

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Zee Learn Limited

### Report on the Audit of the Consolidated Financial Results

#### Qualified Opinion

We have audited the accompanying consolidated annual financial results of **Zee Learn Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the year ended 31 March 2020 ("the Statement" or "consolidated annual financial results") attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditor on separate audited financial statements, except for the effects of the matter described in the Basis for Qualified Opinion paragraph below, the aforesaid Statement:

a) includes the annual financial results of the following entities:

#### Holding Company

- (i) Zee Learn Limited

#### Direct Subsidiaries

- (i) Liberium Global Resources Private Limited
- (ii) Digital Ventures Private Limited
- (iii) Academia Edificio Private Limited
- (iv) MT Educare Limited

#### Indirect Subsidiaries : held through MT Educare Limited

- (i) MT Educational Services Private Limited
- (ii) Lakshya Forum for Competition Private Limited (formerly Lakshya Educare Private Limited)
- (iii) Chitale's Personalised Learning Private Limited
- (iv) Sri Gayatri Educational Services Private Limited
- (v) Robomate Edutech Private Limited
- (vi) Letspaper Technologies Private Limited
- (vii) Labh Ventures India Private Limited

b) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations, in this regard; and

c) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 31 March 2020.



### **Basis for Qualified Opinion**

- a) The Statement as at 31 March, 2020 include goodwill having carrying value of Rs 31,323.64 lakhs on acquisition of its subsidiary company viz MT Educare Limited (MTEL). Due to the prevailing unprecedented Covid19 pandemic situation and the uncertainty connected to it, the Company has not been able to carry out a detailed and comprehensive assessment of the asset in accordance with the principles of Indian Accounting standard – 36 “Impairment of Assets” and hence no adjustments have been considered by the Company to the carrying value of goodwill as at 31 March, 2020. In the absence of sufficient and appropriate audit evidence by way of such detailed and comprehensive assessment due to the current COVID-19 pandemic situation, we are unable to comment upon adjustments, if any, that may be required to the carrying value of goodwill.
- b) In one of the subsidiaries viz. MT Educare Limited (MTEL), the other auditor who audited the consolidated financial statements of the subsidiary reported that the subsidiary has recognized net deferred tax assets of Rs 8,154.54 Lakhs based on the estimate that sufficient taxable profits would be available in future years against which deferred tax asset can be utilized. In the opinion of the other auditor, due to uncertainty over the estimated profits for the future years arising out of the outbreak of COVID -19 and the existence of unutilized tax losses available, it is highly uncertain that MTEL and its subsidiaries would have sufficient taxable profits in future against which deferred tax asset can be utilized. Accordingly, the other auditor is unable to obtain sufficient appropriate audit evidence to corroborate the Management’s assessment of recognition of deferred tax assets as at 31 March 2020. Had the deferred tax asset not been recognised the profit for the year ended 31 March 2020 and Total Equity would have been lower by Rs.8,154.54 lakhs.
- c) The Group has not complied with the provisions of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015 relating to the submission of the results for the quarter ended 31 March 2020 to Securities and Exchange Board of India (SEBI) within the stipulated time. Penalties on account of such non compliances are presently not ascertainable and not provided for in the books of account. Consequently, we are unable to comment on the impact, if any, on the Statement.

We conducted our audit 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 Consolidated Financial Results section of our report. We are independent of the Group, 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 financial statements under the provision of the Act and the Rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics.

We believe that the audit evidence obtained by us and other auditor in terms of their reports referred to in ‘Other Matter’ paragraph, is sufficient and appropriate to provide a basis for our qualified audit opinion.





### Emphasis of Matter

- a) We draw attention to note 7 to the accompanying Statement that state that the management has made an assessment of the impact of COVID-19 on the Group's operations, financial performance, and position as at and for the year ended 31 March 2020 and has concluded that there is no impact which is required to be recognized in the financial results. Accordingly, no adjustments have been made to the financial results. However, the extent of the impact of the COVID-19 pandemic on the Company's result is dependent upon future developments.
- b) We draw attention to note 8 of a subsidiary viz MT Educare Limited to the accompanying statement which states that the contracts for revenue from management services has been negotiated and the new arrangement is applicable from retrospective effect. Consequently, the revenue from management services recorded during the quarter ended 31 December 2019 amounting to Rs 910.00 lakhs has been re-measured based on renegotiation of contracts with customers which has resulted in the reversal of revenue amounting to Rs 745.33 lakhs by the management in the quarter ended 31 March 2020.

Our opinion is not modified in respect of these matters.

### Board of Directors' Responsibilities for the Consolidated Financial Results

This Statement have been prepared on the basis of consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the consolidated net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement 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 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 this Statement.

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 Statement, 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of consolidated financial statements on whether the Company has adequate internal financial controls with reference to consolidated financial statements 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 in the Statement made by the management.
- Conclude on the appropriateness of the 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 Group'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 Statement or, if such disclosures are inadequate, to modify our 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial results of such entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion

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 controls that we identify during our 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 our independence, and where applicable, related safeguards.

#### **Other matter**

- a) The Statement includes the audited financial results of ten subsidiaries whose financial information reflect total assets of Rs.119,719.22 lakhs as at 31 March 2020, total revenues of





Rs.36,157.46 lakhs, total net loss after tax of Rs.4,146.30 lakhs, total comprehensive loss of Rs.4,181.79 lakhs and total cash outflows of Rs. 360.83 lakhs for the year ended on that date, as considered in the Statement. These financial statements / consolidated financial statements have been audited by other auditors whose reports have been furnished to us and our opinion on the Statement, in so far as it relates these subsidiaries is based solely on the reports of the other auditors.

Our opinion on the Statement is not modified in respect of the above matter with regard to our reliance on the work done and the reports of the other auditors.

- b) The Statement for the quarter ended 31 March 2020 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current 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, 7 October 2020

UDIN: 20048215AAAAGN5243



**Zee Learn Limited**  
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Worli, Mumbai 400 018  
Website: www.zeelearn.com ; email: investor\_relations@zeelearn.com ; Tel : 91-22-40343900

**Statement of Consolidated Audited Financial Results for the quarter and year ended 31 March 2020**

(₹ in lakhs)

