



FORM A

Covering letter of the Annual Audit Report to be filed with the stock exchanges

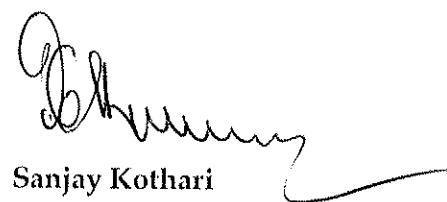
(As per Clause 31(a) of the Listing Agreement)

1	Name of the Company	Zee Learn Limited BSE Code - 533287 (Equity) NSE Code - ZEELEARN (Equity)
2	Annual financial statements for the year ended	March 31, 2015
3	Type of Audit observation	None
4	Frequency of observation	Not Applicable


KV S Seshasai
Chief Executive Officer


Surjit Banga
Independent Director
& Chairman - Audit Committee


Umesh Pradhan
Chief Financial Officer


Sanjay Kothari
Partner - MGB & Co.LLP, Chartered Accountants
Firm Registration No. 101169W/W-100035
Membership No. 048215

Mumbai, dated May 27, 2015



CIN: L80301MH2010PLC198405

Phone : +91 22 4034 3900
Fax : +91 22 2674 3422
Customer Support : +91 93200 63100

Zee Learn Limited
Level 6, Fun Republic,
Off. New Link Road,
Andheri (West), Mumbai - 400053.

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

www.zeelearn.com

ANNUAL REPORT
2014 - 15

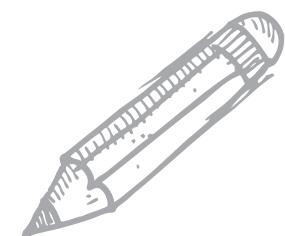


THE
A TO ZEE
OF EDUCATION





CONTENTS



④ About Zee Learn Ltd.	02
④ Board of director & Senior Management	04
④ CEO's Message	06
④ Our Brands & Key Initiatives	10
④ Management Discussion & Analysis	40
④ Corporate Information	63
④ Notice	64
④ Directors' Report	68
④ Secretarial Audit Report	88
④ Report on Corporate Governance	91
④ Shareholders' Information	101
④ Certification on Financial Statements	109
④ Standalone Financial Statement	110
④ Consolidated Financial Statements	138
④ Attendance Slip & Proxy Form	



ABOUT ZEE LEARN

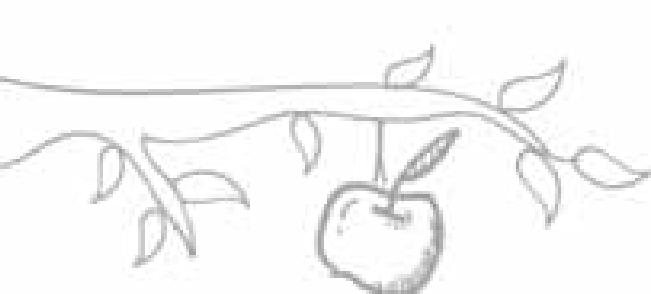
Zee Learn is India's leading company in the education segment with the fastest growing chain of K-12 schools and Asia's No 1 chain of pre-schools in its portfolio. Zee Learn acts as a consultant to local entrepreneurs who wish to setup K-12 schools, under its brand name Mount Litera Zee School and provides end to end Education management and Advisory services. Mount Litera Zee School is now the second largest chain of schools in the private-unaided category with over 89 schools in more than 75 cities and is also the fastest growing school chain in India.

Zee Learn also runs Asia's No. 1 chain of pre-schools, Kidzee with more than 1350+ pre-schools in 550 + cities. Kidzee is a pioneer in organized and standardized pre-schooling in the country. Kidzee has touched the lives of more than 400,000 children since its inception in 2003.

In the wake of the recent increase in disposable incomes in the country and rising awareness of global standards of education amongst parents, there is a demand for international standard pre-schools.

Today's youth is looking for vocational education outside the ambit of traditional higher education. Acknowledging this fact, Zee Learn has developed Zee Institute of Media Arts (ZIMA), a TV and Film training institute in Mumbai that offers diploma 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 in 15 cities across the country.





BOARD OF DIRECTORS

Subodh Kumar
Chairman

Surjit Banga
*Independent
Director*

**Dr. Manish
Agarwal**
*Independent
Director*

**Himanshu
Mody**
*Non-Executive
Director*

**Sangeeta
Pandit**
*Independent
Director*

SENIOR MANAGEMENT



K V S Seshasai
Chief Executive Officer



Umesh Pradhan
*Manager &
Chief Financial Officer*



Samir Raval
Company Secretary



Abhinav Upadhyay
Head - Marketing and Innovation



Sindu Aven
Head - Academics



Vivek Bhanot
Head - Strategic Acquisition Team



Sukhvinder Singh Bindra
Business Head - Kidzee



Nitish Menon
*Business Head
MLZS Partner Schools*



Mayank Jain
*Business Head
Managed Schools*



Vikash Kar
Head - Human Resources



Deepa George
Head - Legal



Brijesh Jadia
Head - Supply chain



CEO'S MESSAGE

When I spoke with you in the summer of 2014, Indian economy was on its way to resurgence largely due to the positive shift in sentiments associated with the political scenario in May 2014. Today, I can say that in the last financial year, the Indian economy has significantly improved in its growth-inflation dynamics. The government's continued focus on reforms is likely to transform India into a global investment destination providing an easy to do business environment. There is also a tremendous push by the government in the areas of education, skill building and technical education.

It is in this environment filled with optimism that I would like to speak to you about Zee Learn's financial performance. I am delighted to share that FY 14-15 has turned out to be the most promising year for your company. This is the first year of profitability for us at a PAT (profit after tax) level after 3 years of losses. During last year, Zee Learn was EBITDA positive but remained PAT negative. In FY 14-15, the company saw a complete turnaround with EBITDA margins growing from 8% in FY13-14 to 21% in FY14-15. These results are a culmination of an excellent team effort by the all the employees at Zee Learn to improve productivity, increase efficiencies and create a solid foundation for future growth and profitability.

We reported standalone net profit of ₹3.81 crore in Q4 of FY15 compared to a loss of ₹1.72 crore in Q4 of FY14. The revenue from operations for the quarter ending March 31,

2015 stood at ₹41.68 crore, against ₹39.04 crore for the corresponding quarter ending March 31, 2014, up by 6.8%. The standalone net profit stood at ₹9.62 crore for the year ended March 31, 2015 against the loss of ₹1.32 crore for the corresponding year ending March 31, 2014. Standalone Revenue from operations for the year ending March 31, 2015 stood at ₹121.58 crore as against ₹119.17 crore for the corresponding year ending March 31, 2014.

The rise in profits was also due to an increase in enrollments in Kidzee (Pre-School) centers by 18% and in Mount Litera Zee Schools (K-12 schools) by 38%. Infact, this is the first time, your company signed more than 500 pre-school franchisee partners, compared to 300-320 in previous 3 financial years. The company's revenue from operation (Sans ZeeQ operation) grew by 28.40% in Q4 FY15 over same quarter last year and up by 15.5% in FY15 over FY14.

The growth of Indian economy and increase in disposable income is boosting spend on education. The overall spending on education accounts for second-highest share of wallet for middle-class households. Demographic advantage of having a large population of youth, coupled with low gross enrolment ratios, present a huge opportunity for organisations like us, operating in the education sector. Indian education sector clearly is poised at a crucial stage in its growth.

Zee Learn Ltd with its pan-India presence in Pre-Schools and K-12 schools aims to leverage its position to take advantage

of the changing dynamics of this sector. Zee Learn is all set to provide quality education in line with the new government's vision of making India a knowledge superpower by equipping the students with necessary skills and knowledge.

Our Pre-School Business, Kidzee is regarded as a brand that has provided community not only with a high quality and best in class Pre-School pedagogy but also a formal face for the preschool industry. We are the leaders in this space and minutely worked on every aspect of Pre-Schooling business including defined curriculum, child safety protocols, age appropriate technology and a means of employment and entrepreneurship. As per the Brand Trust Report (2014-15), Kidzee has been voted amongst the 'MOST TRUSTED' Preschool Institutions. Our chain has now grown to over 1350 operating Pre-Schools across 550 cities in India. Kidzee is also a beacon of women empowerment with almost 80% of our franchise set-ups being owned by women. With continued support of our students, parents, education partners and employees, Kidzee is likely to grow 3 times of its current size in the next 5 years.

Our Mount Litera Zee Schools is now the second largest network of schools in the private-unaided category among K-12 Schools (Kindergarten to 12th grade). Mount Litera is recognized across the country for imparting the very best in academics. We now have 90 schools operating in 75 locations across the country. This year we have focused on providing education that extends beyond the conventional to activities touching the areas of art, culture and music. These activities also helps students build a healthy appreciation of our country's rich cultural heritage and legacy. To achieve the vision of 100% literacy across the country, we foresee a strong demand for quality schools and well defined curriculum. We will seek to fulfil this demand by adding 12-15 Mount Litera Zee Schools every year.

Early childhood care and K-12 education space is of utmost importance to us. We have embarked on specific modules, programs and engagement sessions to spread awareness and an in-depth understanding of these subjects. We have covered the length and breadth of the country with numerous seminars, road shows, mall activations program and direct engagement with parents. We have also converted our schools into a hub of social activation for stakeholders concerned. Your company is working towards achieving the

thought leadership position in early childhood care and K-12 education space.

