



**INDEPENDENT AUDITOR'S REPORT**

**The Members**  
**Digital Ventures Private Limited**

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

**1. Opinion**

We have audited the accompanying Ind AS Financial Statements of **Digital Ventures Private Limited ("the Company")**, which comprise the Balance sheet as at 31st March 2024, 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 our opinion and to the best of our 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 2024, and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**2. Basis for Opinion**

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

**3. 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.



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

In connection with our audit of the Ind AS financial statements, our 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 our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

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

#### 4. Emphasis of matters:

Reference is invited to the following notes:

- (i) Note 34- During the earlier years, Company had defaulted in repayment of loans availed from two lenders. In this regard, both of the lenders had called upon the Company to make payment of an amount of Rs.9,162.00 lakhs and Rs. 2,299.59 outstanding as at 30 June 2021 with further interest w.e.f. 01 July 2021 as per the terms of sanction letters. Further, the Company had also received notices from three lenders for invocation of corporate guarantees and two of the lenders had also initiated Corporate Insolvency Resolution Process (CIRP) against the Company (Corporate guarantor/Corporate debtor). Considering the improved admissions and revival of the classroom attendance and mutually agreed terms between the lenders and the Company, a cut back arrangement was agreed by virtue of which certain percentage of collection from school at Mumbai been recovered by lenders towards the term loan dues. Further, the Company entered into a settlement agreement during the year to settle the corporate guarantee obligations of the Company for an amount of Rs.28,500 lakhs. The Company is in negotiation with lenders for restructuring and rearrangement of the said balance loans and is hopeful of an amicable mutually agreed resolution to the said proposal and believes that company will enable to settle its liabilities as they fall due, and accordingly, these financial statements have been prepared on a going concern basis.
- (ii) Note 35 - As reported in preceding year, Yes Bank Limited (Yes Bank) vide its notice dated 9 August 2021 (received on 10 August 2021) addressed to the Company had invoked the Corporate Guarantee upon non-repayment of credit facilities (during COVID-19 pandemic) availed by four trusts/entity, and called upon the Company to make payment of an amount of ₹/lakhs 44,962.56 (including interest and other charges upto 31 July 2021). Also, the Company received notice dated 01 December 2022, regarding filing of petitions by Yes Bank under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) to initiate Corporate Insolvency Resolution Process (CIRP) of the Company (as corporate guarantors) before the Hon'ble National Company Law Tribunal (NCLT), Mumbai. Further, Yes Bank vide its letters dated 30 December 2022 has informed the Company that it has assigned and transferred the above credit facilities to J.C. Flowers Asset Reconstructions Private Limited (J.C. Flowers) and the amount outstanding



thereagainst as at 30 November 2022 is ₹/lakhs 52,254.63 (including interest and penal charges). Further, on August 7, 2023, the Company and Zee Learn Limited (ZLL) along with four trusts/entity entered into settlement agreement with J.C Flowers to settle obligations with respect to loans borrowed by the said four trusts/entity. As per the terms of the settlement agreement, the Company, ZLL along with four trusts/entity have agreed to settle the above obligation for ₹/lakhs 28,500 (to be paid jointly and severally by Company, ZLL along with four trusts/entity) pursuant to which Corporate Guarantee obligations and other securities created by Company and ZLL will be released by JC Flowers on receipt of the said settlement amount. The said settlement agreement became effective during the year ended 31 March 2024 and the timelines for payment of the said settlement amount have from time to time been extended by JC Flowers along with payment of applicable interest and the latest extension given is till 30 May 2024. The Company, ZLL and four trusts/entity have requested JC Flowers for further extension of time till 30 June 2024. However, the said trusts/entity have started running their operations effectively under the brick and mortar model and since the CIRP matter of the Company is sub-judice, and considering settlement of Corporate Guarantee obligation is in process, the Company is of the opinion that no liability is required to be provided as at 31 March 2024.

- (iii) During the year, Zee Learn Limited (Holding Company) has given Interest waiver on loan received by the Company from it for the period from 01-04-2023 to 31-03-2024, accordingly the Company has not accounted for interest cost for the period 01-04-2023 to 31-03-2024 on the said outstanding loan of Rs.10,932.05 Lakhs.
- (iv) Note 45 - During the earlier years, the Company had given Capital advances and deposits to Pan India Infrastructure Private Limited (PIIPL) towards construction of schools. There are ongoing proceedings going on against PIIPL w.r.t Corporate Insolvency Resolution Process (CIRP) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) before the Hon'ble National Company Law Tribunal (NCLT) Mumbai. Accordingly, the Company, out of abundant caution and prudent accounting practices, has provided ₹/lakhs 1,451.06 towards impairment of its capital advances and deposits and the same was disclosed as an "Exceptional item" in the financial statements for the year ended 31 Mar 2024.

**Our opinion is not modified in respect of these matters.**

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

Our 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 our 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, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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, we are also responsible for expressing our 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are



inadequate, to modify my opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the 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.

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

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

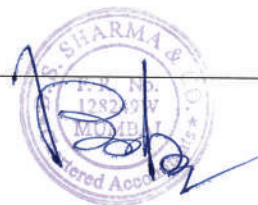
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation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

#### **7. Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India vide notification no. S.O. 849 (E) dated 25th February 2020, further amended vide its order dated 24th March 2020 and 17th December 2020 subsequently in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit, except as otherwise stated in para 4- Emphasis of matters, herein above.
  - b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our 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 our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.




- e) On the basis of written representations received from the directors of the Company as on 31<sup>st</sup> March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting (IFCoFR) of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) 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; the Company has not paid or provided for any managerial remuneration during the year. Accordingly reporting under section 197(16) of the Act is not applicable.
- h) 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 our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact on its financial position except as otherwise stated in Annexure to Auditors' Report Para (vii)(b) and Note no. 30 of Notes to Ind AS Financial statements hereto.
- ii. Provision has been made in these Ind AS financial statements as required under the applicable law or Ind AS, for material foreseeable losses on long-term contracts including derivative contracts.
- iii. There has been no amount required to be transferred to the Investor Education and Protection Fund, since the same is not applicable to the Company.
- iv. a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



- c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause iv (a) and iv (b) above, contain any material misstatement.
- v. Since the Company has not declared or paid any dividend during the year, the question of commenting on whether dividend declared or paid is in accordance with Section 123 of the Companies Act, 2013 does not arise.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

For B S SHARMA & CO.,  
Chartered Accountants  
Firm Registration No. 128249W

  
CA B S SHARMA,  
PARTNER  
Membership No.031578  
UDIN No.: 24031578BKAUXP1140



Place: Mumbai  
Dated: 24.05.2024.



# B. S. Sharma & Co.

Chartered Accountants

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF DIGITAL VENTURES PRIVATE LIMITED

Reference is invited to paragraph 7(1) of the Independent Auditor's Report of even date viz., the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act to the members of DIGITAL VENTURES PRIVATE LIMITED ("the Company") on the Ind AS financial statements for the year ended March 31, 2024.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined in the normal course of audit, we report that:

**(i) In respect of its Property, Plant and Equipment:**

- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) The major Property, Plant and Equipment of the company have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us, the title deeds of the immovable properties (other than properties where the company is the lessee, and the lease agreements are duly executed in favor of the lessee) are held in the name of the company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Mee assets) or intangible assets or both during the year.
- (e) According to the information and explanation given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder during the year.

**(ii) Inventory:**

The Company does not have any inventory, and no working capital limits is taken at all hence the issue relating to borrowing in excess of five crore rupees (at any point of time during the year), in aggregate, from banks or financial institutions based on security of current assets, is not applicable. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.





**(iii) Loans secured or unsecured granted:**

The Company has, during the year, not made investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clause 3(iii) of the Order are not applicable.

**(iv) Loan to directors and investment by Company:**

According to the information and explanation given to us, the company has complied, as applicable, with the requirements of section 185 and 186 in respect of loans, investments, guarantees, or security made by it during the year under audit.

**(v) Public Deposits:**

The Company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

**(vi) Cost Accounting Records:**

To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

**(vii) Statutory Compliance:**

(a) The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) There are no dues in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute, except as stated hereunder:

Name of the statute	Nature of dues	Amount	Amount Paid Under Protest	Period to which the amount relates	Forum where dispute is pending.
Income Tax Act 1961	Income Tax	66,18,198	NIL	AY 2012-13	Commissioner of Income (A)-12
Income Tax Act 1961	Income Tax	1,58,60,036	NIL	AY 2013-14	Commissioner of Income (A)-12



**(viii) Proceedings under Tax Assessment & Income disclosed thereunder:**

According to the information and explanation given to us, company has no transactions, which has not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

**(ix) Default in repayment of loans etc., from lenders:**

(a) In our opinion, the company has defaulted in repayment of loans or other borrowings or in the payment of interest thereon to lenders during the year, as reported in the Independent Auditor's Report of even date viz.,

Particulars	Amount in Rs.
a. Principal overdue:	Rs.3445.48 Lakhs
b. Interest-overdue	Rs.4093.40Lakhs
c. Total dues overdue	Rs.7538.88 Lakhs

(b) the Company is not declared a willful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanation given to me, no fresh term loans were applied for and disbursed hence the purpose for which the loans were obtained clause is not applicable.