	Particulars	Quarter ended			Year ended	
		31 March 2020 (Refer note 10) Audited	31 December 2019 Unaudited	31 March 2019 (Refer note 10) Audited	31 March 2020 Audited	31 March 2019 Audited
<b>1</b>	<b>Income</b>					
	Revenue from operations	10,563.03	11,783.89	16,534.78	51,482.78	51,724.64
	Other Income	974.59	847.72	1,068.98	4,155.40	3,200.46
	<b>Total Income</b>	<b>11,537.62</b>	<b>12,631.61</b>	<b>17,603.76</b>	<b>55,638.18</b>	<b>54,925.10</b>
<b>2</b>	<b>Expenses</b>					
	Purchase of stock-in-trade	1,353.68	318.24	2,068.89	3,236.56	4,328.18
	Change in inventories of stock-in-trade	(331.54)	(119.84)	(123.56)	(455.45)	(380.34)
	Operational cost	2,326.35	2,300.84	2,720.80	10,972.78	10,589.40
	Employee benefits expense	3,515.32	3,427.45	4,081.90	14,137.98	13,981.38
	Finance Cost	1,298.94	1,530.20	1,344.81	5,904.91	4,730.99
	Depreciation and amortisation expenses	1,928.08	1,505.19	745.75	6,410.60	2,788.54
	Selling and marketing expenses	440.68	250.41	766.68	1,910.38	2,718.77
	Other expenses	1,499.32	1,184.05	1,826.67	4,841.49	4,716.61
	<b>Total expenses</b>	<b>12,030.83</b>	<b>10,396.54</b>	<b>13,431.94</b>	<b>46,959.25</b>	<b>43,473.53</b>
<b>3</b>	<b>Profit/(loss) before tax and exceptional item (1-2)</b>	<b>(493.21)</b>	<b>2,235.07</b>	<b>4,171.82</b>	<b>8,678.93</b>	<b>11,451.57</b>
<b>4</b>	<b>Less : Exceptional items (refer note 9)</b>	<b>3,114.65</b>	<b>-</b>	<b>-</b>	<b>3,114.65</b>	<b>-</b>
<b>5</b>	<b>Profit/(loss) before tax (3-4)</b>	<b>(3,607.86)</b>	<b>2,235.07</b>	<b>4,171.82</b>	<b>5,564.28</b>	<b>11,451.57</b>
<b>6</b>	<b>Tax expenses</b>					
	Current tax - current year	640.08	456.63	928.32	2,558.49	2,621.04
	- earlier period	(25.29)	-	46.30	(25.29)	46.30
	Deferred tax (including MAT credit entitlement) - current year	(0.41)	146.72	126.35	519.61	504.20
	- earlier period	-	-	(57.32)	-	(57.32)
	<b>Total tax expenses</b>	<b>614.38</b>	<b>603.35</b>	<b>1,043.65</b>	<b>3,052.81</b>	<b>3,114.22</b>
<b>7</b>	<b>Net Profit / (loss) for the period/year after tax (5-6)</b>	<b>(4,222.24)</b>	<b>1,631.72</b>	<b>3,128.17</b>	<b>2,511.47</b>	<b>8,337.35</b>
<b>8</b>	<b>Other Comprehensive Income / (loss) (including tax effect)</b>					
	(i) Items that will not be reclassified to statement of profit and loss	(23.06)	(6.48)	3.08	(48.93)	49.32
	(ii) Items that will be reclassified to statement of profit and loss	-	-	-	-	-
	<b>Other Comprehensive Income (i+ii)</b>	<b>(23.06)</b>	<b>(6.48)</b>	<b>3.08</b>	<b>(48.93)</b>	<b>49.32</b>
<b>9</b>	<b>Total Comprehensive Income / (loss) for the period / year (7+8)</b>	<b>(4,245.30)</b>	<b>1,625.24</b>	<b>3,131.25</b>	<b>2,462.54</b>	<b>8,386.67</b>
<b>10</b>	<b>Profit/(loss) for the year attributable to :</b>					
	Equity holder of the parent	(1,803.93)	1,479.05	2,869.46	4,369.30	7,609.97
	Non-controlling interest	(2,418.31)	152.67	258.71	(1,857.83)	727.38
<b>11</b>	<b>Total Comprehensive Income /(loss) attributable to :</b>					
	Equity holder of the parent	(1,814.94)	1,472.59	2,874.29	4,335.05	7,646.63
	Non-controlling interest	(2,430.36)	152.65	256.96	(1,872.51)	740.04
<b>12</b>	<b>Paid up Equity Share Capital (face value ₹ 1 per share)</b>	<b>3,260.93</b>	<b>3,260.93</b>	<b>3,260.79</b>	<b>3,260.93</b>	<b>3,260.79</b>
<b>13</b>	<b>Other equity</b>				<b>43,817.19</b>	<b>39,853.77</b>
	Earnings per Share - Basic (₹)	(0.55)	0.45	0.88	1.34	2.33
	Earnings per Share - Diluted (₹)	(0.55)	0.45	0.88	1.34	2.33
		Not Annualised	Not Annualised	Not Annualised		