India's transition to a knowledge-based economy requires a new generation of educated and skilled people. With this fact in mind, the central government has been focusing on promoting skill building and technical education in India. Our two offerings in this space, Zee Institute of Creative Arts (ZICA) and Zee Institute of Media Arts (ZIMA) cater to today's youths' vocational requirements. Keeping in mind the recent push from our Government, we are also looking at newer opportunities in skill building and vocational education space.

The focus for the current year is to strengthen our brands even further through innovative marketing, leveraging digital platform, increase our profitability through operating efficiencies and fiscal prudence, and drive significant increases in partner, parent and student satisfaction, while continuing to expand geographically and increasing our market penetration.

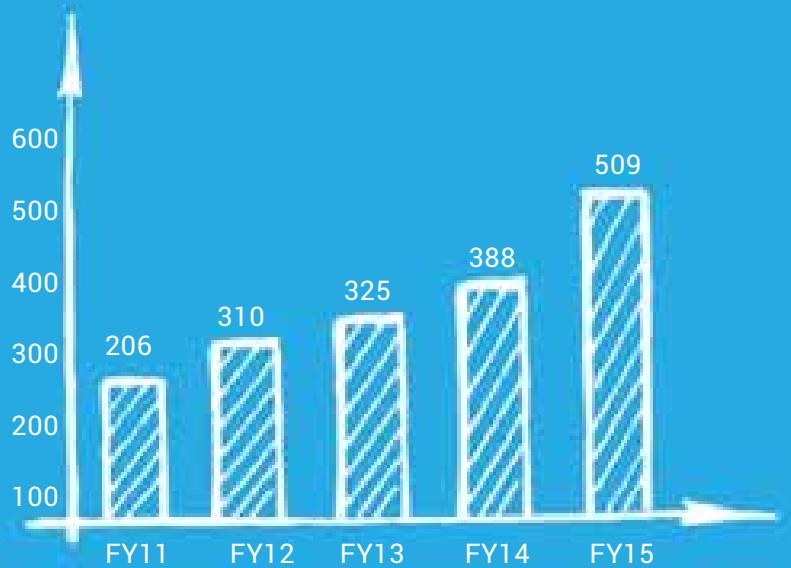
Going forward, we will also evaluate new growth areas, for your organisation like teacher training, e-learning, test preparations and education process outsourcing, with a vision of becoming a organisation with a 360 degree presence in all sectors of the education industry.

I believe your organisation is poised to become the benchmark in the education sector both intellectually and financially. I look forward to your continued support to help create an organisation that all of us will be proud of in the coming years.

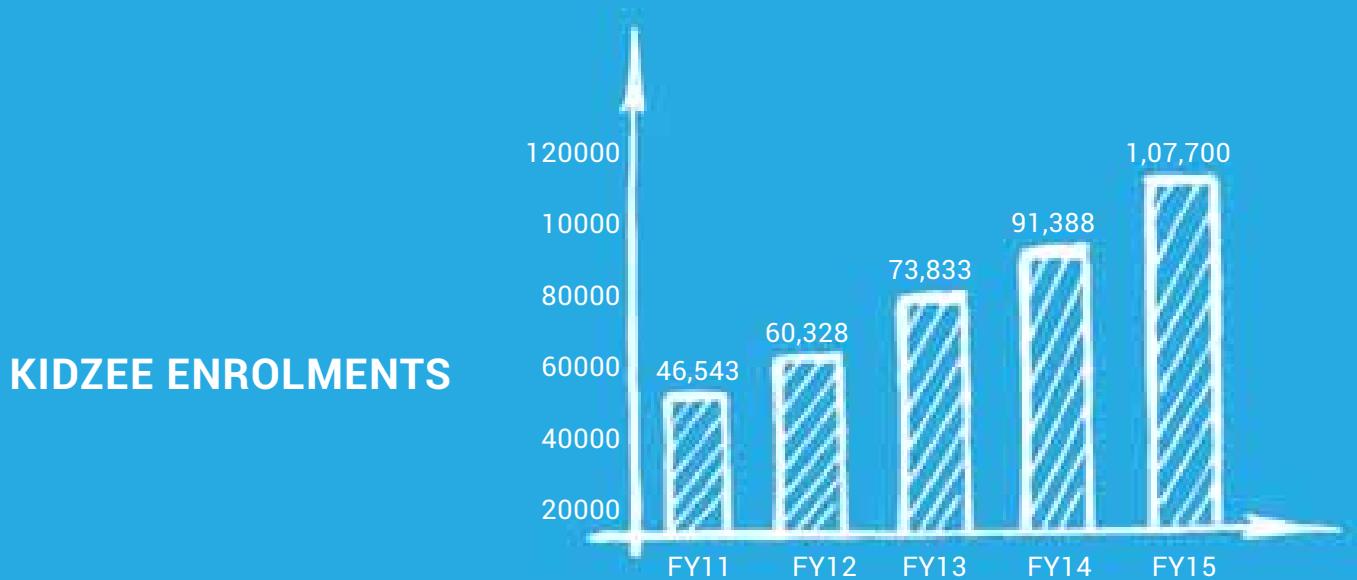
Best Regards,

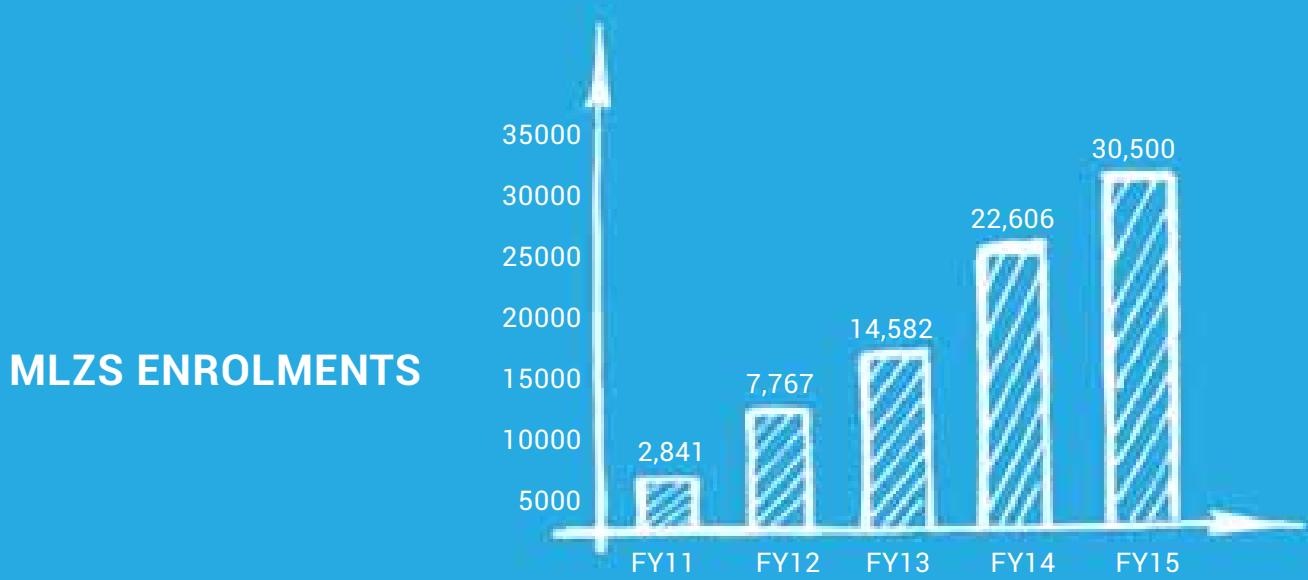
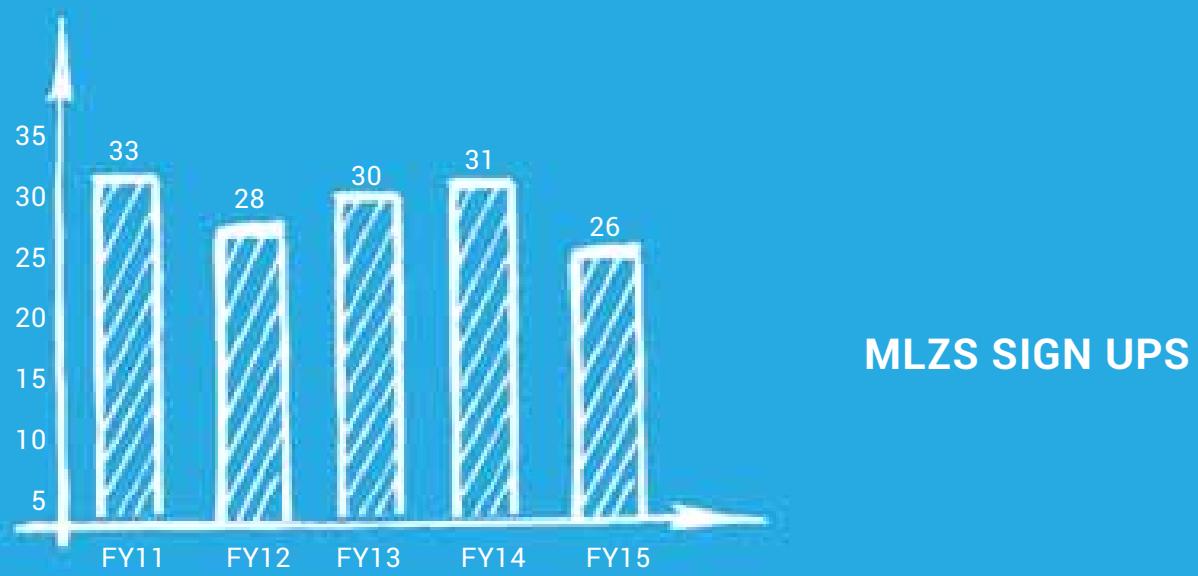
Seshasai KVS
Chief Executive Officer
Zee Learn Ltd.

