹ in lakhs)

	31 March 2020	31 March 2019
<b>9 Deferred tax assets (net)</b>		
The components of deferred tax balances are as under:		
<b>Deferred tax assets</b>		
Depreciation and amortization	-	-
<b>Deferred tax liabilities</b>		
Depreciation and amortization	9.01	9.01
	<b>(9.01)</b>	<b>(9.01)</b>
Mat Credit Entitlement	11.37	11.37
<b>Deferred tax assets / (liabilities)</b>	<b>2.36</b>	<b>2.36</b>

(₹ in lakhs)

	Non - Current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
<b>10 Other assets</b>				
Capital advances (unsecured)	655.74	650.47	-	-
Deferred deposits	193.66	201.36	17.99	17.69
Mobilisation advances -to related parties	834.00	834.00	-	-
Corporate guarantee premium	261.17	304.70	-	-
<b>Total</b>	<b>1,944.58</b>	<b>1,990.52</b>	<b>17.99</b>	<b>17.69</b>



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# DIGITAL VENTURES PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

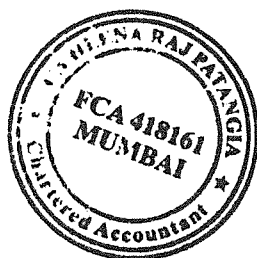
(₹ in lakhs)

	31 March 2020	31 March 2019
<b>11 Trade receivables (unsecured)</b>		
- considered good	2,193.06	852.42
- considered doubtful	-	-
	<b>2,193.06</b>	<b>852.42</b>
Less: Allowances for credit losses	-	-
<b>Total</b>	<b>2,193.06</b>	<b>852.42</b>

a) Trade receivables are non-interest bearing.

(₹ in lakhs)

	Current	
	31 March 2020	31 March 2019
<b>12 Cash and bank balances</b>		
<b>Cash and cash equivalents</b>		
Balances with banks		
- in current accounts	10.63	294.33
Cash in hand	2.01	0.02
<b>Total</b>	<b>12.64</b>	<b>294.35</b>



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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(₹ in lakhs)

Particulars	31 March 2020	31 March 2019
<b>13 Equity Share Capital</b>		
<b>Authorised *</b>		
5,110,000 (2019-5,110,000) Equity Shares of ₹ 10/- each	511.00	511.00
	<b>511.00</b>	<b>511.00</b>
<b>Issued , Subscribed and Paid up</b>		
5,010,000 (2019-5,010,000) Equity Shares of ₹ 10/- each	501.00	501.00
<b>Total</b>	<b>501.00</b>	<b>501.00</b>

\* Authorised capital of ₹ 1,000,000 (2019: ₹ 1,000,000) Redeemable Preference Shares of ₹ 10/- (2019: ₹ 10/-) each is not considered above.  
 Redeemable preference shares issued have been considered as borrowings in accordance with the requirement of Ind AS 32.

## (a) Reconciliation of number of shares and share capital

Equity shares	31 March 2020		31 March 2019	
	Number of Equity Shares	₹ Lakhs	Number of Equity Shares	₹ Lakhs
At the beginning of the year	5,010,000	501.00	5,010,000	501.00
Add : Issue of Shares Equity Shares of ₹ 10 /- Each Fully Paid	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>5,010,000</b>	<b>501.00</b>	<b>5,010,000</b>	<b>501.00</b>

## (b) Terms/ rights attached to Equity shares &amp; Preference shares

The Company has only one class of equity shares having a par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The said equity shares are entitled to dividend as and when company declares and is paid in Indian Rupees. The dividend as and when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## (c) Details of aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years preceeding 31 March, 2018

The company has not issued any shares for consideration other than cash till date. No shares are bought back and no bonus shares were issued during the period of preceding five years.

