

Zee Learn Ltd.,  
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Kohinoor City, Kirod Road,  
Off. LBS Marg, Kurla (W),  
Mumbai - 400070.

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



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

**August 14, 2019**

BSE Limited  
National Stock Exchange of India Limited  
Luxembourg Stock Exchange  
**Kind Attn.: Corporate Relationship/ Listing Department**

**BSE Scrip Code: 533287**

**NSE SYMBOL: ZEELEARN**

Dear Sir/ Madam,

**Sub: Outcome of the Board Meeting held on August 14, 2019.**

This is to inform you that the Board of Directors of the Company at its meeting held today i.e., on August 14, 2019 at 8:55 p.m. and concluded at 9:35 p.m. has:

- Approved the Un-audited Financial Results of the Company on Standalone and Consolidated basis for the first quarter of the Financial Year 2019-20 ended on June 30, 2019 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. (Annexed)
- Also please find enclosed the Earnings Release being sent out by the Company.

This is for your information and records.

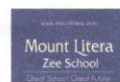
Thanking you.

Yours faithfully,  
**For Zee Learn Limited**

  
**Bhautesh Shah**  
Company Secretary



**THINK EDUCATION. THINK ZEE LEARN.**



**Independent Auditor's Review Report on Quarterly Unaudited Consolidated Financial Results of Zee Learn Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015**

To  
The Board of Directors of  
Zee Learn Limited

**Re: Limited Review Report for the quarter ended 30 June 2019**

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Zee Learn Limited (the "Company") and its subsidiaries (the Holding Company and its subsidiaries together referred as "Group") for the quarter ended 30 June 2019 ("the Statement") being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with SEBI Circular No CIR/CFD/CMD1/44/2019 dated 29 March 2019 ("the Circular").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India, Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. The Statement includes the results of following entities:

**Holding Company:**

Zee Learn Limited

**Subsidiary Companies (including indirect subsidiaries):**

- i) Digital Ventures Private Limited
- ii) Academia Edificio Private Limited
- iii) Liberium Global Resources Private Limited
- iv) MT Educare Limited
- v) MT Education Services Private Limited
- vi) Lakshya Educare Private Limited
- vii) Chitale's Personalised Learning Private Limited
- viii) Sri Gayatri Educational Services Private Limited
- ix) Robomate Edutech Private Limited
- x) Letspaper Technologies Private Limited
- xi) Labh Ventures India Private Limited

5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 read



with rules issued thereunder and other recognised accounting practices and principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the regulation, read with the circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Emphasis of Matter**

6. We draw attention to the following matter:

We draw attention to note 5 of the unaudited financial results with regards to the recoverability of security deposit including interest accrued thereon amounting to Rs. 6,965.60 lakhs provided by a subsidiary company viz. MT Educare Limited. The Group has received cheques towards part refund of the outstanding deposit (which are yet to be realized) and has agreed a repayment schedule for the remaining amount with the vendor.

Our conclusion is not qualified in respect of this matter

**Other Matter**

7. We did not review the interim financial results of ten subsidiaries included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 10,445.95 lakhs for the quarter ended 30 June 2019, total net profit after tax of Rs. 586.30 lakhs for the quarter ended 30 June 2019 and total comprehensive income of Rs. 591.74 lakhs for the quarter ended 30 June 2019, as considered in the Statement. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above
8. The figures for the quarter ended 31 March 2019 are the balancing figures between the audited figures in respect of the full financial year ended 31 March 2019 and the published year to date figures upto the third quarter of the financial year which were subject to limited review by us

For **MGB & Co LLP**  
Chartered Accountants  
Firm Registration Number 101169W/W-100035

  
**Sanjay Kothari**  
Partner  
Membership Number 048215  
Mumbai, 14 August 2019



UDIN: 19048215AAAAEC5361



## Zee Learn Limited

CIN : L80301MH2010PLC198405

Regd Office :- Continental Bldg., 135, Dr. Annie Besant Road,

Worli, Mumbai 400 018

Website: www.zeelearn.com ; email: investor\_relations@zeelearn.com ; Tel : 91-22-40343900

## Consolidated unaudited financial results for the quarter ended 30 June 2019

(₹ in lakhs)