HIGHLIGHTS



KIDZEE SIGN UPS





MAKING SMART KIDS THE 'KIDZEE' WAY

With the child centric approach of "What Is Right for the Child" – Kidzee strives to nurture the unique potential in every child. A testimony to our commitment is that 84 percent parents associated with us, are happy with the growth and development they see in their child after being part of Kidzee family. Moreover, Kidzee has delivered value and socially benefitting enterprising prospects for franchise partners. 76 percent business partners are satisfied with their overall experience with Kidzee and more than 50 percent of them are either expanding existing centers or opening up new ones. Kidzee, which has been at the forefront of developing preschool industry in India, is now accredited with the creation of an industry which is estimated to be ₹13,300 crore by 2015-16.

We have reiterated our leadership by strongly focusing on various elements associated with preschool business in India right from pedagogy, child safety, smart technology adoption and employment for all. 'iLLUME', the proprietary pedagogy of Kidzee has set an industry benchmark by becoming India's one & only university-verified

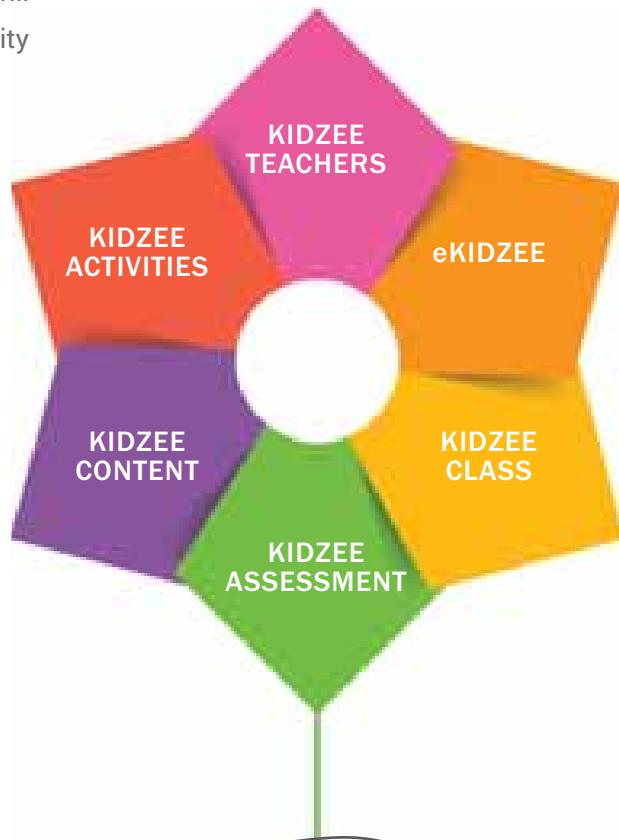
preschool curriculum. Being one of the foremost education company in the country with presence in early childhood care segment, we felt a strong need to recognise and nurture each child's unique learning needs. Approximately 20,000 parents, 2000 teachers and 1, 30,000 children were reached upon, to bring into light 'iLLUME' for all the stakeholders concerned. Sustaining the will to innovate and offer the best to our students, this year, we launched 'Interactive iLLUME', an advanced version of the existing curriculum. Interactive iLLUME is developed by Kidzee after undertaking research and content development for 2 years. Age appropriate technology, English Readiness Programme', School Readiness' and phonic program based on VAK (Visual, Audio and Kinesthetics) methodology are some of the key highlights of this curriculum. We at, Zee Learn, are extremely proud and delighted to see the response and affinity our specially designed curriculum has received from students, parents and business partners alike. In a recent interactive outreach conducted with parents associated with Kidzee, 97 percent agreed that there is a substantial positive impact on child development by the



curriculum designed by Kidzee.

The preschool industry is still in its nascent stage in India with only 2.7% penetration. Considering the average enrolment in a preschool is 75 kids per center, 113 million kids would require over 15 lakh centers. However, as of today, India accounts for only 30,000 preschool centers. As a market leader, Kidzee strongly believes in filling this void by expanding its footprint of new preschools across cities and towns in India. This year, company has thrown open 321 centers and signed up 500 new centres. The number of students enrolled has increased by over 18% in Kidzee centers across India. Moving the growth curve upwards, our aim will be to empower every child with quality preschool education.

Today, India is on an upward curve in terms of increasing number of entrepreneurs. Being the pioneers of preschools in India, it gives an immense pleasure to see opportunities present in this segment for individuals who wish to start up something on their own. Preschool business is a rewarding business as the entrepreneur is catering to the future of our nation. It is the need of the hour to have more passionate players venture into the organized segment of preschools. Entrepreneurs can make an impact and achieve their dream faster by partnering with an established player who has complete clarity and vision to achieve new heights in the segment.



Your company has carved out a strong niche for itself in the Early Childhood Education space with Asia's largest Preschool chain – Kidzee. With over 1350 preschools across the country, Kidzee is synonymous with quality education and care in the early childhood education space and we have made every effort to strengthen that leadership position for ourselves in the market place.

Some of the key initiatives that drove traction for the brand on-ground enumerated below



Kidzee crossed the milestone of over 1Lakh enrolments in a financial year for the first time ever which denotes the trust that parents place in the brand nationally.



Kidzee extended its reach by launching in Nepal and has in less than a year become the Largest Chain of Preschool in Nepal as well.

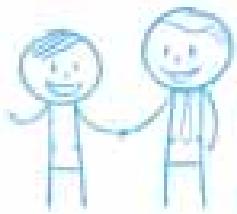


We also upgraded our curriculum and launched Interactive Illume which has been developed through extensive research and testing and places us strongly with respect to our ability to stay ahead of competition from a delivery perspective.



AWARD &
RECOGNITION





Along with the upgradation of our pedagogy and curriculum, your company also undertook an exercise to make the Kidzee brand more consumer-friendly and modern. This is a step which will help the brand stay ahead of competition in terms of attracting more consumers and building greater brand affinity.



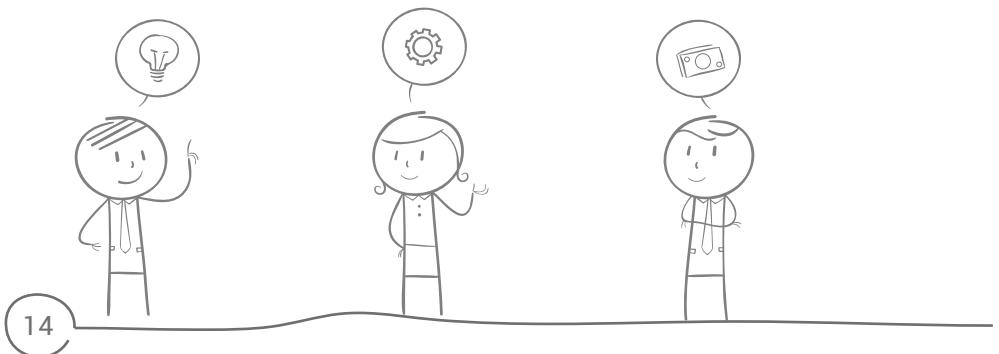
Your company undertook an extensive exercise to revamp the brand logo, brand visibility and brand marketing across the country to support the migration to the new Interactive Illume and to support the new brand image that we seek to create for Kidzee.

- a. Your company invested behind leveraging the physical network by supporting some key centres via Branding elements which will help create greater visibility for the brand
- b. Keeping in mind Your company also looked at leveraging the digital medium extensively and has had a string of successes that positions us well from leveraging the younger parent base that Kidzee addresses
- c. Your company also started reaching out directly to our customers and consumers through a range of grassroots activation programmes that covered the length and breadth of the country.
- i. 20 States ii. 89 cities and towns iii. Over 500,000 people reached
- iv. IMPACT: Happy children and parents, more brand affinity for Kidzee. More smiles.

MAKING SMART ADOLESCENTS THE 'MOUNT LITERA' WAY

K-12 segment constitutes 38% of the Indian Education Segment which is predicted to grow from 44 billion dollar in 2011 to 144 billion dollar in 2020, with an ever evolving aspiration of Indians for better education, the sector is growing at the rate of 14.1%. Currently, an estimated 3 lakh private schools have 40 % of the total student enrolment, projecting a scope of major development in this area, an enormous potential for private school sectors. This striking observation puts immense emphasis on the growing significance of private sector education. Mount Litera Zee School is the second largest network of schools in the private-aided category among K-12 Schools. This school was founded with an aim to bring a paradigm shift in Indian Education System. We believe in defying the age old traditional approach of one-size-fits-all. Providing world class learning environment, we are the fastest growing chain of schools in the country with 90 schools in 82 cities. We strive to fill the need gap in the education system and bring a holistic education system with state-of-the-art infrastructure, contemporary learning and teaching tools and technologies, well researched proprietary