Mumbai, 7 October 2020

**Rakesh Agarwal**  
Chief Financial Officer



For and on behalf of the Board of Directors

**Vikash Kumar Kar**  
CEO & Director  
DIN: 07418787



**Notes :**

- 1 The audited consolidated financial results for the year ended 31 March 2020 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 7 October 2020.
- 2 The audited financial results have been prepared in accordance with the recognition and measurement principles provided in Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 (the Act), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, as amended.
- 3 During the year ended 31 March 2020, the Group has issued and allotted 14,000 Equity shares upon conversion of Stock Options granted under the Company's ESOP Scheme. Consequent to this allotment the Paid-up Equity share capital of the Group stands increased to 326,092,725 Equity Shares of Rs. 1/- each i.e. Rs. 3260.93 Lakhs.
- 4 With effect from 1 April, 2019, the group has adopted Ind AS 116, 'leases' using modified retrospective approach. On 1 April 2019, the group has recognised lease liability 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 1 April 2019.  
The major impact on adopting Ind AS 116 on the Group's consolidated financial results for the quarter and year ended 31 March 2020 is as follows:  
a. Depreciation expense has been increased by Rs 872.71 lakhs and Rs. 3,185.88 lakhs for the quarter and year ended 31 March 2020 respectively, due to amortisation of ROU asset;  
b. Finance cost has been increased due to interest accrued on outstanding lease liability amounting to Rs. 273.71 lakhs and Rs. 1,056.29 lakhs for the quarter and year ended 31 March 2020 respectively;  
c. Rent expense has been reduced by Rs. 968.52 lakhs and Rs. 3,697.73 lakhs for the quarter and year ended 31 March 2020 respectively due to recognition of operating lease as ROU asset and a corresponding lease liability;  
d. Net impact on profit before tax amounts to an expense of Rs. 177.90 lakhs and Rs. 544.44 lakhs for the quarter and year ended 31 March 2020 respectively.  
The ROU and lease liability recognised as on 1 April 2019 in consolidated financial results is Rs. 9,274.73 lakhs and Rs. 8,704.58 lakhs respectively.  
Consequent to the implementation of IndAS 116, net cash flows generated from/used in operating activities and financing activities are not comparable with previous period.
- 5 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 on 01 April 2019, Mr. Mahesh Shetty had to sell 7.71% of his stake and during the year he has sold 5.24%. As at 31 March 2020, the public shareholding of MTEL falls short of the required Minimum Public Shareholding by 2.47%. 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.
- 6 Pursuant to the Taxation Laws (Amendment) Act, 2019, with effect from 1 April 2019 domestic companies have an option to pay corporate income tax at a rate of 22% plus applicable surcharge and cess ('New tax rate') subject to certain conditions. Accordingly, the Company and its subsidiaries has elected to exercise the option of reduced corporate income tax rate as permitted under section 115BAA of the Income Tax Act, 1961 as per the amendment notified in the official Gazette dated 12 December 2019 except MT Educare Limited and some of its subsidiary companies who are in the process of evaluating as to when and whether they should apply impact of new tax rate in books of accounts.
- 7 The World Health Organisation announced a global health emergency because of new strain of coronavirus (COVID-19) and classified its outbreak as a pandemic on 11 March 2020. The outbreak of COVID-19 globally and in India continues to cause significant disruption in the operations which has resulted in slowdown in the economic activity. Due to nation wide lockdown announced by the Government, the Group's offices, educational schools, coaching centers and learning centers had to be closed and physical services were suspended since then. However during the period the Group adopted varied measures to ensure seamless delivery of learning needs and to further strengthen its commitment to education delivery by, enhanced Blended Learning, Robust Learning Management Systems, enhanced use of digital learning material, online coaching, improvement in collaborative work and building digital literacy across network and thus has taken efforts to keep the disruption in the business to the minimum.  
In preparation of these financial statements, the Group has taken into account internal and external sources of information to assess possible impacts of the pandemic, including not limited to the assessment of liquidity and going concern, recoverable values of its financial and non-financial assets, and the impact on revenues. Based on the current indicators of future economic conditions, the Company has sufficient liquidity and expects to fully recover the carrying amount of its assets. Basis the Group's projected cash flows for the next one year, management has concluded that the Company will have sufficient liquidity to continue its operations, although it expects possible delays with respect to collections from its customers. Accordingly, necessary provision have been made under the Expected Credit loss.  
The extent of the impact of the Group's operations remains uncertain and may differ from that estimated as at the date of approval of these financial statements and will be dictated by the length of time that such disruptions continue, which will, in turn, depend on the currently unknowable duration of COVID-19 and among other things, the impact of governmental actions imposed in response to the pandemic. The Group is monitoring the rapidly evolving situation and its potential impacts on the Group's financial position, results of operations, liquidity and cash flows.
- 8 In respect of a subsidiary company viz MT Educare Limited (MTEL), during the quarter ended 30 September 2019, MTEL entered into contracts with a few education trusts to provide management services in respect of operation of their respective educational activities. Based on the scope of work and the corresponding consideration as laid out in the respective contracts, revenue of Rs 910.00 lakhs from management services was recorded by MTEL in the third quarter ended 31 December 2019.  
However, subsequently, on the requests of these Trusts, the "scope of work" and the basis of measurement of corresponding "consideration" have been renegotiated and redefined which are detailed in the addendums executed to the existing contracts. The new arrangement is applicable from retrospective effect (inception of the contracts).  
The change in the basis of measurement of revenue from management services has given rise to reversal of revenue recorded in the third quarter to the extent of Rs 745.33 lakhs. The reversal entry has been recorded in the fourth quarter ended 31 March 2020.  
The resultant management services revenue for the year, recorded in these consolidated financial results aggregate Rs 164.67 lakhs.
- 9 One of the subsidiary company viz MT Educare Limited (MTEL) had, during earlier years, given loan to trust to support its business operations. On account of delays in recovery of the same (including interest accrued thereon), MTEL has made provision of Rs. 3,114.65 lakhs against the entire amount of loan receivable (including interest accrued thereon) during the year and disclosed the same as an "Exceptional items".
- 10 Figures for the quarter ended 31 March 2020 and 31 March 2019 are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures upto the third quarter of the respective financial years.
- 11 Consolidated segment information is annexed in accordance with Ind AS 108 'Operating Segments'.
- 12 Previous period figures have been regrouped, rearranged and reclassified wherever considered necessary.

Mumbai, 7 October 2020

  
Rakesh Agarwal  
Chief Financial Officer



For and on behalf of the Board of Directors

  
Vikash Kumar Kar  
CEO & Director  
DIN: 07418787



Zee Learn Limited

CIN : L80301MH2010PLC198405

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Consolidated Statement of Assets and Liabilities as at 31 March 2020

(₹ in lakhs)

Particulars	As at 31 March 2020 Audited	As at 31 March 2019 Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	4,391.88	5,239.01
Right-of-use asset	8,820.89	-
Capital work-in-progress	676.11	343.25
Investment property	25,744.27	26,824.79
Investment property under development	29,553.91	28,928.34
Goodwill	31,323.64	31,323.64
Intangible assets	7,168.54	7,827.59
Intangible assets under development	5,270.02	5,300.86
<b>Financial assets</b>		
Investments	0.34	0.34
Loans	9,571.36	4,477.59
Other financial assets	877.30	2,199.43
Deferred tax assets	8,697.47	9,176.69
Income tax assets (net)	3,266.76	2,818.94
Other non-current assets	1,613.39	2,141.73
<b>Total non-current assets</b>	<b>136,975.88</b>	<b>126,602.20</b>
<b>Current assets</b>		
Inventories	1,769.93	1,314.48
<b>Financial assets</b>		
Investments	1,051.94	211.44
Trade receivables	6,670.91	5,253.83
Cash and cash equivalents	809.40	2,070.21
Bank balances other than above	743.64	673.65
Loans	1,284.85	9,856.00
Other financial assets	2,088.13	1,228.89
Other current assets	791.19	629.06
Assets classified as held for sale	64.25	64.25
<b>Total current assets</b>	<b>15,274.24</b>	<b>21,301.81</b>
<b>TOTAL ASSETS</b>	<b>152,250.12</b>	<b>147,904.01</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	3,260.93	3,260.79
Other equity	43,817.19	39,853.77
<b>Equity attributable to equity holders of the parent</b>	<b>47,078.12</b>	<b>43,114.56</b>
Non controlling interest	16,231.25	18,103.75
<b>Total equity</b>	<b>63,309.37</b>	<b>61,218.31</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	27,412.60	33,539.94
Lease liabilities	6,572.75	-
Other financial liabilities	1,267.03	1,541.73
<b>Provisions</b>	<b>636.04</b>	<b>512.97</b>
Other liabilities	18,289.36	21,468.82
<b>Total non-current liabilities</b>	<b>54,177.78</b>	<b>57,063.46</b>
<b>Current Liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	4,384.66	4,361.52
Lease liabilities	2,281.71	-
<b>Trade Payables</b>		
outstanding dues of micro enterprises and small enterprises	551.86	529.61
outstanding dues of creditors other than micro enterprises and small enterprises	4,641.10	4,233.25
Other financial liabilities	9,810.62	9,509.62
<b>Other Current Liabilities</b>	<b>12,636.34</b>	<b>10,757.25</b>
<b>Provisions</b>	<b>215.50</b>	<b>230.86</b>
Current tax liabilities (net)	241.18	0.13
<b>Total current liabilities</b>	<b>34,762.97</b>	<b>29,622.24</b>
<b>Total liabilities</b>	<b>88,940.75</b>	<b>86,685.70</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>152,250.12</b>	<b>147,904.01</b>