## (d) Details of Equity Shareholders holding more than 5 % of the aggregate shares in the Company

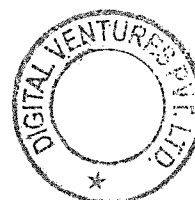
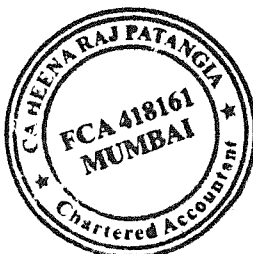
Name of Shareholders	31 March 2020		31 March 2019	
	Number of shares	% Shareholding	Number of shares	% Shareholding
Zee Learn Limited (The Holding company)	5,010,000	100%	5,010,000	100%

As per the records of the company, including its register of shareholders / members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(₹ in lakhs)

	31 March 2020	31 March 2019
<b>14 Instruments entirely equity in nature</b>		
11,324,045 (2019 - 11,324,045) 0.01% Compulsorily Convertible Debentures of Rs. 100/- (Refer Below Note 1)	11,329	11,328
	<b>11,329</b>	<b>11,328</b>

1 0.01 % , Compulsorily Convertible Debentures (CCD) of ₹ 100 each fully paid up issued to Zee Learn Limited (Holding Company) are compulsorily convertible into equity shares at a conversion rate to be decided based on fair value of equity shares any time from the date of allotment but not later than 10 years from the date of allotment.



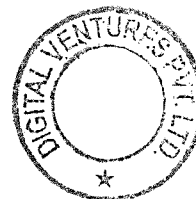
## DIGITAL VENTURES PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(₹ in lakhs)

	31 March 2020	31 March 2019
<b>15 Other equity</b>		
<b>Securities Premium</b>		
As per last Balance Sheet	19,662.00	19,662.00
Addition/(Deletion) during the year	-	-
	<b>19,662.00</b>	<b>19,662.00</b>
<b>Capital Contribution from holding company</b>		
As per last Balance Sheet	860.67	860.67
Addition/(Deletion) during the year	-	-
	<b>860.67</b>	<b>860.67</b>
<b>Retained earnings</b>		
Opening Balance	28.40	(161.21)
Add : Profit for the year	202.38	189.64
Remeasurement of defined benefit obligations	0.75	(0.02)
Less: Dividend on 0.1% Non-Convertible Non-Cumulative Redeemable Preference Shares	(0.01)	(0.01)
	<b>231.52</b>	<b>28.40</b>
<b>Total</b>	<b>20,754.19</b>	<b>20,551.07</b>

- 1) Securities premium is used to record premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
- 2) Retained earnings represent the accumulated earnings, net of losses if any, made by the Company over the years.
- 3) Capital Contribution from Holding Company is the Fair value of Financial guarantee issued by Holding Company.



**DIGITAL VENTURES PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

(₹ in lakhs)

	Non-Current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
<b>16 Borrowings</b>				
100,000 (2019- 100,000) 0.1% Non-Convertible Non-Cumulative Redeemable Preference Shares of 10/- each fully paid up at a premium of 10,705/- per share	-	-	10.00	10.00
Intercompany Deposits - Unsecured [(Including interest 867.83 ₹/lakhs,(2019-556.21 ₹/lakhs)]	15,495.15	-	-	9,065.55
<b>Total</b>	<b>15,495.15</b>	<b>-</b>	<b>10.00</b>	<b>9,075.55</b>
<b>Others - Secured</b>				
Term loan from banks	9,687.00	10,687.00	1,250.00	1,000.00
Less: Amount disclosed under the head "Other Financial Liabilities" (Refer Note 16)	-	-	(1,250.00)	(1,000.00)
<b>Total</b>	<b>9,687.00</b>	<b>10,687.00</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>25,182.15</b>	<b>10,687.00</b>	<b>10.00</b>	<b>9,075.55</b>

**(i) Non Convertible Non Cumulative Redeemable Preference Shares**

The Company has only one class of 0.1% Non Convertible Non Cumulative Redeemable Preference Shares issued to Zee Learn Limited which will be redeemable anytime at the request of the investor on or before 31st March 2022 at a premium of Rs. 10,705 per share. In case of early redemption the premium will be decided by mutual consent on the date of redemption.

**(ii) Intercompany Deposits - Unsecured**

As per the terms agreed, financial assistance to the extent of ₹250 Crores towards Intercompany Deposits(ICD) is to be received from Zee Learn Limited (The Holding Company) which carries an interest rate of 12.5% p.a and is repayable by 31 March 2025. Till 31 March 2020 the company has received the ICD of ₹ 136.38 Crores.