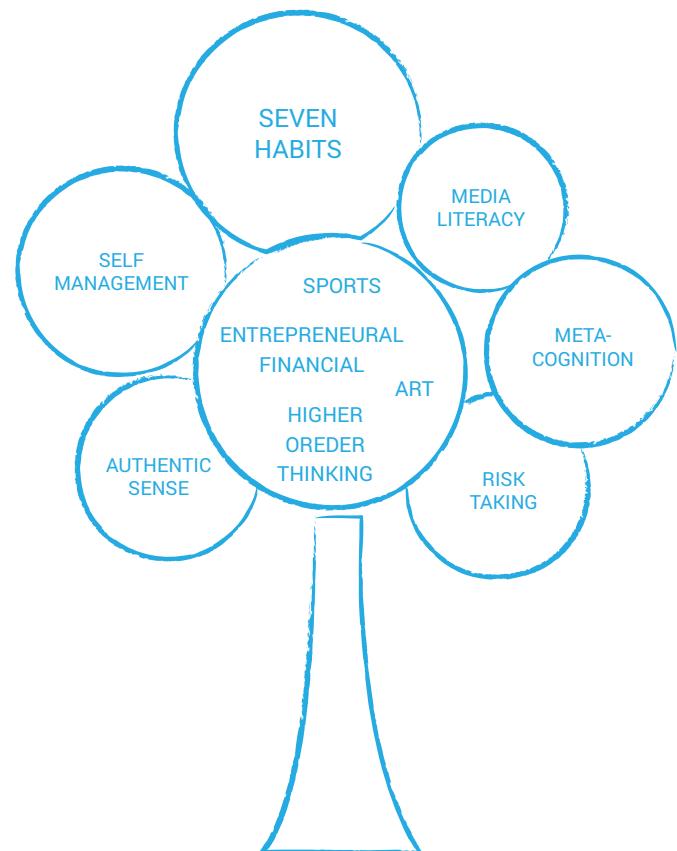
content and constructive learning environment. Our very first step towards bringing the quantum leap in education system; turning the unripe minds of kids into creative geniuses was through Litera OCTAVE. This uniquely designed pedagogy of Mount Litera Zee School is an integrated educational model which is a result of extensive research and development over the years. It brings together the various quintessential elements of learning such as content, infrastructure, classroom design and assessment; which is rudimentary in a child's development and learning. The interactive, skill based program focuses on overall development - mental, emotional, social as well as physical. It ensures perfect blend of technology and effective use of e-content, one of its kind blended learning design approach at par with select schools globally. Mount Litera Zee Schools' objective is to create global leaders; to inculcate not only intellectual knowledge but also to enhance overall personality. While we are the best in academics, we believe that it's equally important to keep our students rooted to the rich cultural heritage of our country. Bearing this



thought in mind, we have raised the bar for ourselves by engaging students in activities based around art, culture and music. This year Mount Litera Zee Schools did an association with SPIC MACAY (Society for the Promotion of Indian Classical Music and Culture amongst Youth), an esteemed non-profit organization, to promote Indian Cultural Heritage across. The collaboration brought together an interactive and activity based program on music, dance, cinema, yoga, meditation etc; opening doors to SPIC MACAY's National/State/Zonal Conventions.

Since inception Mount Litera Zee School has been awarded with many prestigious accolades. This year, 10 schools from Mount Litera Network have been ranked amongst the top school of their respective cities. Mount Litera Zee School ranked no 1 in Goa, Gaya, Dadra & Nagar Haveli; and ranked amongst top 10 schools in Alwar, Bhopal, Coimbatore, Patna and Varanasi. The goal of the survey undertaken by Digital Learning Magazine was to identify promising and emerging schools in major metros, Tier II & III cities across the depth of

India. All the schools ranked high on various parameters of academic excellence, new pedagogy, extra-curricular activities, infrastructural facilities and ICT implementation. Spreading its wings far and wide, Mount Litera Zee Schools has opened 10 new schools in 2014-15 and signed 26 franchisee, making it one of the most prominent market leaders in K12 education segment. Going further, MLZS would strongly continue to expand its footprint and ensure that every Indian child is imparted the best of K-12 education.



A journey of a thousand miles begins with a single step. Mount Litera Zee School has come a long way from the first step that we took to launch the first school in the year 2006. With 89 schools across the country, Mount Litera Zee School has grown into one of the largest private unaided school networks in the country today.

The brand has prospered with some significant milestones in the year. Our efforts at creating unique propositions and driving them both on ground in terms of academic delivery and putting marketing muscle behind it in close conjunction with our school partners has given strong results in the year.



MLZS crossed the milestone of over 30000 students this financial year which denotes the trust that parents place in the brand nationally.



The company initiated various grass-root level initiatives like Swachh Bharat-Swachh Vidhyalaya Abhiyan where more than 25000 students participated in Swachh Bharat Abhiyan in their respective locations.

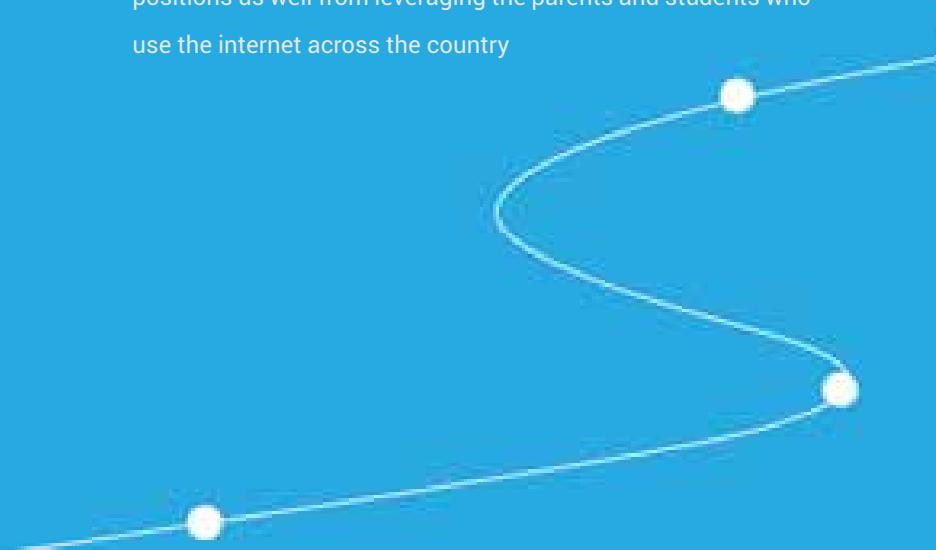
Your company also started reaching out directly to the customers and consumers through a range of grassroots activation programmes that covered the length and breadth of the country and created strong traction with it across the country.

- i. 19 States | ii. 89 cities and towns |
- iii. Over 500,000 people reached



Keeping in mind the growth in Digital Penetration in the country, your company also looked at leveraging the digital medium extensively and has had a string of successes that positions us well from leveraging the parents and students who use the internet across the country

Through a range of parent interaction seminars and various events across the country, Mount Litera Zee School created strong goodwill that will help us grow the base of students and that of brand advocates across the country.



The School celebrated the birthday of 'Sardar Vallabh Bhai Patel' for spreading peace and harmony by the initiative 'Run for Unity'.



Our schools have also started participating in the international schools award in association with British Council. One of our schools, Mount Litera Zee School Coimbatore has been awarded with the International School Awards.



MAKING SMART CAREER THE 'ZIMA & ZICA' WAY

India has one of the largest working age populations and one of the youngest demographics. It is at an enviable position as over the next two decades the working-age population would continue to increase, when for most other nations it would decline. To realize this demographic dividend, it must provide world-class skills that can help create a global standard force.

Zee Learn provides world-class vocational educational programs in Media Arts, Film Making, Design and Animation through Zee Institute of Media Arts (ZIMA) and Zee Institute of Creative Art (ZICA). Through a mix of degrees, diplomas and certificate courses (varying from 6 to 36 months for ZICA and from 2 to 24 months for ZIMA), the institutes offer a plethora of options to both fresh graduates and professionals to up-grade and refresh their skill-set. ZICA is spread over 16 cities in India through its 31

Creative Art Institutes, while ZIMA has its centre in Mumbai. The courses crafted are contemporary, backed by through research and are periodically upgraded. ZICA has associated itself with renowned universities like Himgiri Zee University and Annamalai University to create content for some of its courses.

While ZICA operates through a mix of franchise, company-owned-and-company-operated centres, the ZIMA centre remains a company-owned one. Both ZICA and ZIMA offer key services including placements, faculty training, content development and marketing support among others.

The students of both ZIMA and ZICA have won several accolades, including Best Film, Best Animation Movie, Best Director, Best Cinematographer and Best Actor awards at various State and International film festivals held across the country.



The year 2014-2015 has been a landmark one for ZIMA Film School, as it celebrated its 10 anniversary this year. It has also been the year when ZIMA Film School has launched many new courses and our students have started to make their presence felt in the glittering world of Entertainment!



ZIMA Film School completed
10 successful years of its operations.



As part of its 10th Anniversary celebrations, ZIMA Film School had organised a series of panel discussions, the very successful **ZIMA Dialogues**, which were graced by Industry stalwarts like Kamlesh Pandey, Robin Bhatt, Pravin Bhatt, Gyan Sahay, Rajesh Dubey, Sajid-Farhad, Biswadeep Chatterjee & Amar Mohile.

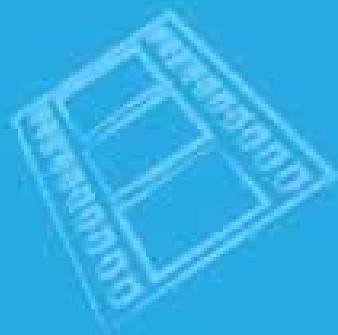


ZIMA Film School has started offering a comprehensive bouquet of **filmmaking degree & certificate courses**, which were launched by Bollywood's Senior Director, Mr David Dhawan.





Glittering achievements by ex-students:
directed a Marathi feature film; composed
the background and music of a Marathi
feature film, cinematography of a horror film..
and many more.

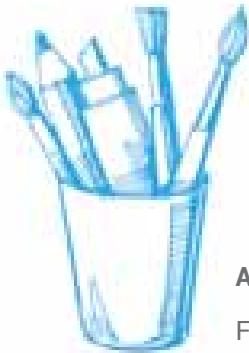


Student Short Film's technical acceptance at
Cannes International Film Festival.