Rakesh Agarwal  
Chief Financial Officer

For and on behalf of the Board of Directors

  
Vikash Kumar Kar  
CEO & Director  
DIN: 07418787

Mumbai, 7 October 2020







**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

**Statement of Consolidated Audited Financial Results for the quarter and year ended 31 March 2020**

**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 and year ended 31 March 2020**

Particulars	Quarter ended			Year ended	
	31 March 2020 (Refer note 10) Audited	31 December 2019 Unaudited	31 March 2019 (Refer note 10) Audited	31 March 2020 Audited	31 March 2019 Audited
<b>Segment revenue</b>					
- Educational Services and related activities	7,480.21	8,966.67	13,431.80	39,953.71	39,816.47
- Construction and Leasing (for education)	890.30	908.30	762.20	3,504.90	3,380.61
- Training, Manpower and related activities	2,358.10	2,133.94	2,427.30	8,735.64	8,898.80
<b>Total Segment revenue</b>	<b>10,728.61</b>	<b>12,008.91</b>	<b>16,621.30</b>	<b>52,194.25</b>	<b>52,095.88</b>
Less: Inter Segment Revenue	165.58	225.02	86.52	711.47	371.24
<b>Net Sales / Income from Operation</b>	<b>10,563.03</b>	<b>11,783.89</b>	<b>16,534.78</b>	<b>51,482.78</b>	<b>51,724.64</b>
<b>Segment Results (Profit before tax and interest from ordinary activities)</b>					
- Educational Services and related activities	(250.82)	2,853.64	4,263.85	9,870.23	11,866.76
- Construction and Leasing (for education)	10.83	6.86	73.02	277.37	768.55
- Training, Manpower and related activities	71.15	55.87	110.76	280.84	346.79
<b>Total Segment results</b>	<b>(168.84)</b>	<b>2,916.37</b>	<b>4,447.63</b>	<b>10,428.44</b>	<b>12,982.10</b>
Add/(less):					
Finance costs	(1,298.94)	(1,530.20)	(1,344.81)	(5,904.91)	(4,730.99)
Interest Income	790.12	730.87	763.04	3,445.82	2,518.45
Exceptional items (refer note 9)	(3,114.65)	-	-	(3,114.65)	-
Unallocable	184.47	118.03	305.96	709.58	682.01
<b>Total Profit/(loss) before tax from ordinary activities</b>	<b>(3,607.84)</b>	<b>2,235.07</b>	<b>4,171.82</b>	<b>5,564.28</b>	<b>11,451.57</b>
<b>Segment Assets</b>					
- Educational Services and related activities	65,248.91	71,523.42	67,306.31	65,248.91	67,306.31
- Construction and Leasing (for education)	73,354.59	71,353.35	67,866.93	73,354.59	67,866.93
- Training, Manpower and related activities	1,306.71	832.00	1,482.27	1,306.71	1,482.27
- Unallocated	12,339.91	13,939.51	11,248.50	12,339.91	11,248.50
<b>Total Segment Assets</b>	<b>152,250.12</b>	<b>157,648.28</b>	<b>147,904.01</b>	<b>152,250.12</b>	<b>147,904.01</b>
<b>Segment Liabilities</b>					
- Educational Services and related activities	35,142.47	34,809.13	26,414.30	35,142.47	26,414.30
- Construction and Leasing (for education)	14,547.17	15,134.16	14,901.10	14,547.17	14,901.10
- Training, Manpower and related activities	850.91	816.77	1,036.52	850.91	1,036.52
- Unallocated	54,631.45	57,976.79	62,437.53	54,631.45	62,437.53
<b>Total Segment Liabilities</b>	<b>105,172.00</b>	<b>108,736.85</b>	<b>104,789.45</b>	<b>105,172.00</b>	<b>104,789.45</b>
<b>Net Capital Employed</b>	<b>47,078.12</b>	<b>48,911.43</b>	<b>43,114.56</b>	<b>47,078.12</b>	<b>43,114.56</b>

Mumbai, 7 October 2020

*Rakesh*  
Rakesh Agarwal  
Chief Financial Officer



For and on behalf of the Board of Directors

*Vikash*  
Vikash Kumar Kar  
CEO & Director  
DIN: 07418787



## 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 Statement of Cash Flow for year ended 31 March 2020

(₹ Lakhs)

Particulars	31 March 2020	31 March 2019
<b>A. Cash flow from operating activities</b>		
Profit before tax	5,564.29	11,451.57
<b>Adjustments for :</b>		
Depreciation and amortisation expense	6,410.60	2,788.54
Liabilities / excess provision written back	(88.02)	(418.26)
Share based payment expenses	18.70	212.64
Net gain on Investments measured at fair value through profit or loss (FVTPL)	(8.31)	-
Bad debts / advance written off	396.80	130.67
(Profit) / Loss on sale / impairment / discard of property, plant and equipment / intangibles / capital work-in-progress (net)	27.91	(4.49)
Net gain on sale of investments	(13.68)	(4.93)
Net loss on foreign exchange transaction and translation	0.69	43.14
Interest expenses	5,783.91	4,637.38
Allowances for doubtful debts and advances	3,385.11	67.65
Amortization of ancillary borrowing cost	6.26	6.26
Unwinding of discount on security deposit	335.11	394.50
Dividend income	(14.34)	(241.30)
Interest income	(2,827.25)	(1,811.39)
<b>Operating profit before working capital changes</b>	<b>18,977.78</b>	<b>17,251.98</b>
<b>Changes in working capital :</b>		
(Increase) / Decrease in inventories	(455.45)	(380.34)
(Increase) / Decrease in trade and other receivables	(2,206.51)	(18,588.88)
Increase / (Decrease) in trade and other payables	(1,402.41)	6,709.13
<b>Cash generated from operations</b>	<b>14,913.41</b>	<b>4,991.89</b>
Income tax paid (net)	(2,739.63)	(2,925.15)
<b>Net cash flow from operating activities (A)</b>	<b>12,173.78</b>	<b>2,066.74</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment / intangible assets / investment property / capital work-in-progress	(876.85)	(6,481.84)
Sale of property, plant and equipment / intangible assets	2.43	22.64
Proceed from/(Investments) in deposits with bank	1,297.55	248.09
Investments in margin money deposit with bank	(9.76)	(33.25)
Purchase of current investments	(2,847.73)	(100.13)
Sale of current investments	2,025.00	1,277.45
Purchase of controlling stake in fellow subsidiary company	-	(1,628.00)
Loans paid to others	(537.14)	(283.48)
Loans and advances received back	1,198.90	-
Dividend received	14.33	241.30
Interest received	1,271.86	1,853.92
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>1,538.59</b>	<b>(4,883.30)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of shares (including securities premium)	2.92	537.67
Proceeds from non-current borrowings	5,755.00	14,024.10
Repayment of non-current borrowings	(9,108.72)	(12,351.72)
Proceeds from current borrowings	-	4,660.11
Payment of lease liabilities	(3,134.28)	-
Dividend paid (including dividend distribution tax)	(393.12)	(381.13)
Interest paid	(8,094.98)	(3,763.20)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(14,973.18)</b>	<b>2,725.83</b>
<b>Net cash flow during the year (A+B+C)</b>	<b>(1,260.81)</b>	<b>(90.73)</b>
Cash and cash equivalents at the beginning of the year	2,070.21	2,160.94
<b>Net cash and cash equivalents at the end of the year</b>	<b>809.40</b>	<b>2,070.21</b>
Add : Balances earmarked	743.64	673.65
<b>Cash and bank balances at the end of the year</b>	<b>1,553.04</b>	<b>2,743.86</b>