(d) According to the information and explanation given to us, no funds, during the year, were raised on short term basis hence reporting thereof of utilization for long-term purposes is not applicable.

(e) According to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.

(f) According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and the Company has no borrowing, including debt securities during the year.

**(x) Application of Money Received from Equity or Loan:**

(a) The Company has not raised money by way of an initial public offer or further public offer (including debt instruments) during the year.

(b) According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year.



**(xi) Fraud Reporting:**

- (a) According to the information and explanation given to us, there is no fraud by the company or any fraud on the company, which has not been noticed or reported during the year.
- (b) According to the information and explanation given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanation given to us, no whistle-blower complaints, received during the year by the company.

**(xii) Nidhi Company-Compliance with Deposits:**

The Company is not a Nidhi company; accordingly, provisions of Clause 3(xii) of the Order is not applicable to the company.

**(xiii) Related Party Transactions:**

According to the information and explanations given to us, we are of the opinion that all transactions with related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements at Note no. 37 of the notes forming part of the standalone financial statement as required by the Accounting Standards and the Companies Act, 2013.

**(xiv) Internal Audit:**

- (a) According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the reports of the Internal Auditors for the period under audit.

**(xv) Transaction with Director:**

According to the information and explanations given to us, we are of the opinion that the company has not entered any non-cash transactions with directors or persons connected with him and accordingly, the provisions of clause 3(xv) of the Order is not applicable.

**(xvi) Registration with RBI:**

According to the information and explanations given to us, we are of the opinion that the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly the provisions of clause 3(xvi) of the Order are not applicable.

**(xvii) Cash Losses:**

According to the information and explanations given to us and based on the audit procedures conducted we are of the opinion that the company has incurred cash losses

---



during the financial year and had cash loss during immediately preceding financial year.

**(xviii) Resignation of Statutory Auditors:**

There has been no resignation of the statutory auditors during the year and accordingly, the provisions of clause 3(xviii) of the Order are not applicable.

**(xix) Material Uncertainty on meeting liabilities:**

On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, my knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which caused us to believe that any material uncertainty exists as on the date of the audit report indicating that company is incapable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

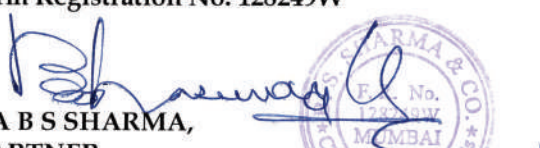
**(xx) Transfer to fund specified under schedule VII of Companies Act, 2013:**

The provisions of Section 135 of the Act regarding Corporate Social Responsibility are not applicable to the company. Accordingly, the provisions of clause 3(xx) of the Order are not applicable.

**(xxi) Adverse remarks or qualification under CARO Report in Consolidated Financial Statements:**

The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of the said clause under this report.

For B S SHARMA & CO.,  
Chartered Accountants  
Firm Registration No. 128249W

  
CA B S SHARMA,  
PARTNER  
Membership No.031578  
UDIN No.: 24031578BKAXP1140



Place: Mumbai  
Dated: 24.05.2024.



# B. S. Sharma & Co.

Chartered Accountants

## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT OF DIGITAL VENTURES PRIVATE LIMITED

(Referred to in paragraph 7(2)(f) under 'Report on Other Legal and Regulatory Requirements' of our 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 our audit of the Ind AS financial statements of the Company as of and for the year ended 31<sup>st</sup> March 2024, we 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

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our 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 we 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.

Our audit involves performing procedures, on test basis, to obtain audit evidence about the adequacy of the internal financial controls system over financial

1

reporting and their operating effectiveness. Our 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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**

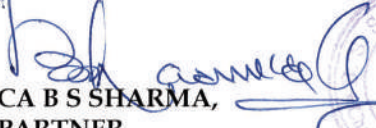
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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 our opinion, to the best of our 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 controls over financial reporting are, checked on test basis, considering the size volume of transactions and nature of business, operating effectively as at March 31, 2024, 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.

For B S SHARMA & CO.,  
Chartered Accountants  
Firm Registration No. 128249W

  
CA B S SHARMA,  
PARTNER  
Membership No.031578  
UDIN No.: 24031578BK A UX P1140



Place: Mumbai  
Dated: 24.05.2024.

## DIGITAL VENTURES PRIVATE LIMITED

Balance Sheet as at 31 March 2024

(₹ in lakhs)

	Note	31 March 2024	31 March 2023
		Audited	Audited
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Investment property	3	48,471.61	19,035.82
(b) Investment property under development	3	3,213.95	32,719.88
(c) Right of use assets	4	1,940.24	2,015.50
(d) Intangible assets	5	8,916.41	3,896.41
(e) Intangible assets under development	5	-	5,250.00
(f) Financial assets			
(i) Loans	6	2,272.73	1,940.28
(ii) Other financial assets	7	38.64	36.32
(g) Income tax assets (net)	8	1,600.49	1,648.64
(h) Other non-current assets	10	174.11	1,630.87
<b>Total non-current assets</b>		<b>66,628.18</b>	<b>68,173.72</b>
<b>Current assets</b>			
(a) Financial assets			
(i) Trade receivables	11	1,875.25	1,676.51
(ii) Cash and cash equivalents	12	101.79	45.96
(b) Other current assets	10	8.43	8.79
<b>Total current assets</b>		<b>1,985.47</b>	<b>1,731.26</b>
<b>Total assets</b>		<b>68,613.65</b>	<b>69,904.98</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	11,332.77	11,331.75
(c) Other equity	15	10,987.14	13,235.88
<b>Total equity</b>		<b>22,820.91</b>	<b>25,068.63</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16	27,572.61	26,546.39
(ii) Others	17	1,220.87	1,085.81
(iii) Lease liability	18	2,455.66	2,303.88
(b) Provisions	19	0.40	-
(c) Deferred tax Liabilities (net)	9	-	9.01
(d) Other non current liabilities	20	8,804.55	9,261.04
<b>Total non-current liabilities</b>		<b>40,054.09</b>	<b>39,206.13</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16	3,092.50	3,092.50
(ii) Others	17	2,095.52	1,912.22
(iii) Lease liability	18	52.19	57.00
(b) Other current liabilities	20	498.34	568.50
(c) Provisions	19	0.10	-
<b>Total current liabilities</b>		<b>5,738.65</b>	<b>5,630.22</b>
<b>Total liabilities</b>		<b>45,792.74</b>	<b>44,836.35</b>
<b>Total equity and liabilities</b>		<b>68,613.65</b>	<b>69,904.98</b>

Notes forming part of the financial statements

1-52

As per our attached report of even date

B. S. SHARMA & Co.  
Chartered Accountants  
Firm Registration No. 128243W

CA B. S. Sharma  
Membership Number : 031578  
Partner  
Place: Mumbai  
Date: 24th May 2024



For and on behalf of the Board

*(Signature)*  
Anil Bansal  
Director  
DIN: 06872243

*(Signature)*  
Roshan Lal Kaniboj  
Director  
DIN: 01076066





DIGITAL VENTURES PRIVATE LIMITED

Statement of Profit and Loss for the year ended 31 March 2024

(₹ in lakhs)

	Note	31 March 2024	31 March 2023
		Audited	Audited
<b>Revenue</b>			
Revenue from operations	21	1,204.99	1,203.74
Other income	22	848.15	797.17
<b>Total</b>		<b>2,053.14</b>	<b>2,000.91</b>
<b>Expenses</b>			
Employee benefits expense	23	7.00	5.32
Finance costs	24	1,444.31	1,966.62
Depreciation and amortisation expense	25	1,218.69	1,228.02
Other expenses	26	180.81	213.34
<b>Total</b>		<b>2,850.81</b>	<b>3,413.30</b>
<b>Profit before tax</b>		<b>(797.67)</b>	<b>(1,412.39)</b>
<b>Less : Exceptional item</b>		<b>1,451.06</b>	<b>10,855.00</b>
<b>Loss before tax after exceptional items</b>		<b>(2,248.73)</b>	<b>(12,267.39)</b>
<b>Less : Tax expense</b>			
Current tax - current year		-	-
Deferred tax benefit including MAT credit entitlement		-	-
<b>Loss for the year</b>	(A)	<b>(2,248.73)</b>	<b>(12,267.39)</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		-	1.00
(ii) Income tax relating to items that will not be reclassified to the profit or loss		-	-
<b>Total other comprehensive income</b>	(B)	<b>-</b>	<b>1.00</b>
<b>Total comprehensive income / (loss) for the year</b>	(A+B)	<b>(2,248.73)</b>	<b>(12,266.39)</b>
<b>Earnings per equity share (face value ₹ 10 each)</b>			
Basic	33	(44.88)	(244.86)
Diluted		(44.88)	(244.86)

Notes forming part of the financial statements

1-52

As per our attached report of even date

**B. S. SHARMA & Co.**  
Chartered Accountants  
Firm Registration No. 128249W  
  
**CA B. S. Sharma**  
Membership Number : 031578  
Partner



For and on behalf of the Board

  
**Amit Bansal**  
Director  
DIN: 06872243

  
**Roshan Lal Kamboj**  
Director  
DIN: 01076066



Place: Mumbai  
Date: 24th May 2024

## DIGITAL VENTURES PRIVATE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31. March 2024

(₹ in lakhs)