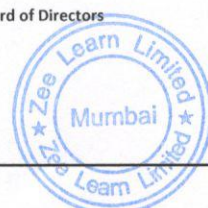
Particulars	Quarter ended			Year ended
	30 June 2019	31 March 2019 (Refer note 5)	30 June 2018	31 March 2019
	Unaudited	Audited	Unaudited	Audited
<b>1 Revenue</b>				
a Revenue from operations	15,475.57	16,534.78	11,313.93	51,724.64
b Other Income	1,152.41	1,068.98	601.40	3,200.46
<b>Total Revenue</b>	<b>16,627.98</b>	<b>17,603.76</b>	<b>11,915.33</b>	<b>54,925.10</b>
<b>2 Expenses</b>				
(a) Purchase of stock-in-trade	999.19	2,068.89	924.93	4,328.18
(b) Change in inventories of stock-in-trade	187.21	(123.56)	413.75	(380.34)
(c) Operational cost	3,200.48	2,720.80	1,530.17	10,589.40
(d) Employee benefits expense	3,843.28	4,123.36	2,801.35	14,157.06
(e) Finance Cost	1,479.68	1,344.81	935.74	4,730.85
(f) Depreciation and amortisation expenses	1,494.66	745.75	460.54	2,788.54
(g) Selling and marketing expenses	666.51	766.68	702.13	2,718.77
(h) Other expenses	1,103.47	1,785.21	724.82	4,539.33
<b>Total expenses</b>	<b>12,974.48</b>	<b>13,431.94</b>	<b>8,493.43</b>	<b>43,471.79</b>
<b>3 Profit before tax (1 - 2)</b>	<b>3,653.50</b>	<b>4,171.82</b>	<b>3,421.90</b>	<b>11,453.31</b>
<b>4 Tax expenses</b>				
Current tax - current year	849.66	928.32	919.17	2,621.04
- earlier year	-	46.30	-	46.30
Deferred tax	141.58	126.35	94.69	504.69
Mat credit entitlement - earlier year	-	(57.32)	-	(57.32)
<b>Total Tax Expenses</b>	<b>991.24</b>	<b>1,043.65</b>	<b>1,013.86</b>	<b>3,114.71</b>
<b>5 Net Profit from ordinary activities after tax for the period (3-4)</b>	<b>2,662.26</b>	<b>3,128.17</b>	<b>2,408.04</b>	<b>8,338.60</b>
<b>6 Other Comprehensive Income</b>				
(i) Items that will not be reclassified to profit or loss	11.48	3.61	5.23	209.27
(ii) Income tax relating to items that will not be reclassified to profit or loss	(1.76)	(0.53)	(1.71)	(161.20)
<b>Other Comprehensive Income (net of tax) (i+ii)</b>	<b>9.72</b>	<b>3.08</b>	<b>3.52</b>	<b>48.07</b>
<b>7 Total Comprehensive Income for the period (5+6)</b>	<b>2,671.98</b>	<b>3,131.25</b>	<b>2,411.56</b>	<b>8,386.67</b>
<b>8 Profit for the year attributable to :</b>				
Shareholders of the company	2,473.22	2,869.46	2,164.80	7,611.22
Non-controlling interest	189.04	258.71	243.24	727.38
<b>9 Total Comprehensive Income attributable to :</b>				
Shareholders of the company	2,480.71	2,874.29	2,168.32	7,646.63
Non-controlling interest	191.27	256.96	243.24	740.04
<b>10 Paid up Equity Share Capital (face value ₹ 1 per share)</b>	<b>3,260.79</b>	<b>3,260.79</b>	<b>3,260.65</b>	<b>3,260.79</b>
Earnings per Share - Basic (₹)	0.76	0.88	0.66	2.33
Earnings per Share - Diluted (₹)	0.76	0.88	0.66	2.33
	Not Annualised	Not Annualised	Not Annualised	