Student accepted as a Fellow at
the Dharamshala International Film Festival 2014.

ZIMA Film School's Senior Faculty of Audio Engineering,
Mr Avinash Oak was conferred with the **Lifetime Achievement
Award** at the Indian Recording Arts Awards.



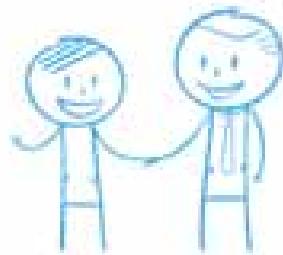


AESTHETICS 2014

For the first time, we have conducted National Student Meet (AESTHETICS 2014) in Karjat (Near Mumbai). Students have also participated in national short film competition. This event is highly appreciated by our students and Business Partners.

PEDAGOGY REVISED

Project / portfolio / short film is very important for every student to get absorbed in a good studio so we have upgraded our curriculum by introducing project based learning apart from assignment based learning. This has been developed through extensive research and testing to stay ahead of competition from a quality delivery perspective.





ANITALK

We have created online master class (ANITALK) by renowned industry professionals such as Shri Ram Mohan – Father of Indian Animation, Shri Bhimsain Khurana – Pioneer of Indian Animation, Shri A. K. Bir - National Film Award winner for Best Cinematography, Shri Kireet Khurana – 5 President's Award & 4 International Award's Recipient, Shri Indraneel Guha – Head of Production at VCL, Tata Elxsi Ltd., Shri Hrishikesh Andulekar – CG Head, Pixion and many more stalwarts.



SHORT FILM COMPETITION

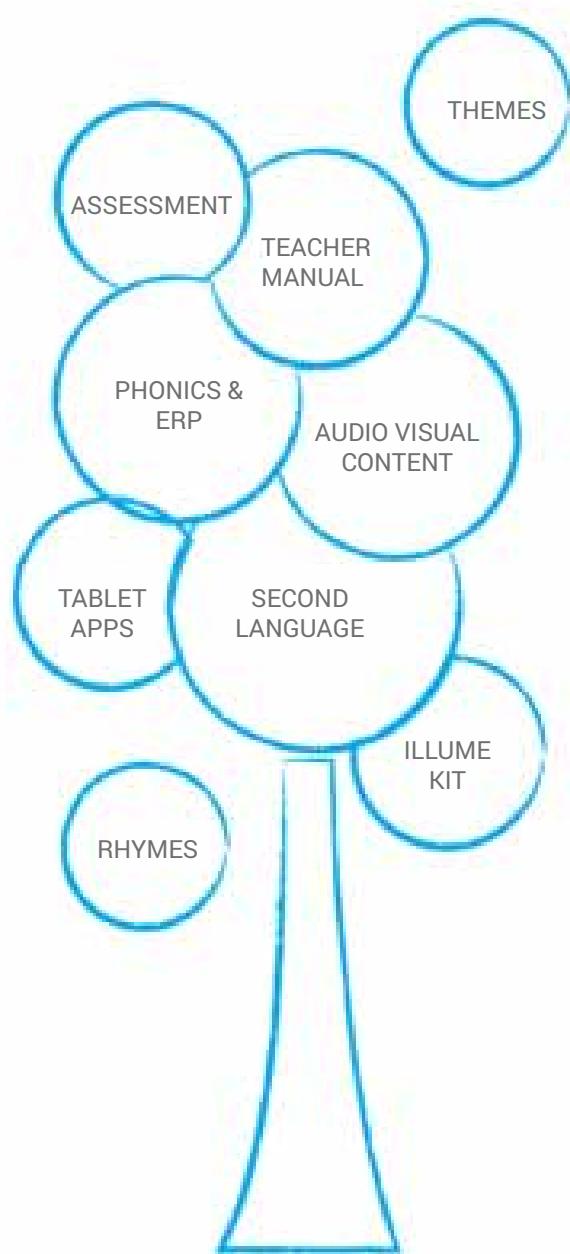
Students won many awards at Mumbai, Kolkata, Noida, Goa and Paris film festivals.



GAME CONCEPT ART CONTEST

We had exclusive tie-up with Custom Technologies to develop concept art for URBAN VIKING, mobile game. Today URBAN VIKING game has characters designed by our students.

NEW INITIATIVES IN KIDZEE FOR 2014-15



2014 saw the culmination of a two-year exercise of revamping the Illume Curriculum in Kidzee and the launch of Interactive Illume, an enriched approach that challenges the existing boundaries in preschool learning experience. Based on the need to innovate and keep pace with the changing times, we went back to our key stakeholders in 2012 and asked them what they wanted in Kidzee. Based on category research, several focus group studies and concept testing, we focused on multiple areas that can be categorised under three major heads: school readiness, life readiness and technology readiness.

The development process involved benchmarking for global best practices as promoted by bodies like OMEP and National Association for the Education of Young Children (NAEYC), USA. From early 2013, we started designing the new Interactive Illume approach that was ready for piloting in early 2014. The components we developed included a new phonics and English readiness programme, new and improved worksheets, an innovative word builder, descriptive charts, story cards and picture flashcards among others.

The learning experience had major technology components in form of creative audio-visuals for engagement and learning, CDs with original rhymes for concepts and phonics, talking pen and talking-pen-enabled books and cards, and proprietary native apps for tablet devices. This selection from the entire component list shows the diversity in Interactive Illume to ensure Kidzee children have the best possible preschool experience available yet in India.



To ensure effective implementation of such an innovative and nuanced programme, Kidzee embarked upon an equally diverse training and piloting exercise that lasted for a year in selected centres involving over 700 children. The facilitator training was revamped and a new Illumnaire Certificate Assessment Programme (ICAP) was created. During the piloting exercise, the pilot centres were observed by both the academic design team as well as the operations team in order to gauge the effectiveness of the programme and what changes needed to be made to make it better.

In mid-2014, an external research organisation, IMRB, was engaged to get feedback from partners, parents and teachers on the effectiveness of the programme. While the response spoke of unprecedented satisfaction among all stakeholders (with 100% satisfaction level for overall curriculum, quality of teaching aids, ease of use, English language and phonic, homework and parent-teacher interaction), certain challenges and concerns were identified as well. Also, based on our internal feedback mechanism, certain change areas were addressed in the programme.

Thus, completing an extensive feedback cycle, in late 2014, Interactive Illume was launched nationwide in 2015, in the presence of over 110 partners. Since the launch, more than 450 centres had seamlessly adopted Interactive Illume even before FY 2014 was over.

NEW INITIATIVE IN MOUNT LITERA ZEE SCHOOLS FOR 2014-15

INTERNATIONAL SCHOOLS AWARD (ISA)



ISA is a global benchmarking project that recognizes schools for their outstanding support for developing global dimension in curriculum and enriching teaching-learning through new practices. This program is being done in collaboration with the British Council, a nodal cultural organisation affiliated with the UK government, with presence in 115 countries around the world. It is a whole school development project that is implemented over a full academic year. It requires a school to take up seven projects with international dimension. Schools are supposed to work on three collaborative projects by establishing partners with schools outside India.

13 Mount Litera Zee Schools have enrolled for this programme. They have received approval on the

action plan from the British Council. Schools are in the process of finding partners, with schools abroad, for collaborative projects. Once the school completes the project in 2016, they will have to submit the evidence of work in the form of a dossier. If the dossier is selected and approved by the British Council, the school will receive ISA accreditation from them. This accreditation will be valid for three years, i.e. the school can use the ISA kite mark on their website and marketing material from 2016-2018. Apart from a school development initiative, this programme embodies the spirit of India's ancient maxim, vasudhaiva kutumbakam, by respecting the world as one large family, for MLZS to interact with and learn from.



◀ A Partner
School in Ghana



Increasing Digital
Literacy among Parents

HUMAN RIGHTS EDUCATION PROGRAMME

Human Rights Education (HRE), a focus area by CBSE, opened a world of innovative and enthusiastic projects in schools. Zee Learn stepped ahead to have a collaborative partnership with Amnesty International to introduce the programme in MLZS schools across the diverse corners of the country. Human Rights Education Programme in MLZS schools, talks about various rights of an individual- especially the child, along with the protection of these rights. This programme focuses on child rights and safety, campaigns against bullying and promotes a child safe environment in a humiliation free set-up. The programme establishes its basis of integrating human rights in education through school and community engagement, so as to help in creating a strong advocacy for a rights respecting society.

From Alwar in North to Silvassa in West, from Patna in East to Bangalore in South- the programme received a warm-hearted welcome from almost everywhere MLZS schools are present. This indicates how stirred and sensitised our schools have become; MLZS schools are geared-up to transmit the same in the community and the society. This also reflects the committed desire of MLZS schools to condemn any infringement of human rights. The bunch of activities conducted in our schools speaks of the success of the programme. The program includes activities as diverse as special assemblies highlighting the rights and duties of a student, anti-bullying campaign, brief sessions for students, parents and community members on human rights and felicitating the honest service of police inspectors, sub-inspectors, doctors, along with their teams!

DIGITAL CITIZENSHIP PROGRAM (DCP)

Digital Literacy Day was launched and celebrated in Mount Litera Zee School (MLZS) on 2nd December, 2014. This day came into existence twelve years ago to raise awareness amongst the community to curtail the existence of digital divide, i.e. where not all the people in the society get same opportunities for using technology. Activities like poster making and collage making were done in the schools. A certificate of participation was given to each child. Sessions were also held for parents on various topics; Understanding your child's digital world, Email creation, online money management and presenting power points. Parents were also given vouchers from Ecommerce sites. Reports and pictures were received from various MLZS schools for the DCP celebration.

