



Zee Learn Ltd.,
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Kohinoor City, Kiroli Road,
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Mumbai - 400070.

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



www.zeelearn.com

February 14, 2018

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 Board Meeting

The following businesses were transacted at the meeting of the Board of Directors held today, i.e. February 14, 2018:

- a) Approval of the execution of a share subscription agreement and shareholders' agreement and other definitive agreements between the Company, MT Educare Limited ("MTEL") and Mr. Mahesh Shetty, existing promoter of MTEL for the issue and allotment of 3,19,64,200 equity shares of MTEL at a price of Rs. 62.57/- per share on preferential allotment basis, subject to approval of the shareholders of METL and such other approvals as may be necessary. Accordingly, the Company shall infuse an amount of upto Rs. 200,00,00,000/- (Rupees Two Hundred Crores) approximately by way of preferential allotment basis ("**Preferential Issue**").
- b) This proposed investment and acquisition of the equity shares of MTEL will trigger a requirement to make an open offer under regulations 3 and 4 of the SEBI (Substantial Acquisition of Shares & Takeover), Regulations, 2011 ("**Takeover Code**") by the Company along with the Person Acting in Concert i.e. M/s Sprit Infrapower and Multiventures Private Limited (formerly known as Sprit Textiles Pvt. Ltd.) ("**Open Offer**") of upto 26% of the paid-up share capital of MTEL at such price as may be derived pursuant to Takeover Code and the Company along with the Person Acting in Concert proposes to make a public announcement to acquire equity shares of from the public shareholders of MTEL. The public announcement is required to and shall be made in terms of Regulation 15 of the Takeover Code within the time prescribed under the aforesaid Takeover Code. The Board has accorded its approval for the same.
- c) Approved to take all necessary steps including but not limited to appointment of Axis Capital Limited as manager to the offer and such other intermediaries like registrar to the offer, other consultants and firms for the aforesaid process.



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As required under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we submit the details of the aforesaid acquisition in the SEBI prescribed format.

Annexure A

Information furnished pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with SEBI Circular bearing Ref No. CIR/CFD/CMD/4/2015 dated September 9, 2015

Sr. No.	Particulars	Details
1.	Name of the target entity, details in brief such as size, turnover etc.	Name: MT Educare Limited Market Cap: Rs.283.30 crores (As on 14.2.2018) Turnover: Rs.312.58 crores (Total Income)
2.	Whether the acquisition would fall within Related party transaction(s) and whether the promoter / promoter group companies have any interest in the entity being acquired? yes, nature of interest and details thereof and whether the same is done at "arms length";	The proposed acquisition of equity share by way of an Preferential Issue does not fall within the ambit of related party transaction(s) as the promoter / promoter group of the Company does not have any interest in MT Educare Limited.
3.	Industry to which the entity being acquired belongs;	Education
4.	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity	This acquisition is aligned with our strategy to increase the footprint across the education sector and consolidate our educational offering, especially through the digital offering. It will also mark our entry into the high growth market of edutech and tutorials with a base of more than 3.50 lakhs students on Pan India basis.
5.	Brief details of any governmental or Regulatory approvals required for the acquisition;	N.A
6.	Indicative time period for completion of the acquisition	On or before May 31, 2018
7.	Nature of Consideration - whether cash consideration or share swap and details of the Same;	Cash Consideration
8.	Cost of acquisition or the price at which the shares are acquired;	Rs. 62.57 per equity share for the Preferential Issue

9.	Percentage of shareholding / control acquired and / or number of shares acquired;	Acquisition of 31,964,200 Equity shares at the price mentioned in Column 8 up to Rs.200,00,00,000 crores approximately by Preferential Allotment route
10.	Significant terms of Agreement	Share Subscription Agreement dated 14 February 2018 between the Company, MT Educare Limited and Mr. Mahesh Shetty. Shareholders' Agreement dated 14 February 2018 between the Company, MT Educare Limited and Mr. Mahesh Shetty. Refer Annexure B for details.
11.	Brief background about the entity acquired in terms of products / line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief).	Established in 1988, MTEL is one of the leading education support and coaching services provider in School, Science and Commerce (including UVA) streams across Maharashtra and has operations / presence in other states like Tamil Nadu, Kerala, Andhra Pradesh, Telangana, Karnataka, Punjab, Chandigarh, Haryana, Assam, Odisha, Uttar Pradesh and Gujarat. MT Educare also offers specialized coaching for national level examinations like the JEE Advanced and Mains for engineering, NEET for medical, CPT/IPCC/CA Final for commerce, and CAT/CET for MBA aspirants. MTEL has over 260+ coaching centres spread across 150 locations in these states, with a faculty strength of over 1,200 well trained teachers. At MTEL, technology enabled learning models, advanced teaching methodologies and learning management systems have replaced the conventional chalk and talk model of teaching students.



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		Key Financials of MTEL:	
		Particulars	Revenues (In Crores) (Consolidated)
		FY 2017	301.06
		FY2016	287.08
		FY 2015	226.98

The meeting commenced at 7:00 p.m and concluded at 11:40 p.m

The aforesaid information is also being uploaded on the website of the Company www.zeelearn.com.

We request you to take note of the above on your record and oblige.

Thanking you.

Yours faithfully,
For Zee Learn Limited

Bhautesh Shah
Company Secretary



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Annexure B

Salient terms of the agreement

- Mr. Mahesh Shetty will continue to be a director on the Board and he shall have the right to nominate an alternate Director on the Board in his absence.
- Locked-in Shares: Out of the total shares held by Mr. Mahesh Shetty on Closing, 50% of the shares held by him will be locked-in for 3 years (“**Lock-in Period**”) which will include the shares pledged by Mr. Mahesh Shetty with various lenders. The balance 50% equity shares of held Mr. Mahesh Shetty will be free to be transferred subject to right of first refusal of the Acquirer but not be free to be pledged.
- Call Option/ Put Option: Within 6 months post the expiry of the lock-in period of 3 years, the Acquirer will have a call option and Mr. Mahesh Shetty will have a put option on the lock-in shares.
- Right of First Refusal: Mr. Mahesh Shetty can transfer his locked-in shares (post the lock in- period of 3 years) and his non-locked in shares (anytime post the Closing of the Share Subscription Agreement (“SSA”)), subject to a right of first refusal of the Company, wherein Mr. Mahesh Shetty shall procure an offer from a third party along with a ROFR Price and give a ROFR Notice (as given in SSA) to the Company and the Company shall be entitled to accept the offer to purchase of all / but not less than all of the ROFR Shares within a period of 7 days of receipt of ROFR Notice. If the Company does not exercise the offer within 7 days, Company shall have the right to offer the ROFR shares to the third party.
- Amendment of Articles of Association: The articles of association of MTEL shall be amended to incorporate the terms of the Shareholders’ Agreement.
- Non-compete and Non-solicit: Mr. Mahesh Shetty and his Affiliates is bound by non-compete and non-solicit conditions.
- The Agreement will be governed by and construed in accordance with the laws of the Republic of India and the courts at Mumbai shall have exclusive jurisdiction.

Yours faithfully,
For Zee Learn Limited

Bhautesh Shah
Company Secretary



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