## Notes:

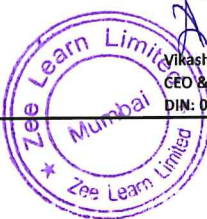
1. Break up of cash and cash equivalents as follows	31 March 2020	31 March 2019
Cash and cash equivalents	809.40	2,070.21
Bank Balances	743.64	673.65
<b>Total</b>	<b>1,553.04</b>	<b>2,743.86</b>

Rakesh Agarwal  
Chief Financial Officer

For and on behalf of the Board of Directors

  
Vikash Kumar Kar  
CEO & Director  
DIN: 07418787

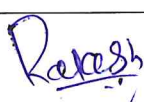



Mumbai, 7 October 2020





<b>ANNEXURE-I</b>				
<b>Statement of Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results-Consolidated)</b>				
<b>Statement of Impact of Audit Qualifications for the Financial Year ended March 31, 2020 (See regulation 33 of SEBI (LODR) Regulations, 2015)</b>				
I	Sl. No.	Particulars	Audited Figures (Rs. in lakhs) (as reported before adjusting for qualifications)	Audited Figures (Rs. In lakhs) (as reported after adjusting for qualifications)
	1	Turnover/Total Income	55,638.18	55,638.18
	2	Total Expenditure (incl. exceptional items)	50,073.90	50,073.90
	3	Net Profit/(loss) after tax	2,511.47	(5,643.07)
	4	Total comprehensive income/(loss) after tax	2,462.54	(5,692.00)
	5	Earnings per share (Rs.)	1.34	(0.14)
	6	Total Assets	152,250.12	144,095.58
	7	Total Liabilities	88,940.75	88,940.75
	8	Networth	47,078.12	42,257.15
II	<b>Audit Qualifications:</b> <b>(a) Details of Audit Qualification:</b> 1. The consolidated financial statements as at March 31, 2020 include goodwill having carrying value of Rs 31,323.64 lakhs on acquisition of its subsidiary company viz MT Educare Ltd (MTEL). Due to the prevailing unprecedented Covid19 pandemic situation and the uncertainty connected to it, the Company has not been able to carry out a detailed and comprehensive assessment of the asset in accordance with the principles of Indian Accounting standard – 36 “Impairment of Assets” and hence no adjustments have been taken by the Company to the carrying value of goodwill as at March 31, 2020. In the absence of sufficient and appropriate evidence by way of such detailed and comprehensive assessment due to the current Covid19 pandemic situation, we are unable to comment upon adjustments, if any, that may be required to the carrying value of goodwill.  2. In one of the subsidiaries viz. MT Educare Limited (MTEL), the other auditor who audited the consolidated financial statements of the subsidiary reported that the subsidiary has recognized net deferred tax assets of Rs 8,154.54 Lakhs based on the estimate that sufficient taxable profits would be available in future years against which deferred tax asset can be utilized. In the opinion of the other auditor, due to uncertainty over the estimated profits for the future years arising out of the outbreak of COVID -19 and the existence of unutilized tax losses available, it is highly uncertain that MTEL and its subsidiaries would have sufficient taxable profits in future against which deferred tax asset can be utilized. Accordingly, the other auditor is unable to obtain sufficient appropriate audit evidence to corroborate the Management’s assessment of recognition of deferred tax assets as at 31 March 2020. Had the deferred tax asset not been recognized, the profit for the year ended 31 March 2020 and Total Equity would have been lower by Rs. 8154.54 lakhs.			



	<p>3. The Group has not complied with the provisions of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015 relating to the submission of the results for the quarter ended 31 March 2020 to Securities and Exchange Board of India (SEBI) within the stipulated time. Penalties on account of such non compliances are presently not ascertainable and not provided for in the books of account. Consequently, we are unable to comment on the impact, if any, on the Statement.</p>	
	<b>(b) Type of Audit Qualification:</b>	Qualified Opinion
	<b>(c) Frequency of Qualification:</b>	Appearing for the first time
	<b>(d) For Audit Qualification(s) where the impact is quantified by the Auditor, Managements Views:</b> <p>Point (2) - The management of subsidiary company has made internal assessment and have projected Profit &amp; Loss for next 5 years and are of view to have sufficient taxable profits to utilise the Deferred Tax Assets.</p>	
	<b>(e) For Audit Qualification(s) where the impact is not quantified by the Auditor:</b>	
		<b>(i) Management's estimation on the impact of audit qualification:</b> <p>Point (3) - The group has duly informed about delay in declaring of results and made the payment asked by the exchange.</p>
		<b>(ii) If Management is unable to estimate the impact, reasons for the same:</b> <p>Point (1) - Due to the prevailing unprecedented Covid19 pandemic situation and the uncertainty connected to it, the Company has not been able to carry out a detailed and comprehensive assessment of the asset in accordance with the principles of Indian Accounting standard – 36 "Impairment of Assets" and hence no adjustments have been considered by the Company to the carrying value of goodwill as at 31 March, 2020.</p>
		<b>(iii) Auditor's Comment on (i) and (ii) above:</b> Auditors comments are self-explanatory in auditor's report.
III	<b>Signatories:</b>	
	Rakesh Agarwal Chief Financial Officer 7 October 2020	
	Vikash Kumar Kar CEO & Director 7 October 2020	
	Nanette D'SA Ralph Chairman of Audit Committee 7 October 2020	
	Statutory Auditors For MGB & Co LLP Firm Registration No. 101169W/W100035  Sanjay Kothari Partner Membership No. 048215 7 October 2020 	





## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Zee Learn Limited

### Report on the Audit of the Standalone Financial Results

#### Qualified Opinion

We have audited the accompanying standalone annual financial results of **Zee Learn Limited** (hereinafter referred to as "the Company"), for the year ended 31 March 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the 'Basis for Qualified Opinion' paragraph below, the aforesaid Statement:

- a) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations, in this regard; and
- b) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the year ended 31 March 2020.