Continuing with our plan for building holistic excellence in schools, we introduced the Digital Citizenship Program (DCP), a flagship initiative in the Indian school system for the year 2015-16. This co-scholastic program aimed at students of grades 4, 5, 6, 7, 8, 9 and 11 (10 and 12 are exempted because of the focus on board exams), who will be exposed to activities and sessions on digital citizenship. This program addresses the 21st century skills and is aligned to the ESP as well through digital media literacy. This programme complements the national Digital India initiative.

THE OMEP INITIATIVES

Zee Learn conducted various activities as the India chapter of OMEP, "an international, non-governmental and non-profit organisation with Consultative Status at the United Nations and UNESCO".

(Website: <http://www.worldomep.org/en/>)

Education for Sustainable Development (ESD)

Across preschools, facilitators have realised the importance of teaching about ESD and conducted activities on 'I am Responsible'. Children were guided about different energy sources and importance of conserving energy. They related to the same by taking the responsibility of asking the facilitator to switch off lights and fans before leaving the class. The idea of sustainability was shared with the children through dialogue and activity. It was highlighted that it was their responsibility to ensure that planet EARTH and all of its resources can continue to provide a home for humans as well as all other species forever, and they must leave everything around as they find them.

Equality for Sustainability

In continuation to the I Care initiative – this year too OMEP India has led 'I Care' programmes across the country, sensitizing on Anti Child Abuse and Neglect. This year the programme extended to schools apart from preschools. The 'I care' campaign is a part of the national movement to change the way we think about prevention of child abuse. By focusing on community activities, as well as preschool and school policies that prioritize healthy child development, this movement is to ensure that child abuse and neglect never occur in the first place.

Wash

In this initiative of OMEP, children participated in celebration of the Global Hand Washing Day through different activities. Children, of course, did the hand wash activity through the year keeping the same as a part of everyday life. However, the activity garnered applause when children took to conducting street plays. This year we reached out to 31,412 children and 4851 parents supported us in conducting the same across 514 preschools pan India.

All preschools now have education for health as an integral part of their curriculum, so children are involved in this project. The hand wash ideas were well accepted in most preschools and playful instructions are placed in the bathrooms. Children took home their learning about the right way to wash hands and taught family members the right techniques.

CONSUMER OUTREACH



20 States
89 cities and towns
Over 500,000 people reached



19 States
89 cities and towns
Over 500,000 people reached



THE LOGO EVOLUTION

As times change, so does the aesthetics. As always, we were ready to ensure that the logo and branding of Kidzee remained relevant and in tandem with the prevalent design sensibilities.

Ergo, after deliberations, planning and analysis we replaced our first Kidzee logo by a new logo. While the erstwhile Kidzee logo brought about the fun element with its colours and font, the new one brought in a more contemporary approach.

The new logo of Kidzee brims with energy, vibrancy and coolness due to the choice of colours, typeface and 3D effect. The use of primary colours, Red and Blue, connote energy, enthusiasm, trust and honesty. This combination addresses both the child and the parent alike. The typeface is further accentuated by an outline, which makes it stand out from any background.

The new logo and its elements form the bedrock of the new graphics that adorn the Kidzee preschools across India.



10 REASONS

WHY YOUR CHILD SHOULD BE IN **KIDZEE**

1350+ PRESCHOOL | 550+ CITIES | ASIA'S LARGEST PRESCHOOL CHAIN

- Phonics and English Readiness Programme (ERP)
- School Readiness Programme
- Tech-Integrated Learning
-  Best in class teaching methodology
- '1 Care' trained teachers
- Flashcards for enhanced learning
- Proprietary multi media content.

Tablet with exclusive learning app



ENROL TODAY!
Only from **Kidzee**

Call us at:
9320063100.



Mount Ijara
Day School

Mount Ijara School
Day School



ZIMA
ZIMPLY MINDFUL

KIDZEE
www.kidzee.com

Kidzee creative with new template and logo

DIGITAL OUTREACH

In 2001, there were approximately 7 million Internet users in India. This number has grown by 30 times in the last 15 years at a compounded rate of over 30 percent y-o-y. Today, ~40 million Indians are online every day, spending ~40-45 hours over the Internet per month. The total no. of Internet users is expected to reach 340 Mn by end of 2015. India is also the second largest market for social networking giants such as Facebook and LinkedIn; 58,000 new users get connected on to a social network every day. As on June 2015, India is expected to have a total of 213 million mobile internet users.

Zee Learn believes that with such a fast paced growth in Internet usage, it is critical for us to reach out to our parents online and interact with them. Today, nearly 80,000 users follow Zee Learn brands through social media and we have been able to reach out to more than 30 Mn users through our social media activities. It's therefore pertinent that Zee Learn continues to reach out to more and more parents, students, teachers and entrepreneurs through digital media.



Come & do your part to save the environment

Mount Litera
Zee School
ICHALKARANJI

WORLD ENVIRONMENT WEEK



Santa's Workshop

This Christmas, let your child have fun with Santa and his crew.

ACTIVITIES

- Sing along with Santa at Santa Sing-Along
- Snowy – the letter holder & Winter Window View
- Speak to Santa in Spanish & many more...

Age Groups: 3 - 5 yrs
Duration: 2 days
Schedule: 2.5 hours a day

Register Now
Contact: 093200 63100
www.kidzee.com

Mount Litera
Zee School
ICHALKARANJI



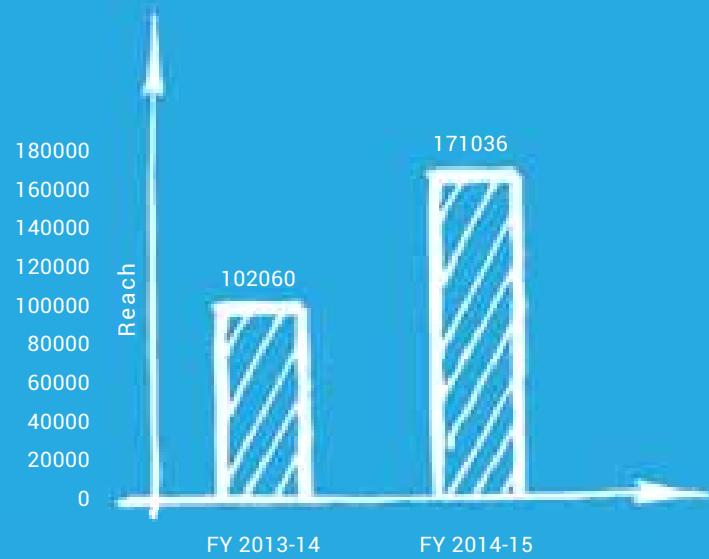
I CARE

for an abuse-free world.
I care for every child.

Learn & Enjoy the spirit of Holi at KIDZEE

KIDZEE Summer Camp 2014

WEBSITE DATA (FY 2013-14 V/S FY 2014-15)

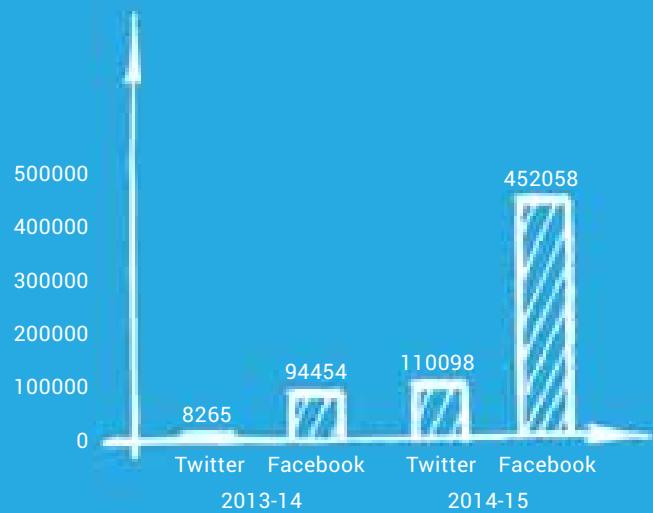
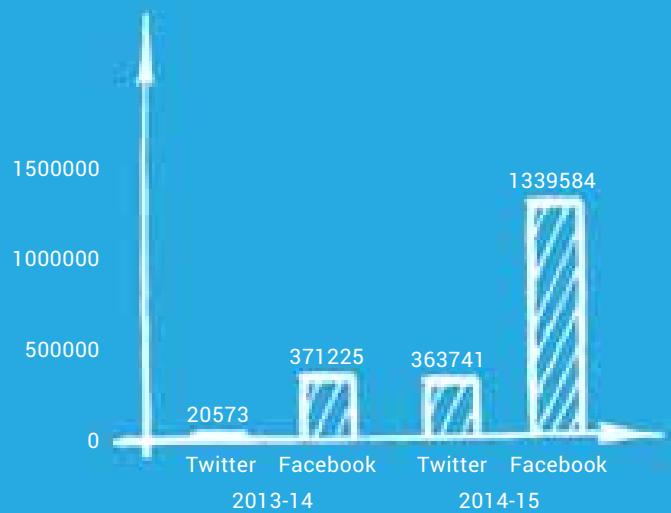


SOCIAL MEDIA (FY 2013-14 V/S FY 2014-15)