**(iii) Term Loans from Banks**

- a) Term loan from bank 8,750 ₹/lakhs (2019- 9,350 ₹/lakhs) for BKC school Project. The loan carries interest @ bank's base plus spread of 2.65% p.a viz., 12.90% p.a. The loan is repayable in 37 quarterly installments beginning from 4th year i.e FY 2018.

Secured by first charge on:

- over all present and future immovable assets of the BKC School Project;
- over all present and future movable and intangible assets of the Project;
- the entire current assets of the BKC School Project, including first charge on all the escrow accounts and TRAs held by TALEEM and Company for the Project, as well as assignment of all insurance policies taken for the Project with the Bank as loss payee.

- all present and future rights, titles and interests of the Project from all contracts, insurances, documents, which the Company is party to including contractor guarantees, liquidated damages and all other contracts or letter of credit, guarantee, performance bond provided by any party to the Company;

- registered mortgage of the lease hold land of the Project;

**Collateral**

- Corporate Guarantee from Zee Learn Limited;
- Pledge of 51% shares held by Zee Learn Limited in the company, subject to adherence to BR Act, to be held pari passu with RTL II (₹ 102.21 Cr).
- Post dated cheque for principal installments.

- b) Term loan from bank 2,187 ₹/lakhs(2019- 2,337 ₹/lakhs) for BKC schools Project. The loan carries interest @ bank's base plus spread rate of 1.75% p.a viz., 12.50% p.a. The loan is repayable in 37 quarterly installments beginning from 4th year i.e FY18.

Secured by first charge on:

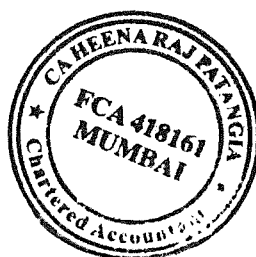
- over all present and future immovable assets of the BKC School Project;
- over all present and future movable and intangible assets of the Project;
- the entire current assets of the BKC School Project, including first charge on all the escrow accounts and TRAs held by TALEEM and Company for the Project, as well as assignment of all insurance policies taken for the Project with the Bank as loss payee.

- all present and future rights, titles and interests of the Project from all contracts, insurances, documents, which the Company is party to including contractor guarantees, liquidated damages and all other contracts or letter of credit, guarantee, performance bond provided by any party to the Company;

- registered mortgage of the lease hold land of the Project;

**Collateral**

- Corporate Guarantee from Zee Learn Limited;
- Pledge of 51% shares held by Zee Learn Limited in the company, subject to adherence to BR Act, to be held pari passu with RTL II (₹ 102.21 Cr).
- Post dated cheque for principal installments.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(₹ in lakhs)

	Non-Current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
<b>17 Financial liabilities-Others</b>				
Current maturities of long-term borrowings				
- principal amount of term loan	-	-	1,250.00	1,000.00
- interest accrued but not due	-	-	118.47	101.30
Premium on redemption of Preference shares	-	-	863.00	723.00
Creditor for capital expenditure	-	-	278.88	186.50
Deposits received - Others	789.44	1,047.05	-	-
<b>Total</b>	<b>789.44</b>	<b>1,047.05</b>	<b>2,510.35</b>	<b>2,010.80</b>

(₹ in lakhs)

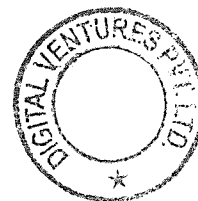
	Non-Current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
<b>18 Lease Liability</b>				
Lease Liability	2,230.55	-	55.65	-
<b>Total</b>	<b>2,230.55</b>	<b>-</b>	<b>55.65</b>	<b>-</b>

(₹ in lakhs)

	Non-Current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
<b>19 Provisions</b>				
Provision for employee benefits				
- Gratuity	2.37	2.46	0.23	0.25
- Leave benefits	0.43	0.41	0.15	0.18
<b>Total</b>	<b>2.80</b>	<b>2.87</b>	<b>0.38</b>	<b>0.42</b>

(₹ in lakhs)

	Non-Current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
<b>20 Other liabilities</b>				
Deferred deposit	11,055.46	12,853.57	472.50	538.51
Dividend payable	-	-	0.02	0.01
Statutory dues payable	-	-	252.54	189.06
Other liabilities	-	-	15.75	308.22
<b>Total</b>	<b>11,055.46</b>	<b>12,853.57</b>	<b>740.81</b>	<b>1,035.79</b>