## Notes :

- The unaudited consolidated financial results of the company for the quarter ended 30 June 2019 have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meeting held on 14 August 2019.
- The above results have been prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 (the Act) as applicable and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- With effect from 01 April 2019, the Group has adopted Ind AS 116 "Leases" using the modified retrospective approach. On 01 April 2019, the Group has recognised leased liability of Rs. 9358.52 Lakhs measured at the present value of the remaining lease payments and Right of use asset (ROU) at its carrying amount, discounted using the lessee's incremental borrowing rate as at 01 April 2019.  
The major impact on adopting IND AS 116 on the Group's financial result for the quarter ended 30 June 2019 is as follows:  
Depreciation expenses has been increased by Rs. 722.37 lakhs due to amortisation of ROU asset ;  
Finance cost has been increased due to interest accrued on outstanding lease liability amounting to Rs. 246.79 lakhs ;  
Rent expenses has been reduced by Rs. 841.44 lakhs due to recognition of operating lease as ROU asset and a corresponding lease liability;  
Net impact on profit before tax amounts to a loss of Rs. 127.72 lakhs for the quarter ended 30 June 2019. The comparative figures have not been restated.
- Mr. Mahesh Shetty and Zee Learn Limited form the promoter group of MT Educare Limited ('MTEL'). As per the provisions of the Securities Contracts (Regulations) Rules, 1957 (as amended) (SCRR), MTEL is required to maintain a public shareholding of 25% of the aggregate paid up equity share capital (Minimum Public Shareholding (MPS) Threshold). As per the Share holders agreement entered into between Zee Learn Limited, MT Educare Limited and Mr. Mahesh Shetty, Mr. Mahesh Shetty is required to sell such number of shares to meet the MPS requirement. As at June 30, 2019, the public shareholding of MTEL falls short of the required Minimum Public Shareholding by 7.71%. In order to comply with MPS, MTEL has identified among other options, Sale of shares held by Promoter through the secondary market (Offer for Sale) as the more feasible options to comply with requirement of MPS. However, in view of the low volume of trading in shares of MTEL, Mr. Mahesh Shetty will seek more time to meet the MPS requirement.
- The Group had given a security deposit amounting to Rs 6,600.00 lakhs under an Agreement towards rendering of services against a project. Following a review of the project status, the management decided to terminate the agreement and recall the deposit as per the Agreement terms. Accordingly, the management has initiated the recall process and as per their current assessment, the amount outstanding is fully recoverable. Hence, no expected credit loss and / or impairment loss assessment, in respect thereof, in accordance with the requirements of Ind AS 109 – Financial Instruments and Ind AS 36 Impairment of Assets is required as at the quarter-end.
- Consolidated Segment Information is annexed.
- Figures of the quarter ended 31 March 2019 are the balancing figures between audited figures in respect of full year and published year to date figures upto the third quarter of the relevant financial year.
- Previous period figures have been regrouped, rearranged and reclassified wherever considered necessary.

For and on behalf of the Board of Directors

Himanshu Mody  
Director  
DIN: 00686830



Mumbai, 14 August 2019



**Zee Learn Limited**  
CIN : L80301MH2010PLC198405  
Regd Office :- Continental Bldg., 135, Dr. Annie Besant Road,  
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Website: www.zeelearn.com ; email: investor\_relations@zeelearn.com ; Tel : 91-22-40343900

**Consolidated unaudited financial results for the quarter ended 30 June 2019**

**Annexure "Consolidated Segment Information"**

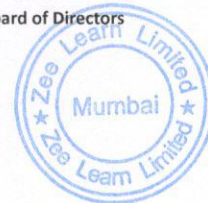
Segment information as per Ind AS 108 "Operating Segment" has been presented on the basis of consolidated financial results with the primary segments being Educational Services and related activities, Construction and Leasing (for education), Training, Manpower and related activities. There being no business outside India, the entire business is considered as a single geographic segment.