Particulars	31 March 2024	31 March 2023
<b>A. Cash Flow from Operating Activities</b>		
Net Loss before tax after exceptional items	(2,248.73)	(12,267.39)
<b>Adjustments for:</b>		
Depreciation	1,218.69	1,228.02
Interest Income	(838.12)	(794.24)
Excess liability written off	(10.04)	-
Interest Expense	1,444.31	1,643.45
Exceptional Item	1,451.06	10,855.00
<b>Operating Profit before Working Capital Changes</b>	<b>1,017.17</b>	<b>664.83</b>
<b>Adjustments for:</b>		
(Increase) / Decrease in trade and other receivables	(253.19)	(266.26)
Increase / (Decrease) in trade and other payables	(218.52)	41.46
<b>Cash Generated from Operations</b>	<b>545.46</b>	<b>440.03</b>
Direct Taxes paid	48.15	(15.23)
<b>Net Cash from/(used in) Operating Activities (A)</b>	<b>593.61</b>	<b>424.80</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of fixed assets (including Capital Work in Progress)	-	(35.91)
Proceed from/(Investments) in deposits with bank	-	-
Loan given to Others	(832.15)	(903.85)
Loan Repaid from Others	499.69	668.98
<b>Net Cash used in Investing Activities (B)</b>	<b>(332.46)</b>	<b>(270.78)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from long-term borrowings	-	-
Repayment of non-current borrowings	-	-
Payment of lease liabilities	(205.33)	(263.99)
Interest paid	-	-
<b>Net Cash from/(used in) Financing Activities (C)</b>	<b>(205.33)</b>	<b>(263.99)</b>
<b>Net Changes in Cash and Cash Equivalent (A+B+C)</b>	<b>55.82</b>	<b>(109.97)</b>
Cash and Cash Equivalents at the beginning of the year	45.96	155.94
<b>Cash and Cash Equivalents at the end of the year</b>	<b>101.78</b>	<b>45.96</b>
<b>Components of cash and cash equivalents</b>		
Cash in hand	-	-
Balance with Scheduled Banks in		
- Current Accounts	101.79	45.96
<b>Total cash and cash equivalents</b>	<b>101.79</b>	<b>45.96</b>

## Note:

- 1) Previous year's figures have been regrouped, recast wherever necessary.

As per our attached report of even date

B. S. SHARMA &amp; Co.

Chartered Accountants

Firm Registration No. 128249W

CA B. S. Sharma

Membership Number : 031578

Partner

Place: Mumbai

Date: 24th May 2024

For and on behalf of the Board



Amit Bansal  
Director  
DIN: 06872243




Roshan Lal Kamboj  
Director  
DIN: 01076066

DIGITAL VENTURES PRIVATE LIMITED

Statement of changes in equity for the year ended 31 March 2024

A. Equity share capital

	Note	(₹ in lakhs)
As at 01 April 2022		501.00
Changes in equity share capital	12a	-
As at March 31 2023		501.00
Changes in equity share capital	12a	-
As at 31 March 2024		501.00

B. Other equity

	Reserve and Surplus				Other Comprehensive Income	Total other equity
	Capital Contribution from Holding company	Securities Premium	Equity Component of optionally convertible debentures *	Retained earnings		
As at 01 April 2022	860.67	19,662.00	-	(1,251.50)	0.51	19,271.68
Profit for the year	-	-	-	(12,268.26)	-	(12,268.26)
Issued during the year	-	-	6,231.48	-	-	6,231.48
Other comprehensive income	-	-	-	-	1.00	1.00
Total comprehensive income / (loss) for the year	-	-	6,231.48	(12,268.26)	1.00	(6,035.79)
As at March 31 2023	860.67	19,662.00	6,231.48	(13,519.76)	1.51	13,235.89
Less: Dividend on 0.1% Non-Convertible Non-Cumulative Redeemable Preference Shares	-	-	-	(0.01)	-	(0.01)
As at March 31 2023	860.67	19,662.00	6,231.48	(13,519.77)	1.51	13,235.88
Loss for the year	-	-	-	(2,248.74)	-	(2,248.74)
Issued during the year	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income / (loss) for the year	-	-	-	(2,248.74)	-	(2,248.74)
As at 31 March 2024	860.67	19,662.00	6,231.48	(15,768.51)	1.51	10,987.14

\* Equity component of optionally convertible debentures represents 115,788,924, 0.01% Optionally Convertible Debentures of ₹ 10 each

- 1) Securities premium is used to record premium on issue of shares. It is utilised in accordance with the provisions of Companies Act, 2013.
- 2) Retained earnings represent the accumulated earnings net of losses if any made by the Company over the years.

Notes forming part of the financial statements

1-52

As per our attached report of even date

B. S. SHARMA & Co.  
Chartered Accountants  
Firm Registration No. 128249W

CA B. S. Sharma  
Membership Number : 031578  
Partner

Place: Mumbai  
Date: 24th May 2024



For and on behalf of the Board

*(Signature)*  
Amit Bansal  
Director  
DIN: 06872243

*(Signature)*  
Roshan Lal Kamboj  
Director  
DIN: 01076066



DIGITAL VENTURES PRIVATE LIMITED

Notes forming part of the financial statements

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 i) 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 under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 and when amended and other relevant provisions of the Act and rules framed there under and guidelines issued by Securities and Exchange Board of India (SEBI).

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

ii) Functional and Presentation currency

These financial statements are presented in Indian Rupees, which is also the Company's functional currency.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III (except per share data), unless otherwise stated. Zero '0.00' denotes amount less than ₹ 500/-.

iii) 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 a) Property, plant and equipment

(i)

Freehold land is carried at cost. Other property, plant and equipment acquired are measured on initial recognition at cost. Subsequent to initial recognition, property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. The carrying amount of the replaced part accounted for as a separate asset previously is derecognised. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss when incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

(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.

b) Right of use of assets

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.

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. Expenditure incurred on acquisition / development of intangible assets which are not put/ready to use at the reporting date is disclosed under intangible assets under development.

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)

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.

(iv)

Intangible assets are amortised on straight line basis over their respective individual useful lives estimated by the management. The useful life of intangible assets are 3 years.

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.

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



The carrying amount of an item of property, plant and equipment / right of use assets / intangibles / investment property 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 / right of use of assets / 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.

#### h Leases

The Company's lease asset classes primarily consist of leases for building premises. 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 assets ("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 lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. 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.

#### (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 / Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of rented premises (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### i Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on 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 at bank and on hand, short-term deposits and balances earmarked, as defined as they are considered an integral part of company's cash management.

#### j Inventories

Educational goods and equipments 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 Fair value measurement

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.

All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

-Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

-Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or

-Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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 recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

#### l 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 and measurement of financial assets and financial liabilities

Financial assets are recognized when the company becomes a party to the contractual provisions of the financial instruments. 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) Financial assets

#### (A) Subsequent measurement

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 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.

(C) **Equity investments**

The Company measures equity investments other than its subsidiaries at fair value through profit and loss. 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.

**Expected credit loss :**

The company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

- i) Trade receivables
- ii) Financial assets measured at amortised cost (other than trade receivables)
- iii) Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables, the company follows a simplified approach wherein an amount equal to lifetime ECL measured and recognised as loss allowance. Loss allowances for trade receivable are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12 month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In case of other assets, the company determines if there has been a significant increase in credit risk of the financial assets since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12 months ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

(v) **Equity Instruments and Financial Liabilities**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into 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 the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

**Financial liabilities Subsequent Measurement**

Financial liabilities measured at amortised cost:

Financial liabilities are subsequently measured at amortised 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.

m **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.

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.



- n 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.  
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.
- o 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.
- p Retirement and other employee benefits**
- (i) Short-term benefits  
Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related services are rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.
  - (ii) Defined benefit plans  
a) Post-employment and other long-term employee benefits are recognized as an expense in the statement of profit and loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques.  
b) Re-measurement of the net defined benefit liability, which comprises of actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) are recognised in other comprehensive income in the period in which they occur.
  - (iii) Defined contribution plans  
Payments to defined contribution retirement benefit schemes are charged to the statement of profit and loss of the year when the contribution to the respective funds are due. There are no other obligations other than the contribution payable to the fund.
  - (iv) Leave entitlement and compensated absences  
Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the statement of profit and loss in the period in which they occur.
- q 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.
- r 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 is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.  
Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.  
Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.
- 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 recognized in other comprehensive income, in which case, the current and deferred tax income / expense are recognised in other comprehensive income.
- s Impairment of non-financial assets**  
The carrying amounts of non financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying amount exceeds its recoverable value. The recoverable amount is the greater of an asset's or cash generating unit's, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognized in prior accounting periods is reversed by crediting the statement of profit and loss if there has been a change in the estimate of recoverable amount.
- t 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.

**u 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.

**v 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.

**w 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.

**x 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.

**y 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 Impairment of financial assets**

The impairment provisions for financial assets disclosed are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**ii Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the future years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate.

**d Income Taxes**

**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**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**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 36, 'Employee benefits'.