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## DIGITAL VENTURS PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(₹ in lakhs)

	31 March 2020	31 March 2019
<b>21 Revenue from operations</b>		
Lease rent	3,001.15	3,380.61
Professional Fees	503.75	-
<b>Total</b>	<b>3,504.90</b>	<b>3,380.61</b>

(₹ in lakhs)

	31 March 2020	31 March 2019
<b>22 Other income</b>		
Interest income ICD	426.69	243.10
Interest income Bank Deposit	43.59	39.67
Financial guarantee obligation	282.00	178.04
Unwinding of discount on interest free deposit	1.45	1.29
<b>Total</b>	<b>753.73</b>	<b>462.10</b>

(₹ in lakhs)

	31 March 2020	31 March 2019
<b>23 Employee benefits expense</b>		
Salary and Wages	26.87	30.35
Contribution to provident and other funds	0.90	0.95
Staff welfare Expenses	0.11	0.01
<b>Total</b>	<b>27.88</b>	<b>31.31</b>

(₹ in lakhs)

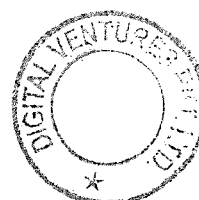
	31 March 2020	31 March 2019
<b>24 Finance costs</b>		
Interest on		
- Term loan	733.57	781.92
- Compulsorily Convertible Debentures	1.14	1.13
- Inter Corporate Deposits	1,445.69	615.97
- Lease	120.40	-
- Unwinding of discount on interest free deposit	94.75	117.30
- Others	0.20	0.15
Other financial charges	0.02	0.06
Unwinding of Discount of Deposit	100.38	207.71
Financial guarantee benefit	43.53	43.53
<b>Total</b>	<b>2,539.67</b>	<b>1,767.76</b>

(₹ in lakhs)

	31 March 2020	31 March 2019
<b>25 Depreciation and amortisation expense</b>		
Depreciation on property, plant and equipment	1,029.19	1,069.45
Amortisation of intangible assets	229.15	232.31
Depreciation on Right of use assets	33.16	-
<b>Total</b>	<b>1,291.51</b>	<b>1,301.76</b>

(₹ in lakhs)

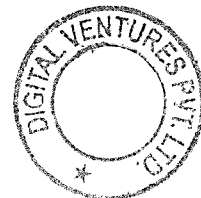
	31 March 2020	31 March 2019
<b>26 Other expenses</b>		
Auditors remuneration	4.30	3.25
Conveyance	2.34	3.86
Development Fees	3.00	3.00
Director sitting fees	0.30	0.50
Insurance	21.35	15.90
Premium on redemption	140.00	140.00
Professional & consultancy charges	12.26	281.32
Rates & taxes	0.24	0.40
Rent	7.71	101.01
Miscellaneous expenses	5.69	3.00
<b>Total</b>	<b>197.19</b>	<b>552.23</b>