**Primary Segment Disclosure - Business segment for the quarter ended 30 June 2019**

Particulars	Quarter ended			Year ended
	30 June 2019 Unaudited	31 March 2019 Audited	30 June 2018 Unaudited	31 March 2019 Audited
<b>Segment revenue</b>				
- Educational Services and related activities	12,347.04	13,431.80	8,439.70	39,816.47
- Construction and Leasing (for education)	1,008.12	762.20	926.53	3,380.61
- Training, Manpower and related activities	2,204.16	2,427.30	1,964.76	8,898.80
<b>Total Segment revenue</b>	<b>15,559.32</b>	<b>16,621.30</b>	<b>11,330.99</b>	<b>52,095.88</b>
Less: Inter Segment Revenue	83.75	86.52	17.06	371.24
<b>Net Sales / Income from Operation</b>	<b>15,475.57</b>	<b>16,534.78</b>	<b>11,313.93</b>	<b>51,724.64</b>
<b>Segment Results (Profit before tax and interest from ordinary activities)</b>				
- Educational Services and related activities	3,684.49	4,263.85	3,296.68	11,866.76
- Construction and Leasing (for education)	235.59	73.02	358.55	768.41
- Training, Manpower and related activities	60.70	110.76	101.01	348.53
<b>Total Segment results</b>	<b>3,980.78</b>	<b>4,447.63</b>	<b>3,756.24</b>	<b>12,983.70</b>
<b>Add/(less):</b>				
Finance costs	(1,479.68)	(1,344.81)	(935.74)	(4,730.85)
Interest Income	926.86	763.04	552.18	2,518.45
Unallocable	225.54	305.96	49.22	682.01
<b>Total Profit before tax from ordinary activities</b>	<b>3,653.50</b>	<b>4,171.82</b>	<b>3,421.90</b>	<b>11,453.31</b>
<b>Segment Assets</b>				
- Educational Services and related activities	76,829.65	67,306.31	48,204.90	67,306.31
- Construction and Leasing (for education)	71,752.38	67,866.93	67,088.75	67,866.93
- Training, Manpower and related activities	1,730.53	1,482.27	1,202.65	1,482.27
- Unallocated	11,454.91	11,248.50	29,810.30	11,248.50
<b>Total Segment Assets</b>	<b>161,767.47</b>	<b>147,904.01</b>	<b>146,306.60</b>	<b>147,904.01</b>
<b>Segment Liabilities</b>				
- Educational Services and related activities	38,287.80	27,934.18	44,830.05	27,934.18
- Construction and Leasing (for education)	16,689.28	14,901.10	19,594.06	14,901.10
- Training, Manpower and related activities	1,310.61	1,033.68	750.52	1,033.68
- Unallocated	59,870.20	60,920.49	25,963.97	60,920.49
<b>Total Segment Liabilities</b>	<b>116,157.89</b>	<b>104,789.45</b>	<b>91,138.60</b>	<b>104,789.45</b>
<b>Net Capital Employed</b>	<b>45,609.58</b>	<b>43,114.56</b>	<b>55,168.00</b>	<b>43,114.56</b>

For and on behalf of the Board of Directors

**Himanshu Mody**  
Director  
DIN: 00686830



Mumbai, 14 August 2019

**Independent Auditor's Review Report on Quarterly Unaudited Standalone Financial Results of Zee Learn Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015**

To  
The Board of Directors of  
**Zee Learn Limited**

**Re: Limited Review Report for the quarter ended 30 June 2019**

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Zee Learn Limited (the "Company") for the quarter ended 30 June 2019 ("the Statement") being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with SEBI Circular No CIR/CFD/CMD1/44/2019 dated 29 March 2019 ("the Circular").
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India, Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 read with rules issued thereunder and other recognised accounting practices and principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the regulation, read with the circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. The figures for the quarter ended 31 March 2019 are the balancing figures between the audited figures in respect of the full financial year ended 31 March 2019 and the published year to date figures upto the third quarter of the financial year which were subject to limited review by us.

**For MGB & Co LLP**

Chartered Accountants

Firm Registration Number 101169W/W-100035

  
**Sanjay Kothari**

Partner

Membership Number 048215

Mumbai, 14 August 2019

UDIN: 19048215AAAAEB2087

**Zee Learn Limited**

CIN : L80301MH2010PLC198405

Regd Office :- Continental Bldg., 135, Dr. Annie Besant Road,  
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Website: www.zeelearn.com ; email: investor\_relations@zeelearn.com ; Tel : 91-22-40343900

**Standalone unaudited financial results for the quarter ended 30 June 2019**

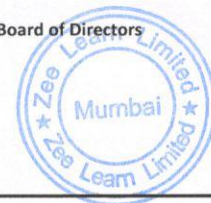
(₹ in lakhs)