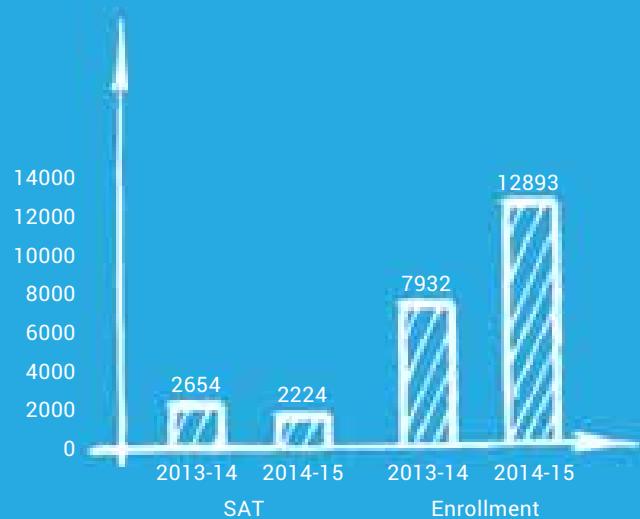
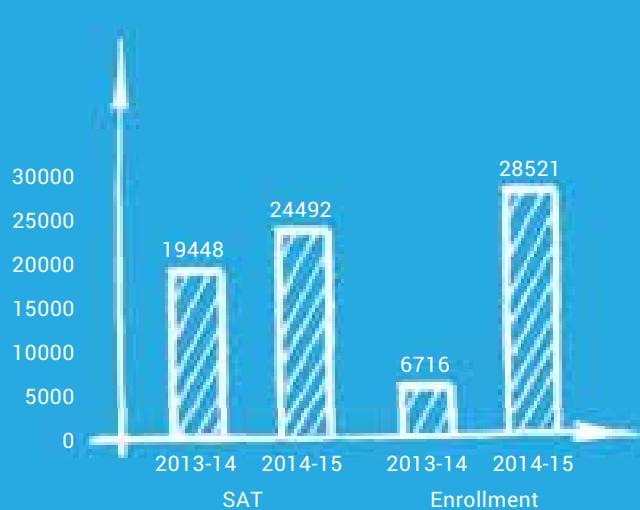
KIDZEE

Mount Litera
Zee School
Learn. Live. Lead.

SOCIAL MEDIA



DIGITAL CAMPAIGNS



Vocational training for the differently abled

HELPING HAND Vocational training is a big advantage for the differently abled people, as it supplements the initial training to ensure and assist the development of the desired skill set, writes Suresh Avari

Decades ago, when I was a research assistant at the University of Michigan, I was assigned to the Michigan State Auditor General's office to help with a study of the state's public pension system. The study, which I helped to conduct, was a comprehensive examination of the state's pension system, including its funding, investment, and administration. The study found that the state's pension system was in a state of financial crisis, with its assets and liabilities out of balance. The study recommended a number of changes to the pension system, including a reduction in the state's pension contributions, a change in the way pension benefits are calculated, and a change in the way pension benefits are distributed. The study also recommended that the state's pension system be restructured to reflect the changing needs of the state's pensioners. The study's recommendations were adopted by the state's pension system, and the state's pension system has been restructured to reflect the changing needs of the state's pensioners. The state's pension system is now in a better financial position, and the state's pensioners are better off as a result of the changes made to the pension system.

1996-1997



Throughout the 1980s, however, the U.S. Congress, for the most part, gave priority to its obligation to maintain the strength and morale of our military. Every dollar that was spent on defense was spent on the right things. Every dollar that was spent on the military was spent on the right things. Every dollar that was spent on the military was spent on the right things.

process the importance of passing and enforcement of sufficiently strict laws. This is done by giving the relevant information to police and prison authorities and by encouraging the public to support and encourage strict laws and enforcement. Article 1 of the UN Convention on the Elimination of All Forms of Discrimination Against Women states that governments should take actions "up to the limits of their available resources, to combat discrimination against women in all its forms, without distinction as to race, colour and culture, on the basis of sex, sex and gender, or other

“National Policy on Research” which is likely to assist and encourage the universities and other educational bodies to focus on the intellectual creativity of the university-educated members of society. The National Research Foundation (NRF) will be charged with the responsibility of the National Research Fund (NRF) to manage government funds for the promotion of research, development, and innovation. The NRF will provide for the promotion of research, development, and innovation in the following areas:

As the first step in the analysis, the data were converted into a binary matrix, where each cell contained a 1 if the corresponding cell in the original matrix contained a value greater than 0, and a 0 if the value was 0 or less than 0. This was done to reduce the number of variables and to make the analysis more efficient.

‘किंडझी’ ने लॉच केलं ‘इंटरॉविट्ह इल्यूमी’

中西对照

विद्यार्थी न वर्त विद्यार्थी न विद्यार्थी
विद्यार्थी विद्यार्थी विद्यार्थी विद्यार्थी
विद्यार्थी विद्यार्थी विद्यार्थी विद्यार्थी
विद्यार्थी विद्यार्थी विद्यार्थी विद्यार्थी

फिडजी की नई पेशकश

मुख्य, लूपित वे वर्षों बाटों ही भूमि (भूमि-पूर्व) लूपिता लिंगाजी ने भूमियन में लिंगा के वर्णन कर एक अल्पाल्पी लूपिता कर्तव्य है कि वह भूमियन के लिंगान से नारीलंग द्विलिंगित इन्द्रिय का वर्णन किया है।

पाली जाति ने लकड़ीचिन 20 फीटीता लिंगाजी पेटी में इस गांडगांडा का सुनार किंवा जाता निर धी-धी सुनारे जाता के 1350 रुपये में इस लकड़ीचिन लिया जाता। 2 लाख के जाति अमरुदीवान एवं जामड़ी लिंगाज के उपयोग किंगाजी ने लकड़ीचिन लक्ष्मी की लिंगाजिन लिया है। यह लकड़ीचिन जहां उप के उपयोग है, वही जातिचिन बनाना जाने के बाबत जाप्ती को बनाने के लिए जाप्तान है। केंद्रीय गोलामधू ने बताया, जिसने कुछ लक्ष्मी के लिंगाज जातिचिन, अधिक एवं अमरुदीवान जातिचिन के जाती उपरी लिंगाज लकड़ीचिन और जाकरों ने जाता में जाताज की लेटुचिन और लिंगा की लकड़ीचिन लिया है। जाता ने यह लकड़ी ने लकड़ीचिन 4,00,000 रुपया का लोकन को जाताजामधू जाता जाने वाली लिंगाजी का हात बनोंचे अद्वितीय भूमत के पालन पर जाति फैटेन रखा है।

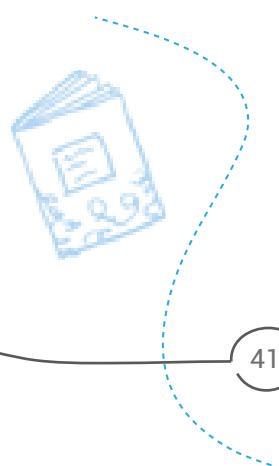


MANAGEMENT DISCUSSION AND ANALYSIS



Education is the key to progress. It empowers the individual and enables a nation. The most precious of all resources available to any country is its children and it is incumbent upon us to ensure that our children get all the opportunities they need for their physical as well as intellectual growth. A good education system must enable the child to grow intellectually and blossom into an enlightened citizen. The role of education in facilitating social and economic progress is well recognized. It opens up opportunities leading to both individual and group entitlements.

Zee Learn Ltd (ZLL) (BSE Code: 533287 and NSE Code: ZEELEARN) with its PAN India presence in Pre-Schools and K-12 schools is all poised to leverage its position to take advantage of the changing dynamics of education sector. Zee Learn is all set to provide quality education in line with the new government's vision of making India a knowledge superpower by equipping the students with necessary skills and knowledge. The company is uniquely positioned to capitalize on the growth of the education sector in India with its deep capabilities in content and curriculum creation, education infrastructure management and educational technology.



ECONOMY OVERVIEW

In July 2013, India was teetering on the edge of macroeconomic crisis with double digit inflation, a high and rising current account deficit (CAD), and a falling rupee as investor sentiment turned sour in the aftermath of the Fed's taper decision to signal the end of its quantitative easing. India was grouped with Brazil, Indonesia, Turkey, and South Africa to constitute the Fragile (Famous) Five amongst the emerging market countries (EMs).

Nearly 18 months on, the landscape has vastly changed. Macro-economic stability has returned, reforms are being undertaken, the external environment has moved in India's favour, and above all, a new Government has come into power with a relatively unencumbered political mandate for decisive economic change, a mandate that markets have enthusiastically embraced. The changing fortunes of India have been nothing short of

dramatically positive. Inflation has declined by over 6 percentage points since late 2013, and the current account deficit has shriveled from a peak of 6.7 percent of GDP (in Q3, 2012-13) to an estimated 1.0 percent in the last fiscal year. Foreign portfolio flows (of US\$ 38.4 billion since April 2014) have stabilized the rupee, exerting downward pressure on long-term interest rates, reflected in the yield on 10-year government securities, and contributed to the surge in equity prices (31 percent since April in rupee terms, and even more in US dollars, ranking it the highest amongst emerging markets).

In its Economic and Social Survey of Asia and Pacific, The UN Economic and Social Commission for Asia and the Pacific (ESCAP) projected economic growth a shade higher at 8.2 per cent for 2016-17 than in the current financial year. India's economy is officially estimated to have grown 7.4 per cent in 2014-15.



INDIAN EDUCATION INDUSTRY

The Education sector in India is poised at a crucial stage in its growth. India's demographic advantage of having a large population of youth, coupled with low gross enrolment ratios, presents a huge opportunity to education sector players. At the same time, the growth of the Indian economy and upward movement of income levels is boosting spend on Education, which already accounts for the second-highest share of wallet for middle-class households.

Over the last two decades, India has remarkably transformed its higher education landscape. It has created widespread access to low-cost high-quality university education for students of all levels. With well-planned expansion and a student-centric learning-driven model of education, India has not only bettered its enrolment numbers but has dramatically enhanced its learning outcomes. A differentiated three-tiered university system - where each tier has a distinct strategic objective -

has enabled universities to build on their strengths and cater across different categories of educational needs.