DIGITAL VENTURES PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(₹ in lakhs)		
	31 March 2020	31 March 2019
<b>27 Tax expense</b>		
The major components of income tax for the year are as under:		
Income tax related to items recognised directly in the statement of profit and loss		
Current tax - current year	-	-
MAT credit entitlement - earlier year	-	-
<b>Total</b>	-	-
<b>Effective tax rate</b>	-	-
A reconciliation of income tax expense applicable to profit before income tax at statutory rate to the income tax expense at Company's effective income tax rate for the year ended 31 March 2020 and 31 March 2019 is as follows:		
(₹ in lakhs)		
	31 March 2020	31 March 2019
<b>Profit before tax</b>	202.38	189.64
Income tax		
Statutory income tax rate of 25.17% (29.12%) on profit	50.94	55.22
Undistributed earnings of subsidiaries		
Tax effect on non-deductible expenses	300.57	322.16
Additional allowances for tax purposes	(688.63)	(937.98)
Other temporary difference	337.12	560.60
<b>Tax expense recognised in the statement of profit and loss</b>	-	-
<b>Deferred tax recognized in statement of other comprehensive income</b>		
(₹ in lakhs)		
	31 March 2020	31 March 2019
For the year ended	-	-
Employee retirement benefits obligation	-	-
The applicable tax rate is the standard effective corporate income tax rate in India. The tax rate is 25.17% for the year ended 31 March 2020. Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. For analysis of the deferred tax balances (after offset) for financial reporting purposes refer note 8. The Company does not have any temporary differences in respect of unutilized tax losses as at 31 March 2020		
<b>Deferred tax recognized in statement of profit and loss</b>		
(₹ in lakhs)		
	31 March 2020	31 March 2019
For the year ended	-	-
Employee retirement benefits obligation	-	-
Allowances for credit losses	-	-
Depreciation and amortization	-	-
Mat credit entitlement	-	-
<b>Total</b>	-	-
<b>Reconciliation of deferred tax assets / (liabilities) net:</b>		
(₹ in lakhs)		
	31 March 2020	31 March 2019
<b>Opening balance</b>	(9.01)	(9.01)
Deferred tax (charge)/credit recognised in		
- Statement of profit and loss	-	-
- Recognised in other comprehensive income	-	-
<b>Total</b>	(9.01)	(9.01)
Mat credit entitlement	11.37	11.37
<b>Total</b>	2.36	2.36



## DIGITAL VENTURES PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

## 28 Leases

## a Operating leases granted by the Company

The company has given property under cancellable lease agreement that are renewable on a periodic basis at the option of both the Lessor and the Lessee.

Description of significant leasing arrangements	(₹ in lakhs)	
	31 March 2020	31 March 2019
Rent income as per Statement of Profit & Loss	3,504.90	3,380.61
Gross carrying value of asset (Including premises in Investments)	31,195.36	31,139.30
Accumulated depreciation	4,741.12	3,482.78
Depreciation recognised in Statement of Profit & Loss	1,291.51	1,301.76
impairment Losses	-	-

	(₹ in lakhs)	
	31 March 2020	31 March 2019
Lease rental Income for the year	2,998.75	2,671.78
Future Lease rental obligation receivable (under non-cancellable lease)		
Not later than one year	3,385.96	3,250.75
Later than one year but not later than five years	15,169.00	14,591.36
Later than five years	104,413.41	108,377.01

## b Operating leases taken by the Company

Lease of assets under which all the risk and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognized as expense, except to the extent projectwise capitalised against on-going construction, on accrual basis, in accordance with the terms of respective lease agreements.

	(₹ in lakhs)	
	31 March 2020	31 March 2019
Lease rental charges for the year	230.10	221.92
Future Lease rental obligation payable (under non-cancellable lease)		
Not later than one year	238.68	230.10
Later than one year but not later than five years	1,030.72	999.16
Later than five years	9,269.02	9,579.06

## 29 Contingent Liabilities

	(₹ in lakhs)	
	31 March 2020	31 March 2019
Disputed Direct Taxes *	155.55	389.02
Corporate guarantee to others to the extent of loans availed/outstanding ₹/lakhs 38,687.62 (2019 - 40,530.55)	47,000.00	47,000.00

\* Income Tax demands mainly include appeals filed by the Company before appellate authorities against the disallowance of expenses/claims etc. The management is of the opinion that its tax cases will be decided in its favour and hence no provision is considered necessary at this stage.

## 30 Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) is 4,816.41 ₹/Lakhs (31 March 2019- 4,816.41 ₹/Lakhs)

## 31 Payment to Auditors

	(₹ in lakhs)	
	31 March 2020	31 March 2019
Audit fees (Including limited review)	3.25	3.25
Limited Review Fees	1.05	-
Tax audit fees	-	-
<b>Total</b>	<b>4.30</b>	<b>3.25</b>

## 32 Micro, Small and Medium Enterprises

The Company has no dues to Micro, Small and Medium enterprises during the year ended 31 March, 2020, on the basis of information provided by the parties and available on record.