**g Leases**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

**Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.





DIGITAL VENTURES PRIVATE LIMITED

Notes forming part of the financial statements

(₹ 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 2022	642.31	23,135.71	733.08	546.34	210.45	25,267.89
Additions	-	-	-	22.05	13.86	35.91
Disposals	-	-	-	-	-	-
<b>As at 31 March 2023</b>	<b>642.31</b>	<b>23,135.71</b>	<b>733.08</b>	<b>568.39</b>	<b>224.31</b>	<b>25,303.80</b>
Additions	-	30,392.77	-	-	-	30,392.77
Disposals	-	-	-	-	-	-
<b>As at 31 March 2024</b>	<b>642.31</b>	<b>53,528.48</b>	<b>733.08</b>	<b>568.39</b>	<b>224.31</b>	<b>55,696.57</b>
<b>I. Depreciation upto 01 April 2022</b>						
Depreciation charge for the year	-	4,301.87	404.60	431.16	163.21	5,300.84
Disposals	-	869.68	70.23	18.08	9.15	967.14
Disposals	-	-	-	-	-	-
<b>Upto 31 March 2023</b>	<b>-</b>	<b>5,171.54</b>	<b>474.83</b>	<b>449.24</b>	<b>172.36</b>	<b>6,267.98</b>
Depreciation charge for the year	-	873.81	63.52	9.26	10.38	956.97
Disposals	-	-	-	-	-	-
<b>Upto 31 March 2024</b>	<b>-</b>	<b>6,045.35</b>	<b>538.35</b>	<b>458.50</b>	<b>182.74</b>	<b>7,224.95</b>
<b>Net book value</b>						
As at 31 March 2024	642.31	47,483.12	194.73	109.89	41.57	48,471.61
As at 31 March 2023	642.31	17,964.16	258.24	119.16	51.95	19,035.82
<b>Fair value</b>						
As at 31 March 2024	2,268.75	47,483.12	194.73	109.89	41.57	50,098.06
As at 31 March 2023	2,268.75	37,124.05	258.24	119.16	51.95	39,822.14

Net book value	31 March 2024	31 March 2023
Investment Property	48,471.61	19,035.82
Capital work-in-progress	3,213.95	32,719.88

Details of Capital work-in-progress

(₹ Lakhs)

	31 March 2024	31 March 2023
Opening balance	32,719.88	31,794.85
Add : Addition during the year	886.84	1,680.25
Less : Capitalized during the year	30,392.77	755.22
Closing balance	3,213.95	32,719.88

Capital work-in-progress ageing schedule for balance as at 31 March 2024

(₹ Lakhs)

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	110.39	177.44	171.28	2,754.84	3,213.95
Projects temporarily suspended	-	-	-	-	-

Capital work-in-progress ageing schedule for balance as at 31 March 2023

(₹ Lakhs)

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	925.03	914.22	1,041.71	29,838.92	32,719.88
Projects temporarily suspended	-	-	-	-	-

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 forming part of the financial statements for the year ended 31 March 2024

(₹ in lakhs)

Description of Assets	Right of Use	Total
<b>4 Right of Use</b>		
<b>I. Deemed Cost</b>		
As at 01 April 2022	2,216.46	2,216.46
Additions during the year	-	-
Disposals during the year	59.61	59.61
<b>As at 31 March 2023</b>	<b>2,156.85</b>	<b>2,156.85</b>
Additions during the year	-	-
Disposals during the year	43.54	43.54
<b>As at 31 March 2024</b>	<b>2,113.31</b>	<b>2,113.31</b>
<b>II. Amortization upto 01 April 2022</b>	<b>110.12</b>	<b>110.12</b>
Amortisation for the year	31.72	31.72
Disposal	0.49	0.49
<b>upto 31 March 2023</b>	<b>141.35</b>	<b>141.35</b>
Amortisation for the year	31.72	31.72
Disposal	-	-
<b>Upto 31 March 2024</b>	<b>173.07</b>	<b>173.08</b>
<b>Net book value</b>		
As at 31 March 2024	1,940.24	1,940.24
As at 31 March 2023	2,015.50	2,015.50

Net book value	31 March 2024	31 March 2023
Right of use	1,940.24	2,015.50



DIGITAL VENTURES PRIVATE LIMITED

Notes forming part of the financial statements for the year ended 31 March 2024

Description of Assets	(₹ in lakhs)		
	Development rights	Software	Total
<b>5 Intangible assets</b>			
<b>I. Deemed Cost</b>			
As at 01 April 2022	5,176.84	13.48	5,190.32
Additions during the year	-	-	-
Disposals during the year	-	-	-
<b>As at 31 March 2023</b>	<b>5,176.84</b>	<b>13.48</b>	<b>5,190.32</b>
Additions during the year	5,250.00	-	5,250.00
Disposals during the year	-	-	-
<b>As at 31 March 2024</b>	<b>10,426.84</b>	<b>13.48</b>	<b>10,440.32</b>
<b>II. Amortization upto 01 April 2022</b>	<b>1,052.04</b>	<b>12.71</b>	<b>1,064.75</b>
Amortisation for the year	229.16	-	229.16
Disposal	-	-	-
<b>upto 31 March 2023</b>	<b>1,281.20</b>	<b>12.71</b>	<b>1,293.91</b>
Amortisation for the year	230.00	-	230.00
Disposal	-	-	-
<b>upto 31 March 2024</b>	<b>1,511.20</b>	<b>12.71</b>	<b>1,523.91</b>
<b>Net book value</b>			
As at 31 March 2024	8,915.64	0.77	8,916.41
As at 31 March 2023	3,895.64	0.77	3,896.41

Net book value	31 March 2024	31 March 2023
Intangible Assets	8,916.41	3,896.41
Intangible Assets under Development	-	5,250.00

Details of Intangible Assets under Development

	(₹ Lakhs)	
	31 March 2024	31 March 2023
Opening balance	5,250.00	5,250.00
Add : Addition during the year	-	-
Less : Capitalized during the year	5,250.00	-
<b>Closing balance</b>	<b>-</b>	<b>5,250.00</b>

Intangible assets under development ageing schedule for balance as at 31 March 2024

Intangible assets under development	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Intangible assets under development ageing schedule for balance as at 31 March 2023

Intangible assets under development	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	5,250.00	5,250.00
Projects temporarily suspended	-	-	-	-	-

\*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 forming part of the financial-statements for the year ended 31 March 2024

(₹ in lakhs)

	Non-Current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>6 Loans</b>				
Loans (Unsecured)	7,131.36	6,798.91	-	-
Less: Allowances for doubtful loan	(4,858.63)	(4,858.63)		
<b>Total</b>	<b>2,272.73</b>	<b>1,940.28</b>	-	-

(₹ in lakhs)

	Non-Current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>7 Other Financial Assets</b>				
Deposits - unsecured and considered good - to others	38.64	36.32	-	-
<b>Total</b>	<b>38.64</b>	<b>36.32</b>	-	-

(₹ in lakhs)

	31 March 2024	31 March 2023
<b>8 Non-current tax assets (net)</b>		
Balances with government authorities - direct taxes (net of provisions)	1,600.49	1,648.64
<b>Total</b>	<b>1,600.49</b>	<b>1,648.64</b>

(₹ in lakhs)

	31 March 2024	31 March 2023
<b>9 Deferred tax assets (net)</b>		
The components of deferred tax balances are as under:		
<b>Deferred tax liabilities</b>		
Depreciation and amortization	-	9.01
		(9.01)
Mat Credit Entitlement	-	-
<b>Deferred tax assets / (liabilities)</b>	-	(9.01)

(₹ in lakhs)

	Non - Current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>10 Other assets</b>				
Capital advances (unsecured)	617.06	622.75	-	-
Less: Allowances for doubtful Capital advances	(617.06)	-	-	-
Prepaid Expenses	-	-	8.43	8.79
Mobilisation advances - to related parties	834.00	834.00	-	-
Less: Allowances for doubtful mobilisation	(834.00)	-	-	-
Corporate guarantee premium	174.11	174.11	-	-
<b>Total</b>	<b>174.11</b>	<b>1,630.87</b>	<b>8.43</b>	<b>8.79</b>



DIGITAL VENTURES PRIVATE LIMITED

Notes forming part of the financial statements for the year ended 31 March 2024

(₹ in lakhs)

	31 March 2024	31 March 2023
11 Trade receivables (unsecured)		
- considered good	1,875.25	1,676.51
- Which has significant increase in credit risk	5,996.37	5,996.37
	7,871.62	7,672.88
Less : Allowances for credit impaired receivables	(5,996.37)	(5,996.37)
<b>Total</b>	<b>1,875.25</b>	<b>1,676.51</b>

a For transactions relating to related party receivables, refer note 37

b Trade receivables are non-interest bearing.