Particulars	Quarter ended			Year ended
	30 June 2019	31 March 2019	30 June 2018	31 March 2019
	Unaudited	(Refer note 5) Audited	Unaudited	Audited
<b>1 Revenue</b>				
a Revenue from operations	6,079.96	8,402.94	5,417.00	20,977.80
b Other Income	520.46	405.99	552.78	1,683.96
<b>Total Revenue</b>	<b>6,600.42</b>	<b>8,808.93</b>	<b>5,969.78</b>	<b>22,661.76</b>
<b>2 Expenses</b>				
(a) Purchase of stock-in-trade	999.19	2,068.89	924.93	4,328.18
(b) Change in inventories of stock-in-trade	187.21	(123.56)	413.75	(380.34)
(c) Operational cost	99.10	408.48	143.86	878.55
(d) Employee benefits expense	795.50	950.74	638.52	2,951.65
(e) Finance Cost	592.10	618.69	415.34	1,997.13
(f) Depreciation and amortisation expenses	219.95	147.65	66.57	377.19
(g) Selling and marketing expenses	423.81	544.53	558.81	1,675.57
(h) Other expenses	418.21	747.10	446.88	2,165.38
<b>Total expenses</b>	<b>3,735.07</b>	<b>5,362.52</b>	<b>3,608.66</b>	<b>13,993.31</b>
<b>3 Profit before tax (1 - 2)</b>	<b>2,865.35</b>	<b>3,446.41</b>	<b>2,361.12</b>	<b>8,668.45</b>
<b>4 Tax expenses</b>				
Current tax - current year	829.54	1,039.06	676.74	2,525.82
- earlier year	-	45.74	-	45.74
Deferred tax	11.60	(19.34)	69.33	(15.38)
Mat credit entitlement - earlier year	-	(57.32)	-	(57.32)
<b>Total Tax Expenses</b>	<b>841.14</b>	<b>1,008.14</b>	<b>746.07</b>	<b>2,498.86</b>
<b>5 Net Profit from ordinary activities after tax for the period (3-4)</b>	<b>2,024.21</b>	<b>2,438.27</b>	<b>1,615.05</b>	<b>6,169.59</b>
<b>6 Other Comprehensive Income</b>				
(i) Items that will not be reclassified to profit or loss	6.04	11.93	4.08	24.17
(ii) Income tax relating to items that will not be reclassified to profit or loss	(1.76)	(3.47)	(1.41)	(7.04)
<b>Other Comprehensive Income (net of tax) (i+ii)</b>	<b>4.28</b>	<b>8.46</b>	<b>2.67</b>	<b>17.13</b>
<b>7 Total Comprehensive Income for the period (5+6)</b>	<b>2,028.49</b>	<b>2,446.73</b>	<b>1,617.72</b>	<b>6,186.72</b>
<b>8 Paid up Equity Share Capital (face value ₹ 1 per share)</b>	<b>3,260.79</b>	<b>3,260.79</b>	<b>3,260.65</b>	<b>3,260.79</b>
Earnings per Share - Basic (₹)	0.62	0.75	0.50	1.89
Earnings per Share - Diluted (₹)	0.62	0.75	0.49	1.89
	Not Annualised	Not Annualised	Not Annualised	

**Notes :**

- The above unaudited standalone financial results were reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 14 August 2019.
- The above results have been prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 (the Act) as applicable and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- With effect from 01 April 2019, the Company has adopted Ind AS 116 "Leases" using the modified retrospective approach. On 01 April 2019, the Company has recognised leased liability of Rs. 2628.97 Lakhs measured at the present value of the remaining lease payments and Right of use asset (ROU) at its carrying amount, discounted using the lessee's incremental borrowing rate as at 01 April 2019.  
The major impact on adopting IND AS 116 on the company's financial result for the quarter ended 30 June 2019 is as follows:  
Depreciation expenses has been increased by Rs. 169.94 lakhs due to amortisation of ROU asset ;  
Finance cost has been increased due to interest accrued on outstanding lease liability amounting to Rs. 66.59 lakhs ;  
Rent expenses has been reduced by Rs. 190.31 lakhs due to recognition of operating lease as ROU asset and a corresponding lease liability;  
Net impact on profit before tax amounts to a loss of Rs. 46.22 lakhs for the quarter ended 30 June 2019. The comparative figures have not been restated.
- Consolidated Segment Information is annexed.
- Figures of the quarter ended 31 March 2019 are the balancing figures between audited figures in respect of full year and published year to date figures upto the third quarter of the relevant financial year.
- Previous period figures have been regrouped, rearranged and reclassified wherever considered necessary.