## 33 Earnings per share (EPS)

	(₹ in lakhs)	
	31 March 2020	31 March 2019
Profit/ (Loss) after Tax (Rs.)	202.38	189.64
Weighted Average number of equity shares for Basic EPS (in numbers)	50.10	50.10
Weighted Average number of equity shares for Diluted EPS (in numbers)	50.10	50.10
Face value of equity shares (Rs.)	10.00	10.00
Basic EPS (Rs.)	4.04	3.79
Diluted EPS (Rs.)	4.04	3.79





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

## 34 Employee Benefits

The Disclosures as per Ind AS 19 - Employee Benefits is as follows:

## A Defined Contribution Plans

"Contribution to provident and other funds" is recognized as an expense in Note 23 "Employee benefit expenses" of the Statement of Profit and Loss.

## B Defined Benefit Plans

The present value of gratuity obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave benefits (non funded) is also recognised using the projected unit credit method.

I Expenses recognised during the year		(₹ in lakhs)	
		31 March 2020	31 March 2019
		Gratuity (Non Funded)	
1	Current Service Cost	0.45	0.44
2	Interest Cost	0.20	0.15
3	Past Service cost	-	-
	<b>Total Expenses</b>	<b>0.65</b>	<b>0.60</b>

II Amount recognized in other comprehensive income (OCI)		31 March 2020	31 March 2019
1	Opening amount recognized in OCI	(3.14)	(3.16)
2	Remeasurement during the period due to experience adjustments		
	- Changes in financial assumptions	0.12	(0.00)
	- Changes in experience charges	(0.87)	0.03
3	Closing amount recognized in OCI	(3.89)	(3.14)

III Net (Asset) / Liability recognised in the Balance Sheet as at 31 March		31 March 2020	31 March 2019
1	Present value of defined benefit obligation (DBO)	2.61	2.71
2	Net (Asset) / Liability	(2.61)	(2.71)

IV Reconciliation of Net (Asset) / Liability recognised in the Balance Sheet as at		31 March 2020	31 March 2019
1	Net (Asset) / Liability at the beginning of year	2.71	2.09
2	Expense as per I above	0.65	0.60
3	Other comprehensive income as per II above	(0.75)	0.02
	Net (Asset) / Liability at the end of the year	2.61	2.71

V The following payments are expected to defined benefit plan in future years :		31 March 2020	31 March 2019
1	Expected benefits for year 1	0.23	0.29
2	Expected benefits for year 2 to year 5	0.88	1.57
3	Expected benefits beyond year 5	0.98	2.91

VI Actuarial Assumptions		31 March 2020	31 March 2019
1	Discount rate	6.80%	7.32%
2	Expected rate of salary increase	6.00%	6.00%
3	Mortality	IALM (2006-08)	IALM (2006-08)

## VII Sensitivity Analysis

The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 100 basis points

		(₹ in lakhs)	
		Discount Rate	Salary Escalation rate
Impact of increase in 100 bps on DBO		2.39	2.84
Impact of decrease in 100 bps on DBO		2.86	2.40

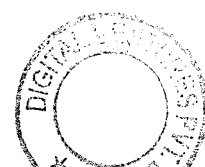
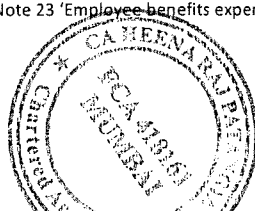
## Notes:

- (a) The current service cost recognized as an expense is included in Note 23 'Employee benefits expense' as gratuity. The remeasurement of the net defined benefit liability is included in other comprehensive income.
- (b) The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the Actuary.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

## C Other long term benefits

The obligation for leave benefits (non funded) is also recognised using the projected unit credit method and accordingly the long term paid absences have been valued. The leave encashment expense is included in Note 23 'Employee benefits expense'.



**DIGITAL VENTURES PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

**35 Related Party Transactions**

(i) List of Parties where control exists

Holding company (holding 100% equity shares of the company)

Zee Learn Limited

(ii) Other Related parties with whom transactions have taken place during the year and balance outstanding as on the last day of the year.