Trade receivables ageing as at 31 March 2024

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	881.36	884.94	108.95	-	1,875.25
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	2,776.66	3,219.71	5,996.37
Less : Allowances for credit impaired receivables	-	-	-	(2,776.66)	(3,219.71)	(5,996.37)
<b>Total</b>	-	<b>881.36</b>	<b>884.94</b>	<b>108.95</b>	-	<b>1,875.25</b>

Trade receivables ageing as at 31 March 2023

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	884.94	791.57	-	-	1,676.51
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	2,094.04	3,205.25	697.08	5,996.37
Less: Allowances for bad and doubtful debts	-	-	(2,094.04)	(3,205.25)	(697.08)	(5,996.37)
<b>Total</b>	-	<b>884.94</b>	<b>791.57</b>	-	-	<b>1,676.51</b>

(₹ in lakhs)

	Current	
	31 March 2024	31 March 2023
12 Cash and bank balances		
Cash and cash equivalents		
Balances with banks		
-in current accounts	101.79	45.96
Cash in hand	-	-
<b>Total</b>	<b>101.79</b>	<b>45.96</b>



DIGITAL VENTURES PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31 March 2024

(₹ in lakhs)

Particulars	31 Mar 2024	31 March 2023
<b>13 Equity Share Capital</b>		
<b>Authorised *</b>		
5,110,000 (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 (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 (₹ 1,000,000) Redeemable Preference Shares of ₹ 10/- (₹ 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 Mar 2024		31 March 2023	
	Number of Equity Shares	₹ Lakhs	Number of Equity Shares	₹ Lakhs
At the beginning of the year	50,10,000	501.00	50,10,000	501.00
Add: Issue of Shares Equity Shares of ₹ 10 /- Each Fully Paid				
<b>Outstanding at the end of the year</b>	<b>50,10,000</b>	<b>501.00</b>	<b>50,10,000</b>	<b>501.00</b>

(b) Terms/ rights attached to Equity shares & 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 preceding 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 Mar 2024		31 March 2023	
	Number of shares	% Shareholding	Number of shares	% Shareholding
Zee Learn Limited (The Holding company)	50,10,000	100%	50,10,000	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 Mar 2024	31 March 2023
<b>14 Instruments entirely equity in nature</b>		
11,324,045 (11,324,045) 0.01% Compulsorily Convertible Debentures of Rs. 100/- (Refer Below Note 1)	11,332.77	11,331.75
	<b>11,332.77</b>	<b>11,331.75</b>

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 forming part of the financial statements for the year ended 31 March 2024

(₹ in lakhs)

	31 March 2024	31 March 2023
<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>Equity component of optionally convertible debentures</b>		
As per last Balance Sheet	-	-
Addition/(Deletion) during the year	6,231.48	6,231.48
	<b>6,231.48</b>	<b>6,231.48</b>
<b>Retained earnings</b>		
Opening Balance	(13,518.27)	(1,251.00)
Add : Profit for the year	(2,248.74)	(12,268.26)
Add : Other comprehensive income	-	1.00
Remeasurement of defined benefit obligations	-	(0.01)
Less: Dividend on 0.1% Non-Convertible Non-Cumulative Redeemable Preference Shares	-	-
	<b>(15,767.01)</b>	<b>(13,518.27)</b>
<b>Total</b>	<b>10,987.14</b>	<b>13,235.88</b>

1) Movement of 0.01% Optionally Convertible Debentures (OCDs)

	As at 31 Mar 2024	As at 31 March 2023
Opening Balance	11,901.95	-
Total proceeds received during the year	-	-
Less : Equity component of OCDs	-	6,231.48
Liability component of OCDs	-	5,347.41
Add : Interest expenses accrued till 31 March 2024	456.29	323.06
<b>Balance as at the end of the year</b>	<b>12,358.24</b>	<b>11,901.95</b>

Equity component of optionally convertible debentures represents 115,788,924, 0.01% Optionally Convertible Debentures of ₹ 10 each

- 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.
- Retained earnings represent the accumulated earnings, net of losses if any, made by the Company over the years.
- Capital Contribution from Holding Company is the Fair value of Financial guarantee issued by Holding Company.



**DIGITAL VENTURES PRIVATE LIMITED**  
Notes forming part of the financial statements for the year ended 31 March 2024

(₹ in lakhs)

	Non-Current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>16 Borrowings</b>				
Secured				
Term loan from banks (Refer note (iv) below)	10,503.79	9,933.87	3,092.50	3,092.50
Unsecured				
100,000 (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 (Refer note (i) below)	10.00	10.00	-	-
115,788,924 (Nil) 0.01%, Optionally Convertible Debentures of 10/- each (Refer note (ii) below)	6,126.77	5,670.47	-	-
Intercorporate Deposits (Refer note (iii) below) [(Including interest 6406.83 ₹/lakhs, (6406.83 ₹/lakhs)]	10,932.05	10,932.05	-	-
<b>Total</b>	<b>27,572.61</b>	<b>26,546.39</b>	<b>3,092.50</b>	<b>3,092.50</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 2027 at a premium of Rs. 11,405 per share. In case of early redemption the premium will be decided by mutual consent on the date of redemption.

(ii) **Optionally Convertible Debentures**

During the previous year, Company had converted outstanding unsecured loan (including interest thereon) into 0.01 %, Unsecured Unrated Unlisted Optionally Convertible Debentures (OCD) of ₹ 10 each at par value amounting to ₹/lakhs 11,578.89 for non cash consideration, with the conversion tenure of 10 years at the option of the issuer or OCD holder to be exercised any time during the tenure and shall be convertible into Equity shares of ₹ 10 each at issue price of ₹ 17.36 per Equity shares, thus 1000 OCD of ₹ 10 each shall be convertible into 576 Equity shares of ₹ 10 each at premium of ₹ 7.36 per share. Further any OCD not converted into Equity shares at the end of the tenure shall be redeemed at par value.

(iii) **Intercorporate Deposits - Unsecured**

As per the terms agreed, financial assistance to the extent of ₹250 Crores towards Intercorporate 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 2025 the company has received the ICD of ₹ 10932.05 Crores.

(iv) **Term Loans from Banks**

a) Term loan from Axis Bank Limited ₹/lakhs 10875.63 (₹/lakhs- 10418.99) [including interest accrued ₹/lakhs 3356.19 (₹/lakhs 2357.78) carries interest @ bank's base plus spread of 2.65% p.a viz., 12.90% p.a. The loan repayable in 37 quarterly installments beginning from 4th year i.e. Financial year 2018. The overdue amount of loan as at 31 March 2024 are given in note v below.

b) Term loan from Tamilnad Mercantile Bank Limited ₹/lakhs 2720.66 (₹/lakhs 2607.38) [including interest accrued ₹/lakhs 839.10 (₹/lakhs 590.37) carries interest @ bank's base plus spread of 2.65% p.a viz., 12.90% p.a. The loan repayable in 37 quarterly installments beginning from 4th year i.e. Financial year 2018. The overdue amount of loan as at 31 March 2024 are given in note v below.

c) The above loan are secured by first charge on all present and future immovable, movable and intangible assets of the BKC School Projects, the entire current assets of the BKC School Project, including first charge on all the escrow accounts and TRAs held by TALEEM and subsidiary company for the projects, as well as assignment of 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 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 company and registered mortgage on lease hold land of the project. The loan is collaterally secured by corporate guarantee from holding company and pledge of 51% shares held by the Zee Learn Limited in company subject to adherence to Banking Regulation Act, 1949, to be held pari passu with RTLI (₹/lakhs 102.21 Cr)

(v) **Details of continuing defaults as at 31 March 2024**

Lender	Principal			
	(₹ in Lakhs)	Due Date	Delay Days	Remarks
Axis Bank Limited- Term loan Opening	1,357.82		>365	Unpaid
Axis Bank Limited- Term loan	350.00	30-06-2023	275	Unpaid
Axis Bank Limited- Term loan	350.00	30-09-2023	183	Unpaid
Axis Bank Limited- Term loan	350.00	31-12-2023	91	Unpaid
Axis Bank Limited- Term loan	350.00	31-03-2024	1	Unpaid
Tamilnad Mercantile Bank Limited- Term loan Opening	337.66		>365	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	87.50	30-06-2023	275	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	87.50	30-09-2023	183	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	87.50	31-12-2023	91	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	87.50	31-03-2024	1	Unpaid





Lender	Interest			
	(₹ in Lakhs)	Due Date	Delay Days	Remarks
Axis Bank Limited- Term loan Opening	2,262.37		>365	Unpaid
Axis Bank Limited- Term loan	95.42	01-04-2023	365	Unpaid
Axis Bank Limited- Term loan	84.25	01-05-2023	335	Unpaid
Axis Bank Limited- Term loan	87.05	01-06-2023	304	Unpaid
Axis Bank Limited- Term loan	82.95	01-07-2023	274	Unpaid
Axis Bank Limited- Term loan	85.49	01-08-2023	243	Unpaid
Axis Bank Limited- Term loan	85.16	01-09-2023	212	Unpaid
Axis Bank Limited- Term loan	82.27	01-10-2023	182	Unpaid
Axis Bank Limited- Term loan	84.95	01-11-2023	151	Unpaid
Axis Bank Limited- Term loan	80.55	01-12-2023	121	Unpaid
Axis Bank Limited- Term loan	83.23	01-01-2024	90	Unpaid
Axis Bank Limited- Term loan	82.78	01-02-2024	59	Unpaid
Axis Bank Limited- Term loan	77.36	01-03-2024	30	Unpaid
Tamilnad Mercantile Bank Limited- Term loan Opening	566.48		>365	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.89	01-04-2023	365	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	21.08	01-05-2023	335	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	21.78	01-06-2023	304	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	20.76	01-07-2023	274	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	21.39	01-08-2023	243	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	21.31	01-09-2023	212	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	20.58	01-10-2023	182	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	21.26	01-11-2023	151	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	20.15	01-12-2023	121	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	20.83	01-01-2024	90	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	20.71	01-02-2024	59	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	19.36	01-03-2024	30	Unpaid

