



Zee Learn Ltd., Level 6,
Fun Republic, Off. New
Link Rd., Andheri (W),
Mumbai - 400 053.

P: +91 22 4034 3900
F: +91 22 2674 3422
Customer Support:
+91 93200 63100

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



www.zeelearn.com

CIN : L80301MH2010PLC198405

REPORT OF THE 29TH MEETING OF AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF ZEE LEARN LIMITED ("COMPANY") FOR RECOMMENDING THE DRAFT SCHEME OF AMALGAMATION OF TREE HOUSE EDUCATION & ACCESSORIES LIMITED WITH THE COMPANY AT ITS MEETING HELD ON TUESDAY, AUGUST 16, 2016

CIN : L80301MH2010PLC198405

Members Present:

Mr. Surjit Banga : Chairman
Mr. Himanshu Mody : Member
Dr. Sangeeta Pandit : Member

In attendance:

Mr. Umesh Pradhan : Chief Financial Officer
Ms. Hemangi Patil : Company Secretary

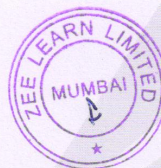
Leave of Absence:

Leave of absence was granted to Dr. Manish Agarwal who had expressed his inability to attend the meeting due to his pre-occupation.

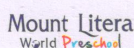
1. Background:

The Board of Directors had approved the scheme of amalgamation of Tree House Education & Accessories Limited with the Company vide Board resolution passed on December 23, 2015. As a part of evaluation of results of Tree House Education & Accessories Limited ("Tree House") for the quarter ended March 31, 2016 and for the financial year ended March 31, 2016, the Board of Directors at its meeting held on June 1, 2016 decided to keep on hold the Scheme of Amalgamation of Tree House with the Company and the matter was referred to the Merger Evaluation Committee ("MEC") and MEC was authorised to look into the matter and suggest the way forward to salvage the deal of amalgamation to ensure consolidation of business in the best interest of the shareholders.

Based on suggestion made by MEC and in terms of Circular dated November 30, 2015 bearing reference No. CIR/CFD/CMD/16/2015 issued by the Securities and Exchange Board of India ("Circular"), modified draft Scheme of Amalgamation of Tree House Education & Accessories Limited ("Tree House") with Zee Learn Limited ("ZLL") and their respective shareholders and creditors in terms of provisions of Section 391-394 of the Companies Act, 1956 and other relevant provisions of the Companies Act, 2013, as may be applicable ("Scheme") was placed before the Audit Committee for its consideration and its recommendations, to the Board of Directors of ZLL.



THINK EDUCATION. THINK ZEE LEARN.





Zee Learn Ltd., Level 6,
Fun Republic, Off. New
Link Rd., Andheri (W),
Mumbai - 400 053.

P: +91 22 4034 3900
F: +91 22 2674 3422
Customer Support:
+91 93200 63100

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



www.zeelearn.com

CIN : L80301MH2010PLC198405

This report is made by the Audit Committee after perusing *inter alia* the following necessary documents ("Documents"):

- a. Draft modified Scheme;
- b. Valuation Report dated August 16, 2016 issued by M/s N. M. Raiji & Co, Chartered Accountants and M/s Maheshwari & Co, Chartered Accountants;
- c. Fairness Opinion dated August 16, 2016, issued by IDBI Capital Markets and Securities Limited;
- d. Audited financial statements of Tree House and ZLL for the year ending March 31, 2016, March 31, 2015 and March 31, 2014;

2. Proposed modified Scheme:

Salient features of the proposed modified Scheme are as follows:

- a. The modified Scheme provides for amalgamation of Tree House with ZLL;
- b. The accounting treatment to be followed for the modified Scheme of Amalgamation will be as per accounting standard 14 issued by the ICAI;
- c. Proposed appointed date for the scheme is March 31, 2017 (Close of business hours);
- d. Based on the Share Entitlement Report of independent valuers, M/s. N.M. Raiji & Co. (Chartered Accountants) and M/s. Maheshwari & Co. (Chartered Accountants), the share exchange ratio for the amalgamation of Tree House with ZLL is as under:

10 (Ten) equity shares of Zee Learn of INR 1 each fully paid up for every 10 (Ten) equity shares of Tree House of INR 10 each fully paid up

3. Recommendation of the Audit Committee:

Having considered the Documents, the Audit Committee found the modified draft Scheme to be in the best interests of all the stakeholders of the Company and recommended the modified draft scheme for favorable consideration by the Board of Directors of the Company, the National Stock Exchange of India Limited, BSE Limited and the Securities and Exchange Board of India.

Date: August 16, 2016
Place: Mumbai


Chairman



THINK EDUCATION. THINK ZEE LEARN.