Pan India Infrastructures Private Limited

**Transactions with Related Parties**

(₹ in lakhs)		
Particulars	31 March 2020	31 March 2019
<b>A) Transactions with Other Related Parties #</b>		
<b>Capital expenditure</b>	<b>220.00</b>	<b>135.00</b>
Zee Learn Limited	220.00	135.00
<b>Unsecured Loans taken</b>	<b>7,094.67</b>	<b>12,489.05</b>
Zee Learn Limited	7,094.67	12,489.05
<b>Unsecured Loans repaid</b>	<b>519.36</b>	<b>5,414.00</b>
Zee Learn Limited	519.36	5,414.00
<b>Capital advances given</b>	<b>6.62</b>	<b>367.55</b>
Pan India Infrastructure Private Limited	6.62	367.55
<b>Sales and Services</b>	<b>178.75</b>	<b>-</b>
Zee Learn Limited	178.75	-

# The related party transactions detailed above is based on the status of relationship at the year end.

(₹ in lakhs)		
Particulars	31 March 2020	31 March 2019
<b>B) Balances outstanding</b>		
<b>Loans, advances and deposits given</b>	<b>1,451.06</b>	<b>1,444.44</b>
Pan India Infrastructure Private Limited	1,451.06	1,444.44
<b>Long Term borrowings taken</b>	<b>27,003.36</b>	<b>20,528.18</b>
Zee Learn Limited	27,003.36	20,528.18

**36 Rent Expenses:**

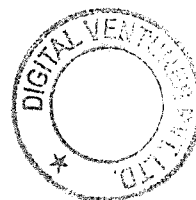
During the year, the company has incurred a total expenditure of ₹/Lakhs 326.49 (2019- ₹/Lakhs 316.06) on rent which ₹/Lakhs 230.10 (2019 - ₹/Lakhs 222.75) has been transferred to CWIP. Classification of the expenditure in CWIP has been done since the projects are under construction and hence yet to be capitalised.

**37 Present business activities:**

The company has continued to increase its business during the year by leasing out the additional completed part of the premises so constructed at Goa, Nagpur, Karnal and Patiala to the Educational Trusts. The civil work for the balance of the construction of the buildings at the above locations are in progress. The development rights acquired by the company is also for the said purpose.

**38 Projects under execution:**

The company had taken in the preceding year/s lands at four locations on lease and had acquired land at one location for the purposes of setting up of educational infrastructures. The company had also acquired, development rights to develop a piece and parcel of land, from Taleem Research Foundation at Mumbai, to build educational infrastructure. This development rights is acquired for 30 years w.e.f 1 January 2010 against a lump sum development fees of ₹/lakhs 10,500. The civil work for construction of all these educational infrastructures is in progress and are at different stages of construction.



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## DIGITAL VENTURES PRIVATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

## 39 Financial Instruments

## i) Financial risk management objective and policies

The Company's principal financial liabilities comprise loans and borrowings and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade receivables, other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks.

## a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits and other financial instruments.

## 1) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair value of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that future cash flows of floating interest bearing investments will vary because of fluctuations in interest rates.

The Company's exposure to the risk of change in market interest rates relates primarily to the Company's long-term loan from banks. Compulsorily Convertible Debentures and Intercompany deposits carry fixed coupon rate and hence, is not considered for calculation of interest rate sensitivity of the company.

## Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rate on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact of change in interest rate of borrowings, as follows:

	Increase / decrease in basis points	(₹ in lakhs) Effect on Profit before tax
As on 31 March 2020	+ 50 / - 50	54.69
As on 31 March 2019	+ 50 / - 50	58.44

## 2) Foreign Currency risk

The Company does not entered into transactions in currency other than its functional currency and is therefore is not exposed to foreign currency risk.

The Company does not undertake transactions denominated in foreign currencies; consequently, there is no exposures to exchange rate fluctuations.

Hence, the Company does not have any foreign currency risk exposure due to exchange rate fluctuations, therefore no sensitivity is required thereof.

## 3) Credit risk

Credit risk is the risk of financial loss to the Company if, a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from its customers, deposits and loans given, investments and balances at bank.

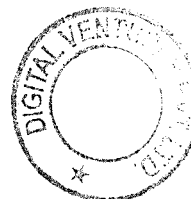
The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Expected Credit Loss is based on actual credit loss experienced and past trends based on the historical data.

## Ageing of trade receivables

	(₹ in lakhs)	
	31 March 2020	31 March 2019
Trade Receivables (Unsecured)		
Over six months	-	-
Less than six months	1,774.54	1,672.28
<b>Total</b>	<b>1,774.54</b>	<b>1,672.28</b>

	(₹ in lakhs)	
	31 March 2020	31 March 2019
Movement in allowance for credit loss during the year was as follows :		
Opening Balance	-	-
Add :- Provided during the year	-	-
Less :- Reversal during the year	-	-
Balance as at	-	-
<b>Net Trade receivable</b>	<b>1,774.54</b>	<b>1,672.28</b>

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies.