(vi) Details of continuing defaults as at 31 March 2023

Lender	Principal			
	(₹ in Lakhs)	Due Date	Delay Days	Remarks
Axis Bank Limited- Term loan	299.59	31-12-2021	455	Unpaid
Axis Bank Limited- Term loan	300.00	31-03-2022	365	Unpaid
Axis Bank Limited- Term loan	300.00	30-06-2022	274	Unpaid
Axis Bank Limited- Term loan	300.00	30-09-2022	182	Unpaid
Axis Bank Limited- Term loan	300.00	31-12-2022	90	Unpaid
Axis Bank Limited- Term loan	300.00	31-03-2023	1	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	73.11	31-12-2021	455	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	75.00	31-03-2022	365	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	75.00	30-06-2022	274	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	75.00	30-09-2022	182	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	75.00	31-12-2022	90	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	75.00	31-03-2023	1	Unpaid



Lender	Interest			
	(₹ in Lakhs)	Due Date	Delay Days	Remarks
Axis Bank Limited- Term loan	110.82	01-04-2021	729	Unpaid
Axis Bank Limited- Term loan	92.34	01-05-2021	699	Unpaid
Axis Bank Limited- Term loan	95.42	01-06-2021	668	Unpaid
Axis Bank Limited- Term loan	92.34	01-07-2021	638	Unpaid
Axis Bank Limited- Term loan	95.42	01-08-2021	607	Unpaid
Axis Bank Limited- Term loan	95.42	01-09-2021	576	Unpaid
Axis Bank Limited- Term loan	92.34	01-10-2021	546	Unpaid
Axis Bank Limited- Term loan	95.42	01-11-2021	515	Unpaid
Axis Bank Limited- Term loan	92.34	01-12-2021	485	Unpaid
Axis Bank Limited- Term loan	95.42	01-01-2022	454	Unpaid
Axis Bank Limited- Term loan	95.42	01-02-2022	423	Unpaid
Axis Bank Limited- Term loan	86.18	01-03-2022	395	Unpaid
Axis Bank Limited- Term loan	95.42	01-04-2022	364	Unpaid
Axis Bank Limited- Term loan	92.34	01-05-2022	334	Unpaid
Axis Bank Limited- Term loan	95.42	01-06-2022	303	Unpaid
Axis Bank Limited- Term loan	92.34	01-07-2022	273	Unpaid
Axis Bank Limited- Term loan	95.42	01-08-2022	242	Unpaid
Axis Bank Limited- Term loan	95.42	01-09-2022	211	Unpaid
Axis Bank Limited- Term loan	92.34	01-10-2022	181	Unpaid
Axis Bank Limited- Term loan	95.42	01-11-2022	150	Unpaid
Axis Bank Limited- Term loan	92.34	01-12-2022	120	Unpaid
Axis Bank Limited- Term loan	95.42	01-01-2023	89	Unpaid
Axis Bank Limited- Term loan	95.42	01-02-2023	58	Unpaid
Axis Bank Limited- Term loan	86.18	01-03-2023	30	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	27.74	01-04-2021	729	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.12	01-05-2021	699	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.89	01-06-2021	668	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.12	01-07-2021	638	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.89	01-08-2021	607	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.89	01-09-2021	576	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.12	01-10-2021	546	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.89	01-11-2021	515	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.12	01-12-2021	485	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.89	01-01-2022	454	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.89	01-02-2022	423	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	21.58	01-03-2022	395	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.89	01-04-2022	364	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.12	01-05-2022	334	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.89	01-06-2022	303	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.12	01-07-2022	273	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.89	01-08-2022	242	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.89	01-09-2022	211	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.12	01-10-2022	181	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.89	01-11-2022	150	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.12	01-12-2022	120	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.89	01-01-2023	89	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	23.89	01-02-2023	58	Unpaid
Tamilnad Mercantile Bank Limited- Term loan	21.58	01-03-2023	30	Unpaid



(₹ in lakhs)

	Non-Current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>17 Financial liabilities-Others</b>				
Premium on redemption of Preference shares	-	-	1,423.00	1,283.00
Capital Expenditure	-	-	672.52	629.22
Deposits received - Others	1,220.87	1,085.81	-	-
<b>Total</b>	<b>1,220.87</b>	<b>1,085.81</b>	<b>2,095.52</b>	<b>1,912.22</b>

(₹ in lakhs)

	Non-Current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>18 Lease Liability</b>				
Lease Liability	2,455.66	2,303.88	52.19	57.00
<b>Total</b>	<b>2,455.66</b>	<b>2,303.88</b>	<b>52.19</b>	<b>57.00</b>

(₹ in lakhs)

	Non-Current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>19 Provisions</b>				
Provision for employee benefits				
Gratuity	0.20	-	0.05	-
Leave benefits	0.20	-	0.05	-
<b>Total</b>	<b>0.40</b>	<b>-</b>	<b>0.10</b>	<b>-</b>

(₹ in lakhs)

	Non-Current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>20 Other liabilities</b>				
Deferred deposit	8,804.55	9,261.04	455.24	455.24
Dividend payable	-	-	-	0.01
Statutory dues payable	-	-	27.51	95.82
Other liabilities	-	-	15.59	17.43
<b>Total</b>	<b>8,804.55</b>	<b>9,261.04</b>	<b>498.34</b>	<b>568.50</b>



DIGITAL VENTURES PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31 March 2024

(₹ in lakhs)

	31 March 2024	31 March 2023
<b>21 Revenue from operations</b>		
Lease rent	1,204.99	1,203.74
Professional Fees	-	-
<b>Total</b>	<b>1,204.99</b>	<b>1,203.74</b>

(₹ in lakhs)

	31 March 2024	31 March 2023
<b>22 Other income</b>		
Interest income ICD	830.90	794.24
Interest income Bank Deposit	3.73	-
Unwinding of discount on interest free deposit	2.32	2.06
Interest on Compound Financial Instrument	1.16	0.87
Miscellaneous Income	10.04	-
<b>Total</b>	<b>848.15</b>	<b>797.17</b>

(₹ in lakhs)

	31 March 2024	31 March 2023
<b>23 Employee benefits expense</b>		
Salary and Wages	6.59	5.09
Contribution to provident and other funds	0.41	0.23
<b>Total</b>	<b>7.00</b>	<b>5.32</b>

(₹ in lakhs)

	31 March 2024	31 March 2023
<b>24 Finance costs</b>		
Interest on		
- term loan	673.57	702.40
- Compulsorily Convertible Debentures	1.13	1.13
- Inter Corporate Deposits	-	679.47
- Optionally Convertible Debentures	1.16	0.87
- Lease	226.89	128.86
- Unwinding of discount on interest free deposit	135.07	118.92
- Others	0.08	11.80
Unwinding of discount on financial liabilities		
- Optionally Convertible Debentures	456.41	323.14
Other financial charges	-	0.03
<b>Total</b>	<b>1,444.31</b>	<b>1,966.62</b>

(₹ in lakhs)

	31 March 2024	31 March 2023
<b>25 Depreciation and amortisation expense</b>		
Depreciation on property, plant and equipment	956.97	967.14
Amortisation of intangible assets	230.00	229.16
Depreciation on Right of use assets	31.72	31.72
<b>Total</b>	<b>1,218.69</b>	<b>1,228.02</b>

(₹ in lakhs)

	31 March 2024	31 March 2023
<b>26 Other expenses</b>		
Auditors remuneration	4.65	4.65
Conveyance	-	0.07
Development Fees	3.00	3.00
Insurance	21.05	26.46
Premium on redemption	140.00	140.00
Loss on derecognition of ROU assets	-	15.59
Professional & consultancy charges	11.07	12.70
Rates & taxes	0.98	4.60
Miscellaneous expenses	0.06	6.07
<b>Total</b>	<b>180.81</b>	<b>213.34</b>



(₹ in lakhs)		
	31 March 2024	31 March 2023
<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 2024 and 31 March 2023 is as follows:

(₹ in lakhs)		
	31 March 2024	31 March 2023
<b>Profit before tax</b>	(2,248.73)	(12,267.39)
Income tax		
Statutory income tax rate of 25.17% (25.17%) on profit	(566.01)	(3,087.70)
Undistributed earnings of subsidiaries		
Tax effect on non-deductible expenses	404.37	352.83
Additional allowances for tax purposes	(1,551.08)	(438.15)
Other temporary difference	1,712.72	3,173.02
<b>Tax expense recognised in the statement of profit and loss</b>	<b>0.00</b>	<b>0.00</b>

Deferred tax recognized in statement of other comprehensive income (₹ in lakhs)

	31 March 2024	31 March 2023
For the year ended 31 March		
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 2024.

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 2024.