#### Basis for Qualified Opinion

- a) The Company has non-current investment in its subsidiary company viz MT Educare Limited (MTEL) with a carrying value at cost of Rs 27,812.22 Lakhs. MTEL on a consolidated basis has a positive net worth as at 31 March 2020. Due to the prevailing unprecedented Covid19 pandemic situation and the uncertainty connected to it, the Company has not been able to carry out a detailed and comprehensive assessment of the asset in accordance with the principles of Indian Accounting standard – 36 "Impairment of Assets" and hence no adjustments have been considered by the Company to the carrying value of this non-current investment as at 31 March, 2020. In the absence of sufficient and appropriate audit evidence by way of such detailed and comprehensive assessment due to the current COVID-19 pandemic situation, we are unable to comment upon adjustments, if any, that may be required to the carrying value of this non-current investment on the Statement.
- b) The Company has not complied with the provisions of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015 relating to the submission of the results for the quarter ended 31 March 2020 to Securities and Exchange Board of India (SEBI) within the stipulated time. Penalties on account of such non compliances are presently not ascertainable and not provided for in the books of account. Consequently, we are unable to comment on the impact, if any, on the Statement.

We conducted our audit 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 Standalone Financial Results 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 standalone financial



statements under the provision of the Act and the Rules thereunder, and we have fulfilled our 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 qualified audit opinion.

### **Emphasis of Matter**

We draw attention to note 6 to the accompanying Statement that state that the management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance, and position as at and for the year ended 31 March 2020 and has concluded that there is no impact which is required to be recognized in the financial results. Accordingly, no adjustments have been made to the financial results. However, the extent of the impact of the COVID-19 pandemic on the Company's result is dependent upon future developments.

Our opinion is not modified in respect of these matters.

### **Board of Directors' Responsibilities for the Standalone Financial Results**

This Statement have been prepared on the basis of standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these Statement that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Company, as aforesaid.

In preparing the Statement, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the financial reporting process of the Company.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement 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 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 Statement.

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 Statement, 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of standalone financial statements on whether the Company has adequate internal financial controls with reference to standalone financial statements 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 in the Statement made by the management.
- Conclude on the appropriateness of the 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 Statement or, if such disclosures are inadequate, to modify our 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 Statement, including the disclosures, and whether the Statement 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 controls that we identify during our 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 our independence, and where applicable, related safeguards.

#### **Other matter**

The Statement include the results for the quarter ended 31 March 2020 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current 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, 7 October 2020

UDIN: 20048215AAAAGL6972



**Zee Learn Limited**  
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**Statement of Standalone Audited Financial Results for the quarter and year ended 31 March 2020**

(₹ in lakhs)

	Particulars	Quarter ended			Year ended	
		31 March 2020 (Refer note 7) Audited	31 December 2019 Unaudited	31 March 2019 (Refer note 7) Audited	31 March 2020 Audited	31 March 2019 Audited
1	<b>Income</b>					
	Revenue from operations	5,150.57	3,487.71	8,402.94	19,437.24	20,977.80
	Other Income	644.24	663.16	405.99	2,393.32	1,683.96
	<b>Total Income</b>	<b>5,794.81</b>	<b>4,150.87</b>	<b>8,808.93</b>	<b>21,830.56</b>	<b>22,661.76</b>
2	<b>Expenses</b>					
	Purchase of stock-in-trade	1,353.68	318.24	2,068.89	3,236.56	4,328.18
	Change in inventories of stock-in-trade	(331.54)	(119.85)	(123.56)	(455.45)	(380.34)
	Operational cost	164.33	159.29	408.48	583.71	878.55
	Employee benefits expense	767.77	725.80	950.74	3,058.86	2,951.65
	Finance Cost	602.85	621.89	618.69	2,451.91	1,997.13
	Depreciation and amortisation expenses	231.01	190.36	147.65	872.08	377.19
	Selling and marketing expenses	543.68	137.20	544.53	1,260.80	1,675.57
	Other expenses	386.49	441.66	747.10	1,706.69	2,165.38
	<b>Total expenses</b>	<b>3,718.27</b>	<b>2,474.59</b>	<b>5,362.52</b>	<b>12,715.16</b>	<b>13,993.31</b>
3	<b>Profit before tax (1 - 2)</b>	<b>2,076.54</b>	<b>1,676.28</b>	<b>3,446.41</b>	<b>9,115.40</b>	<b>8,668.45</b>
4	<b>Tax expenses</b>					
	Current tax - current year	476.58	431.40	1,039.06	2,314.18	2,525.82
	- earlier period	(25.29)	-	45.74	(25.29)	45.74
	Deferred tax (including MAT credit entitlement) - current year	(13.07)	(22.76)	(19.34)	(35.41)	(15.38)
	- earlier period	-	-	(57.32)	-	(57.32)
	<b>Total Tax Expenses</b>	<b>438.22</b>	<b>408.64</b>	<b>1,008.14</b>	<b>2,253.48</b>	<b>2,498.86</b>
5	<b>Net Profit / (loss) for the period/year after tax (3-4)</b>	<b>1,638.32</b>	<b>1,267.64</b>	<b>2,438.27</b>	<b>6,861.92</b>	<b>6,169.59</b>
6	<b>Other Comprehensive Income / (loss) (including tax effect)</b>					
	(i) Items that will not be reclassified to statement of profit and loss	5.60	(6.35)	8.46	(13.45)	17.13
	(ii) Items that will be reclassified to statement of profit and loss	-	-	-	-	-
	<b>Other Comprehensive Income (i+ii)</b>	<b>5.60</b>	<b>(6.35)</b>	<b>8.46</b>	<b>(13.45)</b>	<b>17.13</b>
7	<b>Total Comprehensive Income for the period/year (5+6)</b>	<b>1,643.92</b>	<b>1,261.29</b>	<b>2,446.73</b>	<b>6,848.47</b>	<b>6,186.72</b>
8	<b>Paid up Equity Share Capital (face value ₹ 1 per share)</b>	<b>3,260.93</b>	<b>3,260.93</b>	<b>3,260.79</b>	<b>3,260.93</b>	<b>3,260.79</b>
9	<b>Other equity</b>				<b>44,492.12</b>	<b>38,015.30</b>
	Earnings per Share - Basic (₹)	0.50	0.39	0.75	2.10	1.89
	Earnings per Share - Diluted (₹)	0.50	0.39	0.75	2.10	1.89
		Not Annualised	Not Annualised	Not Annualised		