For and on behalf of the Board of Directors

Himanshu Mody  
Director  
DIN: 00686830

Mumbai, 14 August 2019

## **Zee Learn Q1FY20 Consolidated Total Topline ₹ 166.2 Cr; EBITDA at ₹ 54.7 Cr**

**Q1 FY20 Consolidated Total Topline & EBITDA up 40 % and 30 % YoY respectively**

**Q1 FY20 Standalone Total Topline & EBITDA up 11 % and 38 % YoY respectively**

## **ANNOUNCES INTENT TO DISPOSE REAL ESTATE ASSETS & DELEVERAGE**

**Mumbai, 14<sup>th</sup> August, 2019:** Zee Learn Limited, India's leading Education company and India's Most Trusted Diversified Education Brand\*, today reported its Standalone and Consolidated Q1FY20 financial results.

### **Q1 FY20 performance on consolidated basis:**

- **Total Topline for Q1FY20 at Rs. 166.2 Cr up from Rs. 119.1 Cr in Q1 FY19**
- **EBITDA for Q1FY20 at Rs. 54.7 Cr up from Rs. 42.1 Cr in Q1 FY19**

Commenting on the financial performance, **Umesh Pradhan, CFO**, Zee Learn Ltd said, "We continue to maintain our strong position in Pre School and K-12 business in Q1 FY20. The resilient performance owes to operational capabilities, world class service deliverables, strong franchisee network, resource optimization and rich product portfolio. The Company's focus remains on improving business performance while driving synergies across our platforms. The same has resulted in a healthy growth of 40 % in total topline and 30 % in EBITDA.

Our strategic acquisition of MT Educare is yet another example of Zee Learn's ability to turn around the business with great potential. Our focus on organically growing our platforms into market leading positions and monetizing our growth investments is beginning to crystalize."

**Zee Learn Ltd. also informed the stakeholders that the Company wishes to dispose off Real Estate assets pertaining to its school operations in order to release funds for de-leveraging its balance sheet, subject to necessary approvals.**

Commenting on the business performance, **Mr. Debshankar Mukhopadhyay, CEO**, Zee Learn Ltd, said "We see customers continuing to spend on the growth and transformation initiatives, and that is reflecting in our business numbers. ZLL through its varied forays including Early Childhood Care and Education (ECCE), K-12 School Education, Youth and Vocational education, Test Prep and tuition courses is playing a pivotal role in India's education system. The new initiatives started by the company in last financial year are being well received by the children, parents, franchisee partners and all other stakeholders and we are confident that ZLL will continue to grow its business and is committed to create long-term value for its franchisees, parents and students, shareholder. Our contextual knowledge, full spectrum capabilities and investments in research and innovation are the bedrock of our discontinuous growth and transformation initiatives."

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## Financial Highlights: ZLL Consolidated