(₹ in lakhs)		
	31 March 2024	31 March 2023
<b>Deferred tax recognized in statement of profit and loss</b>		
For the year ended 31 March		
Employee retirement benefits obligation	-	-
Allowances for credit losses	-	-
Depreciation and amortization	-	-
Mat credit entitlement	-	-
<b>Total</b>	-	-

(₹ in lakhs)		
	31 March 2024	31 March 2023
<b>Reconciliation of deferred tax assets / (liabilities) net:</b>		
Opening balance	(9.01)	(9.01)
Deferred tax (charge)/credit recognised in		
- Statement of profit and loss	9.01	-
- Recognised in other comprehensive income	-	-
<b>Total</b>	<b>(0.00)</b>	<b>(9.01)</b>
Mat credit entitlement	-	-
<b>Total</b>	<b>(0.00)</b>	<b>(9.01)</b>



DIGITAL VENTURES PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31 March 2024

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 2024	31 March 2023
Rent income as per Statement of Profit & Loss	1,204.99	1,203.74
Gross carrying value of asset (Including premises in Investments)	66,934.14	31,291.38
Accumulated depreciation	9,546.12	8,359.15
Depreciation recognised in Statement of Profit & Loss	1,218.69	1,228.02
Impairment Losses	-	-

	₹ in lakhs	
	31 March 2024	31 March 2023
Lease rental Income for the year	748.50	748.50
Future Lease rental obligation receivable (under non-cancellable lease)		
Not later than one year	3,121.21	3,036.88
Later than one year but not later than five years	14,871.24	14,124.17
Later than five years	78,092.87	81,961.15

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 2024	31 March 2023
Lease rental charges for the year	263.41	252.19
Future Lease rental obligation payable (under non-cancellable lease)		
Not later than one year	270.24	263.41
Later than one year but not later than five years	1,174.51	1,137.57
Later than five years	8,094.51	8,401.69

29 Disclosure as per Ind-AS 116 (Leases)

Right of Use Asset (ROU)

(a) ROU asset\* comprises leased assets of office/branch premises that do not meet the definition of investment property.

	₹ Lakhs	
	31 March 2024	31 March 2023
Opening Balance	2,015.50	2,106.34
Amortisation during the year	31.72	31.72
Disposal during the year (net)	43.54	59.12
Closing Balance	1,940.24	2,015.50

The aggregate amortisation expense on right-of-use asset is included under depreciation and amortisation expense in the standalone statement of profit and loss

(b) The following is the break-up of current and non-current lease liabilities

	₹ Lakhs	
	31 March 2024	31 March 2023
Current lease liabilities	52.19	57.00
Non current lease liabilities	2,455.66	2,303.89
Total	2,507.85	2,360.89

(c) The following is the movement in lease liabilities

	₹ Lakhs	
	31 March 2024	31 March 2023
Opening Balance	2,360.89	2,280.58
Interest on lease liability	410.37	307.50
Payment of lease liabilities	263.41	227.17
Closing Balance	2,507.85	2,360.89

(d) Lease liabilities Maturity Analysis

	₹ Lakhs	
	31 March 2024	31 March 2023
Maturity analysis - contractual undiscounted cash flows		
Less than one year	270.24	263.41
One to five years	1,174.51	1,137.57
More than five years	8,094.51	8,401.69
Total undiscounted lease liabilities	9,539.26	9,802.67

30 Contingent Liabilities

	₹ in lakhs	
	31 March 2024	31 March 2023
Disputed Direct Taxes *	225.00	224.78

\* 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.



31 Payment to Auditors

	(₹ in lakhs)	
	31 March 2024	31 March 2023
Audit fees	3.25	3.25
Tax audit fees	1.40	1.40
<b>Total</b>	<b>4.65</b>	<b>4.65</b>

32 Micro, Small and Medium Enterprises

The Company has no dues to Micro, Small and Medium enterprises during the year ended 31 March, 2024, on the basis of information provided by the parties and available on record.

33 Earnings per share (EPS)

	(₹ in lakhs)	
	31 March 2024	31 March 2023
Profit/ (Loss) after Tax (Rs.)	(2,248.73)	(12,267.39)
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.)	(44.88)	(244.86)
Diluted EPS (Rs.)	(44.88)	(244.86)

34 Going Concern

During the earlier years, Company had defaulted in repayment of loans availed from two lenders. In this regard, both of the lenders had called upon the Company to make payment of an amount of Rs. 9,162.00 lakhs and Rs. 2,299.59 outstanding as at 30 June 2021 with further interest w.e.f. 01 July 2021 as per the terms of sanction letters. Further, the Company had also received notices from three lenders for invocation of corporate guarantees and two of the lenders had also initiated Corporate Insolvency Resolution Process (CIRP) against the Company (Corporate guarantor/Corporate debtor). Considering the improved admissions and revival of the class room attendance and mutually agreed terms between the lenders and the Company, a cut back arrangement was agreed by virtue of which certain percentage of collection from school at Mumbai been taken by lenders. Further, the Company has entered into a settlement agreement during the year to settle the corporate guarantee obligations of the Company for an amount of Rs. 28,500 lakhs. The Company is in negotiation with lenders for restructuring and rearrangement of the said balance loans and is hopeful of an amicable mutually agreed resolution to the said proposal and believes that company will enable to settle its liabilities as they fall due, and accordingly, these financial statements have been prepared on a going concern basis.

35 As reported in preceding year, Yes Bank Limited (Yes Bank) vide its notice dated 9 August 2021 (received on 10 August 2021) addressed to the Company had invoked the Corporate Guarantee upon non-repayment of credit facilities (during COVID-19 pandemic) availed by four trusts/entity, and called upon the Company to make payment of an amount of ₹ / 44,962.56 (including interest and other charges upto 31 July 2021). Also, the Company received notice dated 01 December 2022, regarding filing of petitions by Yes Bank under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) to initiate Corporate Insolvency Resolution Process (CIRP) of the Company (as corporate guarantors) before the Hon'ble National Company Law Tribunal (NCLT), Mumbai. Further, Yes Bank vide its letters dated 30 December 2022 has informed the Company that it has assigned and transferred the above credit facilities to J.C. Flowers Asset Reconstructions Private Limited (J.C. Flowers) and the amount outstanding therein as at 30 November 2022 is ₹/lakhs 52,254.63 (including interest and penal charges).

Further, on August 7, 2023, the Company and Zee Learn Limited (ZLL) along with four trusts/entity entered into settlement agreement with J.C Flowers to settle obligations with respect to loans borrowed by the said four trusts/entity. As per the terms of the settlement agreement, Company, ZLL along with four trusts/entity have agreed to settle the above obligation for ₹/lakhs 28,500 (to be paid jointly and severally by Company, ZLL along with four trusts/entity) pursuant to which Corporate Guarantee obligations and other securities created by Company and ZLL will be released by J.C Flowers on receipt of the said settlement amount. The said settlement agreement became effective during the year ended 31 March 2024 and the timelines for payment of the said settlement amount have time to time been extended by J.C Flowers along with payment of applicable interest and the latest extension is given till 30 May 2024. The Company, ZLL and four trusts/entity have requested J.C Flowers for further extension of time till 30 June 2024.

However, the said trusts/entity have started running their operations effectively under the brick and mortar model and since the CIRP matter of the Company is sub-judice, and considering settlement of Corporate Guarantee obligation is in process, the Company is of the opinion that no liability is required to be provided as at 31 March 2024.



DIGITAL VENTURES PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31 March 2024

36 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. However, during the year there is no employee is covered under this benefit hence the benefits thereof will not arise.

I Expenses recognised during the year		₹ in lakhs	
		31 March 2024	31 March 2023
Gratuity (Non Funded)			
1	Current Service Cost	-	-
2	Interest Cost	-	-
3	Past Service cost	-	-
	<b>Total Expenses</b>	-	-
II Amount recognized in other comprehensive income (OCI)		31 March 2024	31 March 2023
1	Opening amount recognized in OCI	-	(4.33)
2	Remeasurement during the period due to experience adjustments		
	- Changes in financial assumptions	-	-
	- Changes in experience charges	-	4.33
3	Closing amount recognized in OCI	-	-
III Net (Asset) / Liability recognised in the Balance Sheet as at 31 March		31 March 2024	31 March 2023
1	Present value of defined benefit obligation (DBO)	-	-
2	Net (Asset) / Liability	-	-
IV Reconciliation of Net (Asset) / Liability recognised in the Balance Sheet as at		31 March 2024	31 March 2023
1	Net (Asset) / Liability at the beginning of year	-	1.31
2	Expense as per i above	-	-
3	Other comprehensive income as per II above	-	(1.31)
	Net (Asset) / Liability at the end of the year	-	-
V The following payments are expected to defined benefit plan in future years :		31 March 2024	31 March 2023
1	Expected benefits for year 1	-	-
2	Expected benefits for year 2 to year 5	-	-
3	Expected benefits beyond year 5	-	-
VI Actuarial Assumptions		31 March 2024	31 March 2023
1	Discount rate	0.00%	0.00%
2	Expected rate of salary increase	0.00%	0.00%
3	Mortality	IALM (2012-14)	IALM (2012-14)

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	-	-
Impact of decrease in 100 bps on DBO	-	-

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 forming part of the financial statements for the year ended 31 March 2024

37 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

Particulars	(₹ in lakhs)	
	31 March 2024	31 March 2023
<b>A) Transactions with Other Related Parties</b>		
Conversion of borrowing in to Optionally Convertible Debentures	-	11,578.89
Zee Learn Limited	-	11,578.89
Unsecured Loans taken	-	398.22
Zee Learn Limited	-	398.22
Dividend Expenses	-	0.01
Zee Learn Limited	-	0.01
Premium on redemption of Preference share	140.00	140.00
Zee Learn Limited	140.00	140.00
Interest Expense	2.29	681.47
Zee Learn Limited - Interest on Intercompany deposit	-	679.47
Zee Learn Limited - Compulsorily Convertible Debentures	1.13	1.13
Zee Learn Limited - Optionally Convertible Debentures	1.16	0.87
Allowances/(reversals) for doubtful Capital Advance given	1,451.06	-
Pan India Infrastructure Private Limited	1,451.06	-