Mumbai, 7 October 2020

Rakesh Agarwal  
Chief Financial Officer



For and on behalf of the Board of Directors  
  
Vikash Kumar Kar  
CEO & Director  
DIN: 07418787



**Notes :**

- 1 The audited standalone financial results for the year ended 31 March 2020 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 7 October 2020.
- 2 The audited financial results have been prepared in accordance with the recognition and measurement principles provided in Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 (the Act), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, as amended.
- 3 During the year ended 31 March 2020, the Company has issued and allotted 14,000 Equity shares upon conversion of Stock Options granted under the Company's ESOP Scheme. Consequent to this allotment the Paid-up Equity share capital of the Company stands increased to 326,092,725 Equity Shares of Rs. 1/- each i.e. Rs. 3260.93 lakhs.
- 4 With effect from 1 April 2019, the company has adopted Ind AS 116, 'leases' using modified retrospective approach. On 1 April 2019, the company has recognised lease liability 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 1 April 2019.  
The major impact on adopting Ind AS 116 on Company's standalone financial results for the quarter and year ended 31 March 2020 is as follows :
  - a. Depreciation expense has been increased by Rs. 160.76 lakhs and Rs. 620.62 lakhs for the quarter and year ended 31 March 2020 respectively, due to amortisation of ROU asset;
  - b. Finance cost has been increased due to interest accrued on outstanding lease liability amounting to Rs. 54.83 lakhs and Rs. 238.74 lakhs for the quarter and year ended 31 March 2020 respectively;
  - c. Rent expense has been reduced by Rs. 176.48 lakhs and Rs. 696.91 lakhs for the quarter and year ended 31 March 2020 respectively due to recognition of operating lease as ROU asset and a corresponding lease liability;
  - d. Net impact on profit before tax amounts to an expense of Rs. 39.11 lakhs and Rs. 162.45 lakhs for the quarter and year ended 31 March 2020 respectively.The ROU and lease liability recognised as on 1 April 2019 in standalone financial results is Rs. 2,605.24 lakhs and Rs. 2,569.87 lakhs respectively.  
Consequent to the implementation of Ind AS 116, net cash flows generated from/used in operating activities and financing activities are not comparable with previous period.
- 5 Pursuant to the Taxation Laws (Amendment) Act, 2019, with effect from 1 April 2019, domestic companies have an option to pay corporate income tax at a rate of 22% plus applicable surcharge and cess ('New tax rate') subject to certain conditions. Accordingly, the Company has elected to exercise the option of reduced corporate income tax rate as permitted under section 115BAA of the Income Tax Act, 1961 as per the amendment notified in the official Gazette dated 12 December 2019.
- 6 The World Health Organisation announced a global health emergency because of new strain of coronavirus (COVID-19) and classified its outbreak as a pandemic on 11 March 2020. The outbreak of COVID -19 globally and in India continues to cause significant disruption in the operations which has resulted in slowdown in the economic activity. Due to nation wide lockdown announced by the Government, the Company's offices, educational schools and learning centers had to be closed and physical services were suspended since then. However during the period the Company adopted varied measures to ensure seamless delivery of learning needs and further strengthen its commitment to education delivery by, enhanced Blended Learning, Robust Learning Management Systems, enhanced use of digital learning material, improvement in collaborative work and building digital literacy across network and thus has taken efforts to keep the disruption in the business to the minimum.  
In preparation of these financial statements, the Company has taken into account internal and external sources of information to assess possible impacts of the pandemic, including not limited to the assessment of liquidity and going concern, recoverable values of its financial and non- financial assets, and the impact on revenues. Based on the current indicators of future economic conditions, the Company has sufficient liquidity and expects to fully recover the carrying amount of its assets. Basis the Company's projected cash flows for the next one year, management has concluded that the Company will have sufficient liquidity to continue its operations, although it expects possible delays with respect to collections from its customers. Accordingly, necessary provision have been made under the Expected Credit loss.  
The extent of the impact of the Company's operations remains uncertain and may differ from that estimated as at the date of approval of these financial statements and will be dictated by the length of time that such disruptions continue, which will, in turn, depend on the currently unknowable duration of COVID-19 and among other things, the impact of governmental actions imposed in response to the pandemic. The Company is monitoring the rapidly evolving situation and its potential impacts on the Company's financial position, results of operations, liquidity and cash flows.
- 7 Figures for the quarter ended 31 March 2020 and 31 March 2019 are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures upto the third quarter of the respective financial years.
- 8 Previous period figures have been regrouped, rearranged and reclassified wherever considered necessary.

Mumbai, 7 October 2020

  
Rakesh Agarwal  
Chief Financial Officer



For and on behalf of the Board of Directors

  
Vikash Kumar Kar  
CEO & Director  
DIN: 07418787



**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

**Standalone Statement of Assets and Liabilities as at 31 March 2020**

(₹ in lakhs)

	Particulars	As at 31 March 2020 Audited	As at 31 March 2019 Audited
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	603.98	449.65	
Right-of-use asset	1,913.55	-	
Capital work-in-progress	-	100.57	
Investment property	5.85	5.85	
Intangible assets	154.29	102.63	
Intangible assets under development	12.61	50.86	
<b>Financial assets</b>			
Investments	50,602.76	50,601.73	
Loans	15,724.46	-	
Other financial assets	218.10	253.64	
Deferred tax assets (net)	503.57	463.53	
Income tax assets (net)	174.85	142.33	
Other non-current assets	121.87	150.90	
<b>Total non-current assets</b>	<b>70,035.89</b>	<b>52,321.69</b>	
<b>Current assets</b>			
Inventories	1,769.93	1,314.48	
<b>Financial assets</b>			
Investments	9,572.00	9,572.00	
Trade receivables	1,800.30	2,284.61	
Cash and cash equivalents	107.32	967.80	
Bank balances other than above	57.12	27.21	
Loans	-	9,067.90	
Other financial assets	983.93	874.56	
Other current assets	202.02	328.06	
<b>Total current assets</b>	<b>14,492.62</b>	<b>24,436.62</b>	
<b>TOTAL ASSETS</b>	<b>84,528.51</b>	<b>76,758.31</b>	
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	3,260.93	3,260.79	
Other equity	44,492.12	38,015.30	
<b>Total equity</b>	<b>47,753.05</b>	<b>41,276.09</b>	
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	11,508.25	12,436.60	
Lease liabilities	1,486.86	-	
Other financial liabilities	738.76	799.38	
Provisions	196.88	164.93	
Other liabilities	6,911.52	8,301.62	
<b>Total non-current liabilities</b>	<b>20,842.27</b>	<b>21,702.53</b>	
<b>Current Liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	4,384.66	4,361.52	
Lease liabilities	549.70	-	
Trade Payables			
outstanding dues of micro enterprises and small enterprises	476.49	467.67	
outstanding dues of creditors other than micro enterprises and small enterprises	1,098.11	1,897.81	
Other financial liabilities	4,585.89	3,362.92	
Other Current Liabilities	4,578.24	3,655.74	
Provisions	30.51	33.90	
Current tax liabilities (net)	229.59	0.13	
<b>Total current liabilities</b>	<b>15,933.19</b>	<b>13,779.69</b>	
<b>Total liabilities</b>	<b>36,775.46</b>	<b>35,482.22</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>84,528.51</b>	<b>76,758.31</b>	

Mumbai, 7 October 2020

  
Rakesh Agarwal  
Chief Financial Officer



For and on behalf of the Board of Directors

  
Vikash Kumar Kar  
CEO & Director  
DIN: 07418787





**Zee Learn Limited**  
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**Standalone Statement of Cash Flows for the year ended 31 March 2020**

(₹ Lakhs)