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Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company's principal source of liquidity are cash and cash equivalents and the cash flow i.e. generated from operations. The Company consistently generated strong cash flows from operations which together with the available cash and cash equivalents and current investment provides adequate liquidity in short terms as well in the long term.

(₹ in lakhs)

	Less than 1 year	Between 1 and 5 year	Beyond 5 years
Financial Liabilities			
Trade payable and other financial liabilities	2,510.35	-	789.44
Borrowings	-	6,250.15	(6,249.90)
<b>Total</b>	<b>2,510.35</b>	<b>6,250.15</b>	<b>(5,460.47)</b>

(₹ in lakhs)

	Less than 1 year	Between 1 and 5 year	Beyond 5 years
Financial Liabilities			
Trade payable and other financial liabilities	2,010.80	-	1,047.05
*	-	5,500.00	(5,499.89)
<b>Total</b>	<b>2,010.80</b>	<b>5,500.00</b>	<b>(4,452.84)</b>

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves. The Company manages its capital structure to ensure that it will be able to continue as a going concern while maximising the return to the stakeholders.

(₹ in lakhs)

	(₹ in lakhs)	
	31 March 2020	31 March 2019
Gross Debt (inclusive long term and short term debt)	25,192.15	19,762.55
Less: Cash and cash equivalents and other bank balances	12.64	294.35
Net Debt	25,179.51	19,468.20
Total Equity	32,583.85	32,379.71
<b>Total Capital</b>	<b>57,763.37</b>	<b>51,847.91</b>
<b>Gearing ratio</b>	<b>43.59%</b>	<b>37.55%</b>

## (₹ in lakhs)

	31 March 2020		31 March 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>A) Financial assets</b>				
i) Measured at amortised cost				
Trade Receivables	2,193.06	2,193.06	852.42	852.42
Cash and cash equivalents and bank balances	12.64	12.64	294.35	294.35
Other financial assets	657.46	657.46	616.81	616.81
ii) Measured at Fair value through profit and loss account				
Current Investment	-	-	-	-
<b>B) Financial liabilities</b>				
i) Measured at amortised cost				
Borrowings (Non current)	25,182.15	25,182.15	10,687.00	10,687.00
Borrowings (Current)	10.00	10.00	9,075.55	9,075.55
Other Financial liabilities	3,299.79	3,299.79	3,057.85	3,057.85

The management assessed that cash and cash equivalents and bank balances, trade receivables, other financial assets, trade payables and other current liabilities approximate their fair value largely due to the short-term maturities of these instruments. Difference between carrying amount and fair value of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the year presented.

## (₹ in lakhs)

	31 March 2019	Cash Inflows	Cash outflows	Non Cash Changes		31 March 2020
				Interest Accrued	Other Charges	
Long Term Borrowings (Including Current maturities)	10,687.00	14,495.15	733.57	(733.57)	-	25,182.15
Short Term Borrowings	1,111.30	-	267.16	-	-	1,378.47

Subsequent to the outbreak of Coronavirus (COVID-19) and consequential lock down across the Country, the Company has continued to operate and provide services to its customer without any disruptions. The Company has evaluated its liquidity position etc., and has concluded that no material adjustments is required at this stage in the financial statements. However, in the current year ahead, given the uncertainties in the economic environment, management's impact assessment is subject to significant estimation, uncertainties, and accordingly, the actual results in future may be different from those estimated as at the date of approval of these financial results. The Company will continue to monitor any material changes to the future economic conditions and consequential impact on its business operations.

42 The Company, in the event of taxable profits in future years, has elected to exercise the option permitted under section 115BAA of the Income-tax Act 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

However, considering the taxable loss and the expectation of low probability of having taxable profits in future years to absorb deferred tax (DT) , the Management has decided not to make any provision for DT in the books. Hence, though the option of adopting lower tax rate, as above, is taken the same is not applied for the current year's results, due to taxable loss.

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classifications / disclosures.



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