B) Balances outstanding	(₹ in lakhs)	
	31 March 2024	31 March 2023
Loans, advances and deposits given	1,451.06	1,451.06
Pan India Infrastructure Private Limited	1,451.06	1,451.06
Long Term borrowings taken	10,942.05	10,942.05
Zee Learn Limited- Intercompany Deposit	10,932.05	10,932.05
Zee Learn Limited- 0.1% Non-Convertible Non-Cumulative Redeemable Preference Shares	10.00	10.00
Other Equity	20,522.67	20,522.67
Zee Learn Limited- Security Premium	19,662.00	19,662.00
Zee Learn Limited- Capital Contribution	860.67	860.67
Instruments entirely equity in nature	22,913.49	22,910.64
Zee Learn Limited- 0.01% Compulsorily Convertible Debentures	11,332.77	11,331.75
Zee Learn Limited- 0.01% Optionally Convertible Debentures	11,580.72	11,578.89
Trade Payable	444.99	444.99
Zee Learn Limited	444.99	444.99
Allowances for doubtful Capital advances given	1,451.06	-
Pan India Infrastructure Private Limited	1,451.06	-



### 38 Rent Expenses:

During the year, the company has incurred a total expenditure of ₹ 263.41 (2023- ₹ 227.19) on rent which ₹ 110.54 (2023 - ₹ 131.61) has been transferred to CWIP. Classification of the expenditure in CWIP has been done since the some projects are under construction and hence yet to be capitalised.

### 39 Present business activities:

The civil work of the company for the balance construction of the buildings at Karnal and Patiala to the Educational Trusts are in progress.

### 40 Projects Status and execution :

During the earlier years, the company had taken land 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 completed except for location at Karnal and Patiala.

During the year, Company has appointed Chartered Engineer and initiated assessment of civil construction completed for all schools at all locations. Chartered Engineer has issued certificate on completion of structural and civil work for each school and each location. Based on the assessment report and certificate provided by Chartered Engineer, Company has Capitalized the amount standing in these financial statements in investment property under development and Intangible asset under development to investment property and intangible asset.

### 41 Ratio Disclosure

		31 March 2024	31 March 2023	Variance	Numerator	Denominator
(a)	Current ratio	34.6%	30.7%	3.8%	Current assets	Current liabilities
(b)	Debt equity ratio	134.4%	118.2%	16.1%	Total liabilities	Equity
(c)	Debt service coverage ratio	-1.4%	-33.3%	31.9%	Net operating income	Total debt
(d)	Return on equity ratio	-9.9%	-48.9%	39.1%	Net income	Equity
(e)	Trade receivable turnover ratio	67.9%	26.2%	41.7%	Total sales	Average debtors
(f)	Net capital turnover ratio	5.3%	4.8%	0.5%	Total sales	Equity
(g)	Net profit ratio	-186.6%	-1019.1%	832.5%	Net income	Total sales
(h)	Return on capital employed	-3.6%	-19.1%	15.5%	Earning before interest at	Capital employed



DIGITAL VENTURES PRIVATE LIMITED

Notes forming part of the financial statements for the year ended 31 March 2024

42 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 Intercorporate 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:

	(₹ in lakhs)	
	Increase / decrease in basis points	Effect on Profit before tax
As on 31 March 2024	+ 50 / - 50	67.98
As on 31 March 2023	+ 50 / - 50	65.13

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 2024	31 March 2023
Trade Receivables (Unsecured)		
Over six months	1,434.57	1,232.25
Less than six months	440.68	444.26
Total	1,875.25	1,676.51

	(₹ in lakhs)	
	31 March 2024	31 March 2023
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	-	-
Net Trade receivable	1,875.25	1,676.51



b) Liquidity risk

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.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 Mar 2024

(₹ In lakhs)			
	Less than 1 year	Between 1 and 5 year	Beyond 5 years
Financial Liabilities			
Trade payable and other financial liabilities	2,095.52	-	1,220.87
Borrowings	4,195.30	27,572.61	-
<b>Total</b>	<b>6,290.82</b>	<b>27,572.61</b>	<b>1,220.87</b>

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2023

(₹ In lakhs)			
	Less than 1 year	Between 1 and 5 year	Beyond 5 years
Financial Liabilities			
Trade payable and other financial liabilities	1,912.22	-	1,085.81
Borrowings	3,092.50	26,546.39	-
<b>Total</b>	<b>5,004.72</b>	<b>26,546.39</b>	<b>1,085.81</b>

ii) Capital Management

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.

The Company monitor its capital using gearing ratio, which is total debt divided by total capital plus debt

(₹ in lakhs)		
	31 March 2024	31 March 2023
Gross Debt (inclusive long term and short term debt)	30,665.11	29,638.89
Less: Cash and cash equivalents and other bank balances	101.79	45.96
Net Debt	30,563.32	29,592.93
Total Equity	22,820.91	25,068.63
<b>Total Capital</b>	<b>53,384.23</b>	<b>54,661.56</b>
<b>Gearing ratio</b>	<b>57.25%</b>	<b>54.14%</b>

iii) Categories of financial instruments and fair value thereof

	31 March 2024		31 March 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>A) Financial assets</b>				
i) Measured at amortised cost				
Trade Receivables	1,875.25	1,875.25	1,676.51	1,676.51
Cash and cash equivalents and bank balances	101.79	101.79	45.96	45.96
Other financial assets	38.64	38.64	36.32	36.32
<b>B) Financial liabilities</b>				
i) Measured at amortised cost				
Borrowings (Non current)	27,572.61	27,572.61	26,546.39	26,546.39
Borrowings (Current)	3,092.50	3,092.50	3,092.50	3,092.50
Other Financial Liabilities	3,316.39	3,316.39	2,998.04	2,998.04

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.

43 Collateral / Security Pledged

The carrying amount of assets pledged as security for current and non-current borrowings of the company and subsidiary companies are as under :

(₹ Lakhs)		
	31 March 2024	31 March 2023
Property, plant and equipment (includes Capital work in progress, Investment property, Intangible assets and Intangible assets under development)	51,685.57	57,005.70
Other current assets	1,985.47	1,731.26
<b>Total assets pledged</b>	<b>53,671.04</b>	<b>58,736.96</b>



44

Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities as required by Ind AS 7 "Statement of Cash Flows" is as under:  
(₹ in lakhs)

	31 March 2023	Cash Inflows	Cash outflows	Non Cash Changes		31 March 2024
				Interest Accrued	Other Charges	
Long Term Borrowings (Including Current maturities)	26,546.39	-	(677.22)	1,703.44	-	27,572.61
Short Term Borrowings	3,092.50	-	-	-	-	3,092.50
Lease liabilities (including interest)	2,360.88	-	(205.33)	-	352.30	2,507.85

	31 March 2022	Cash Inflows	Cash outflows	Non Cash Changes		31 March 2023
				Interest Accrued	Other Charges	
Long Term Borrowings (Including Current maturities)	30,760.08	-	719.80	-	(4,933.49)	26,546.39
Short Term Borrowings	3,092.50	-	-	-	-	3,092.50
Lease liabilities (including interest)	2,280.58	-	(263.99)	-	344.30	2,360.89

## 45 . Exceptional item

(a) During the earlier years, the Company had given Capital advances and deposits to Pan India Infrastructure Private Limited (PIIPL) towards construction of schools. There are ongoing proceedings going on against PIIPL w.r.t Corporate Insolvency Resolution Process (CIRP) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) before the Hon'ble National Company Law Tribunal (NCLT) Mumbai. Accordingly, the Company, out of abundant caution and prudent accounting practices, has provided ₹/lakhs 1,451.06 towards impairment of its capital advances and deposits and the same was disclosed as an "Exceptional item" in the financials statements for the year ended 31 Mar 2024.

(b) The Company has outstanding receivable of lease rental income of ₹/lakhs 7,672.88, and also given loans of ₹/lakhs 6,798.91 to various trusts to support school operations, aggregating to ₹/lakhs 14,471.79 as at 31 March 2023. On account of delays in recovery (including interest accrued thereon) and further, there are ongoing proceedings against Company w.r.t Corporate Insolvency Resolution Process (CIRP) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) before the Hon'ble National Company Law Tribunal (NCLT) Mumbai, the Company, out of abundant caution and prudent accounting practices, has provided for ₹/lakhs 5,996.37 out of Debtors and ₹/lakhs 4,858.63 out of loans towards impairment loss under the expected credit loss model against the said loan/receivables and the said impairment loss was disclosed as an "Exceptional item" in the standalone financials statements for the year ended 31 March 2023.

## 46 Relationship with Struck off companies

There is no transaction done with Struck off companies

47 The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

48 No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

49 a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

b) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

50 There are no transactions related to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

51 The Company has not traded or invested in Crypto currency or virtual currency during the financial year.

## 52 Prior year comparatives

Previous year's figures have been regrouped / rearranged wherever necessary to correspond with the current year's classifications / disclosures, figures in brackets pertain to previous year.