*Figs in Rs Cr*

Particulars	Quarter ended			FY19	YoY Q1 %
	30 June, 19	31 March, 19	30 June, 18		
<b>Revenue</b>					
Revenue from operations	154.76	165.35	113.14	517.25	37%
Other Income	11.52	10.69	6.01	32.00	92%
<b>Total Revenue</b>	<b>166.28</b>	<b>176.04</b>	<b>119.15</b>	<b>549.25</b>	<b>40%</b>
<b>Expenses</b>					
COGS / Operational Cost	43.87	46.66	28.69	145.37	53%
Employee benefits expense	38.43	41.23	28.01	141.57	37%
Selling and marketing expenses	6.67	7.67	7.02	27.19	-5%
Other expenses	11.03	17.85	7.25	45.39	52%
<b>Total expenses</b>	<b>100.00</b>	<b>113.41</b>	<b>70.97</b>	<b>359.52</b>	<b>41%</b>
<b>EBITDA</b>	<b>54.75</b>	<b>51.93</b>	<b>42.17</b>	<b>157.72</b>	30%
<b>EBITDA %</b>	<b>35%</b>	<b>31%</b>	<b>37%</b>	<b>30%</b>	
Finance Cost	14.80	13.45	9.36	47.31	58%
Depreciation and amortisation expenses	14.95	7.46	4.61	27.89	225%
<b>Profit before tax</b>	<b>36.53</b>	<b>41.72</b>	<b>34.22</b>	<b>114.53</b>	7%
<b>Profit before tax %</b>	<b>22%</b>	<b>24%</b>	<b>29%</b>	<b>21%</b>	
Tax	9.91	10.44	10.14	31.15	-2%
<b>Profit after tax</b>	<b>26.62</b>	<b>31.28</b>	<b>24.08</b>	<b>83.39</b>	11%
<b>Profit after tax %</b>	<b>16%</b>	<b>18%</b>	<b>20%</b>	<b>15%</b>	

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### Key Business indicators

	June 2019 end	FY19 end	June 2018 end	FY18 end
Net Operational Kidzee (F)	1999	1914	1890	1813
Net Operational MLZS (F)	129	124	118	117
Net Kidzee Students (F)	109,689	136,954	100,207	127,201
Net MLZS Students (F)	78,252	63,875	58,029	56,264
ZLL Standalone EBITDA %	52%	45%	42%	39%

### Key Financial indicators (Standalone)

	June 2019	FY19	June 2018	FY18
Free Cash Flow (Rs. In Cr)	31.49	78.70	27.67	70.00
Borrowings (Rs. In Cr)	171.08	181.21	140.75	133.26
Debt Equity Ratio	0.40	0.44	0.38	0.38

### Key Financial indicators (Consolidated)

	June 2019	FY19
Borrowings (Rs. In Cr)	423.98	431.67
Debt Equity Ratio	0.66	0.71
EPS (Rs.)	3.03	2.33

### Recent Recognitions for Zee Learn:

- Zee Learn awarded Great Place to Work for the Financial Year Apr 2019 – Mar 2020
- Kidzee wins the award for Leading brand of the Year – Preschools by WCRC, Apr 2018
- MLZS wins the award for Leading brand of the Year – Schools by WCRC, Apr 2018
- Zee Learn has been awarded Franchisor of the year 2018 by Franchise India, Oct 2018
- MLSI Awarded Great Place to Study by Forbes Marquee Magazine, Oct 2018
- MLZS Awarded Great Place to Study by Forbes Marquee Magazine, Oct 2018
- Luminosity - Learning Management System Portal for MLZS wins award by IDC Insight Awards, Nov 2018
- Innovative Practices For Academic Excellence by ELETS, Dec 2018
- Innovation In Curriculum In Early Childhood Development by ELETS, Dec 2018
- Most Admired Preschool Brand – by White Page International, Dec 2018
- Wins the award for Great Companies to work for in Education Sector 2019 by World HRD Congress, Feb 2019
- Zee Learn ranked 16 as Great Companies to work for in 2019 by World HRD Congress, Feb 2019
- Kidzee wins the award for National Early Child Playschool Chain 2019 by Franchise India, Feb 2019.
- MLZS wins the award for National K12 School Chain of the Year 2019 by Franchise India, Feb 2019.

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### **ZEE LEARN LIMITED:**

Zee Learn Limited is an Essel Group Company listed on National Stock Exchange (NSE), Bombay Stock Exchange (BSE) and on Luxemburg Stock Exchange, and is India's leading company in education segment with the fastest growing chain of K-12 schools and Asia's No 1 chain of pre-schools in its portfolio. The Company through its brand 'Zee Institute of Media Arts' (ZIMA), a TV and Film training institute, offers Certificate courses in Direction, Acting, Sound, Editing, Production and Cinematography. Another offering from the company, 'Zee Institute of Creative Art' (ZICA) is the nation's first full-fledged Classical and Digital Animation Training Academy that trains youth in classical 2D and modern 3D animation.

### **For additional information on financial results, please contact:**

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