Particulars	31 March 2020	31 March 2019
<b>A. Cash flow from operating activities</b>		
Profit before tax	9,115.40	8,668.45
Adjustments for :		
Depreciation and amortisation	872.08	377.19
Liabilities / excess provision written back	(88.02)	(57.01)
Share based payment expenses	18.70	56.24
Net gain on Investments measured at fair value through profit or loss (FVTPL)	(4.21)	-
(Profit) / Loss on sale / impairment / discard of property, plant and equipment / intangibles / capital work-in-progress (net)	0.67	(4.49)
Interest expenses	2,447.78	1,958.89
Allowances for doubtful debts	242.21	218.86
Amortization of ancillary borrowing cost	6.26	6.26
Unwinding of discount on security deposit	378.64	394.50
Dividend income	(0.01)	(17.72)
Interest income	(1,461.45)	(892.20)
<b>Operating profit before working capital changes</b>	<b>11,528.05</b>	<b>10,708.97</b>
Changes in working capital :		
(Increase) / Decrease in inventories	(455.45)	(380.34)
(Increase) / Decrease in trade and other receivables	202.84	(1,821.33)
Increase / (Decrease) in trade and other payables	(1,060.28)	4,178.48
<b>Cash generated from operations</b>	<b>10,215.16</b>	<b>12,685.78</b>
Income tax paid (net)	(2,091.94)	(2,810.93)
<b>Net cash flow from operating activities (A)</b>	<b>8,123.22</b>	<b>9,874.85</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment / intangible assets / investment property / capital work-in-progress	(346.31)	(547.33)
Sale of property, plant and equipment / intangible assets	-	22.64
Proceed from/(Investments) in deposits with bank	(29.91)	248.09
Proceed from/(Investments) in margin money deposit with bank	30.31	(33.25)
Sale of current investments	1,000.00	1,277.45
Purchase of current investments	(1,000.00)	(7,813.24)
Loans paid to others	(83.90)	-
Loans given to subsidiary company	(6,364.71)	(13,044.67)
Repayment of loan from subsidiary company	1,094.21	5,414.00
Dividend received from subsidiary company	-	0.01
Dividend received from others	-	17.71
Interest received	160.07	355.53
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(5,540.24)</b>	<b>(14,103.06)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of shares (including securities premium)	2.92	57.80
Proceeds from non-current borrowings	5,755.00	6,723.13
Repayment of non-current borrowings	(3,839.57)	(6,475.50)
Proceeds from current borrowings	-	4,361.52
Payment of lease liabilities	(696.91)	-
Dividend paid (including dividend distribution tax)	(393.12)	(381.13)
Interest paid	(4,271.78)	(687.24)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(3,443.46)</b>	<b>3,598.58</b>
<b>Net cash flow during the year (A+B+C)</b>	<b>(860.48)</b>	<b>(629.63)</b>
Cash and cash equivalents at the beginning of the year	967.80	1,597.43
<b>Net cash and cash equivalents at the end of the year</b>	<b>107.32</b>	<b>967.80</b>
Add : Balances earmarked	57.12	27.21
<b>Cash and bank balances at the end of the year</b>	<b>164.44</b>	<b>995.01</b>

**Notes:**

1. Break up of cash and cash equivalents as follows	31 March 2020	31 March 2019
Cash and cash equivalents	107.32	967.80
Bank Balances	57.12	27.21
<b>Total</b>	<b>164.44</b>	<b>995.01</b>

  
**Rakesh Agarwal**  
Chief Financial Officer

For and on behalf of the Board of Directors

  
**Vikash Kumar Kar**  
CEO & Director  
DIN: 07418787




Mumbai, 7 October 2020



<b>ANNEXURE-I</b>				
<b>Statement of Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results-Standalone)</b>				
<b>Statement of Impact of Audit Qualifications for the Financial Year ended March 31, 2020 (See regulation 33 of SEBI (LODR) Regulations, 2015)</b>				
I	Sl. No.	Particulars	Audited Figures (Rs. in lakhs) (as reported before adjusting for qualifications)	Audited Figures (Rs. in lakhs) (as reported after adjusting for qualifications)
	1	Turnover/Total Income	21,830.56	21,830.56
	2	Total Expenditure	12,715.16	12,715.16
	3	Net Profit/(loss) after tax	6,861.92	6,861.92
	4	Total comprehensive income/(loss) after tax	6,848.47	6,848.47
	5	Earnings per share (Rs.)	2.10	2.10
	6	Total Assets	84,528.51	84,528.51
	7	Total Liabilities	36,775.46	36,775.46
	8	Networth	47,753.05	47,753.05
II	<b>Audit Qualifications:</b> <b>(a) Details of Audit Qualification:</b> 1. The Company has non-current investment in its subsidiary company viz MT Educare Ltd (MTEL) with a carrying value at cost of Rs 27812.22 Lakhs. MTEL on a consolidated basis has a positive net worth as on 31 March 2020. Due to the prevailing unprecedented Covid19 pandemic situation and the uncertainty connected to it, the Company has not been able to carry out a detailed and comprehensive assessment of the asset in accordance with the principles of Indian Accounting standard – 36 "Impairment of Assets" and hence no adjustments have been taken by the Company to the carrying value of this non-current investment as at March 31, 2020. In the absence of sufficient and appropriate evidence by way of such detailed and comprehensive assessment due to the current Covid19 pandemic situation, we are unable to comment upon adjustments, if any, that may be required to the carrying value of this non-current investment.  2. The Company has not complied with the provisions of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015 relating to the submission of the results for the quarter ended 31 March 2020 to Securities and Exchange Board of India (SEBI) within the stipulated time. Penalties on account of such non compliances are presently not ascertainable and not provided for in the books of account. Consequently, we are unable to comment on the impact, if any, on the Statement.			
	<b>(b) Type of Audit Qualification:</b>			Qualified Opinion
	<b>(c) Frequency of Qualification:</b>			Appearing for the first time
	<b>(d) For Audit Qualification(s) where the impact is quantified by the Auditor, Managements Views: NIL</b>			





	(e) For Audit Qualification(s) where the impact is not quantified by the Auditor:	
		(i) Management's estimation on the impact of audit qualification: Point (2) - The Company has duly informed about delay in declaring of results and made the payment asked by the exchange
		(ii) If Management is unable to estimate the impact, reasons for the same: Point (1) - Due to the prevailing unprecedented Covid19 pandemic situation and the uncertainty connected to it, the Company has not been able to carry out a detailed and comprehensive assessment of the asset in accordance with the principles of Indian Accounting standard – 36 "Impairment of Assets" and hence no adjustments have been considered by the Company to the carrying value of this non-current investment as at 31 March, 2020.
		(iii) Auditor's Comment on (i) and (ii) above: Auditors comments are self-explanatory in auditor's report.
III	<b>Signatories:</b>	
	Rakesh Agarwal Chief Financial Officer 7 October 2020	
	Vikash Kumar Kar CEO & Director 7 October 2020	
	Nanette D'SA Ralph Chairman of Audit Committee 7 October 2020	
	Statutory Auditors For MGB & Co LLP Firm Registration No. 101169W/W100035  Sanjay Kothari Partner Membership No. 048215 7 October 2020	