Further, with the effective use of technology, India has been able to resolve the longstanding tension between excellence and equity. India has also undertaken large-scale reforms to better faculty-student ratios by making teaching an attractive career path, expanding capacity for doctoral students at research universities and delinking educational qualifications from teaching eligibility.

In Budget 2015, the Government of India allocated USD23.6 billion for the education sector compared to USD22.8 billion in the previous budget. This presents a huge opportunity for the education sector. Of this, USD11.3 billion has been earmarked for general education while USD4.7 billion has been allocated for Sarva Siksha Abhiyan



INDUSTRY SEGMENT OVERVIEW

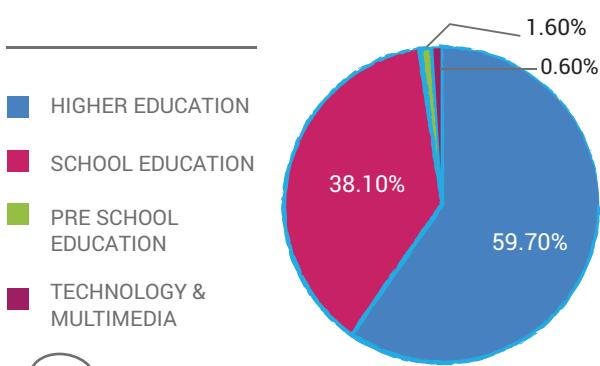
The education market in India, which is presently worth around ₹5.9 trillion (\$92.98 billion), is poised for some major growth in the years to come, as by 2020, India will have the world's largest tertiary-age population, and second largest graduate talent pipeline globally. Presently, higher education contributes 59.7 per cent of the market size, school education 38.1 per cent, pre-school segment 1.6 per cent, and technology and multi-media the remaining 0.6 per cent.

Due to the growth advantages, this sector has also received number of INVESTMENTS from several foreign organisations. In the period from April 2000- November, 2014, the education sector in India attracted FDI equity to the tune of \$974.81 million, according to the Department of Industrial Policies and Promotion (DIPP).

K-12 MARKET OR SCHOOL EDUCATION:

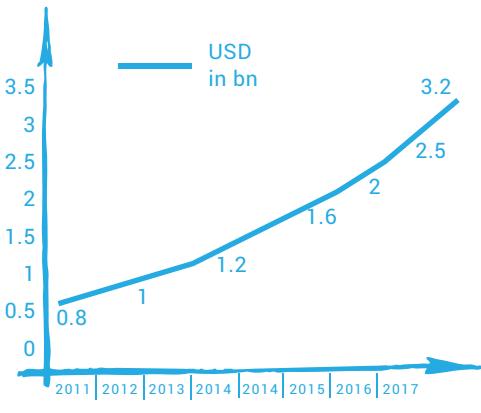
The education market in India, which is presently worth around ₹5.9 trillion (\$92.98 billion), is poised for some major growth in the years to come, as by 2020, India will have the world's largest tertiary-age population, and second largest graduate talent pipeline globally. Presently, higher education contributes 59.7 per cent of the market size, school education 38.1 per cent, pre-school segment 1.6 per cent, and technology and multi-media the remaining 0.6 per cent.

Due to the growth advantages, this sector has also received number of INVESTMENTS from several foreign organisations. In the period from April 2000- November, 2014, the education sector in India attracted FDI equity to the tune of \$974.81 million, according to the Department of Industrial Policies and Promotion (DIPP).



PRE-SCHOOL SEGMENT:

The Indian preschool segment is subdivided into several categories linked to the convenience of its primary clients - working parents. Accordingly, preschools are divided into three subcategories depending on the duration of the school and the age group it caters to Daycare Centres, Nurseries and Creches. The preschool segment of the Indian education industry is dominated mainly by unorganized sector. The organized sector comprises 17 percent of the industry, with the penetration rate expected to rise to 25 percent by 2015-2016, due to the rapid growth of preschools in Tier-III and Tier-IV cities. The preschool segment generated revenues of \$750 million in 2011. Revenues are estimated to increase to \$3.24 billion by 2017, at a CAGR of 27.33 percent from 2011 to 2017.



GOVERNMENT INITIATIVES

Policy support has been a key ingredient to growth of the Indian education. The Government of India, through various policies and reforms initiated in recent times, has provided an impetus to accelerate the growth in this sector.

NATIONAL KNOWLEDGE COMMISSION (NKC):

An advisory body-National Knowledge Commission(NKC) was set up to guide policy and direct reforms, focusing on certain key areas such as education, science and technology, agriculture, industry and e-governance. NKC recommended to increase the number of universities to 1,500 by 2015 and to increase the gross enrolment ratio to at least 15 per cent by 2015.

GOVERNMENT FOCUS ON EDUCATION QUALITY:

In the 12th Five-Year Plan, the Government plans to provide enhanced access to higher education by creating two million additional seats for each age group. During the 12th Five-Year Plan, the Government will continue its focus on expansion, equity and excellence with a greater emphasis on quality of higher education.

SKILL DEVELOPMENT:

The Government has drawn up an ambitious roadmap to enhance skill levels of millions of people. The plans involve integrating skill enhancement and entrepreneurship in the syllabi at the school level, setting up of 2,500 multi-skilling institutions in the public-private partnership (PPP) mode, and set up institutes of entrepreneurship development in various centres including upcoming smart cities among others. India will have to skill 120 million people in non-farm sectors, with the highest requirement of skilled labour to come from the construction sector, retail, education, logistics etc according to estimates between 2013 and 2022.

CONTINUED MONETARY SUPPORT FROM THE GOVERNMENT:

In the budget 2014-15, USD11.5 billion was provided to the HRD Ministry for the education sector. An expenditure of USD37.13 billion has been projected for higher education to achieve the proposed objectives of improvement in literacy and education during the 12th Five Year Plan (2012-17).

Sarva Shiksha Abhiyan (SSA), a Government policy that implies every child has a right to elementary education of satisfactory and equitable quality. In FY15, the Government of India allocated USD4.8 billion to SSA which accounts for 41.7 per cent of the total education budget.

FOREIGN DIRECT INVESTMENT:

The Government of India allowed 100 per cent FDI in the education sector through the automatic route since 2002. Foreign Educational Institutions (Regulations of Entry and Operations) Bill, 2010 was adopted to liberalize education sector in India.

GROWTH HURDLES FOR THE INDUSTRY

NOT FOR PROFIT STATUS:

Indian Higher Education Institutes (HEIs) must be operated as not-for-profit entities either as Public Trusts, Societies or as Section 25 companies. The not-for profit mandate is a key deterrent to active private interest and flow of capital of the corporate sector. In several other countries such as the US, not-for-profit models coexist with for-profit models.

COMPLEX REGULATORY ENVIRONMENT:

There are multiple regulatory agencies with overlap of functions and mandates. Education as a subject features in all 3 Constitutional lists i.e. the Union, the State and the Concurrent lists. This has resulted in both Central and State Government agencies regulating education, making the set up of new universities difficult.

WIDE VARIATION IN TEACHING QUALITY:

Despite of large number of HEIs in the country, there have been constant debates on the skill set quality and employability of these people. With increase in demand for skilled people, opportunity for institutions delivering high quality education shall further increase and become lucrative.

PUBLIC SCHOOL INFRASTRUCTURE:

Poor infrastructure in Govt. schools and lack of good

teachers have forced the Indian middle class to withdraw their children from Govt. schools and enroll them in private schools. While private schools account for 20% (0.26 million) of the total number of schools (1.3 million), they provide education to more than 30% of students. The increasing demand for quality education is also backed by the willingness to pay for it. Metros like Delhi and Mumbai have very high land prices and almost no vacant education land parcels, thereby limiting capacity expansion. A state wise analysis on the need gap indicates a shortage of schools in Chandigarh, Kerala and Delhi/NCR.

In places like Delhi, this situation is expected to remain unchanged due to high land costs and unavailability of new school land parcels. Probably running schools in shifts could address some of these issues.



OUTLOOK

Various government initiatives are being adopted to boost the growth of distance education market, besides focusing on new education techniques, such as E-learning and M-learning. The Government of India has taken several steps including opening of IIT's and IIM's in new locations as well as allocating educational grants for research scholars in most government institutions. Furthermore, with online modes of education being used by several educational organizations, the higher education sector in India is set for some major changes and developments in the years to come.

In recent years, India has undertaken massive structural and systemic changes that have started to yield encouraging results. The country has been touted to have the best-in-class post-secondary education system at present.

Some of the significant factors that have contributed to this growth includes: expansion of a differentiated university system with a three-tiered formalized structure, transition to a learner-centered paradigm of education, intensive use of technology and reforms in governance.

Moreover, the Government of India has taken several steps including opening of IIT's and IIM's in new locations as well as allocating educational grants for research scholars in most government institutions. Furthermore, with online modes of education being used by several educational organizations, the higher education sector in India is set for some major changes and developments in the years to come.

OPPORTUNITIES

- Government's impetus on skill development
- Growing aspirations of middle class people
- Large un tapped opportunity in the digital classroom space
- Existing shortage of K-12 schools in the country

THREAT

- Rising competition in all segments
- Existing shortage of K12 schools in the country

RISK

- High interest cost
- Delay in project allocation process by government
- Shortage of skilled teachers

CONCERNS

- Educational services brought under purview of service tax
- Prohibitive costs in tier-1 & 2 cities in setting up new schools

BUSINESS OVERVIEW

The year FY15 was a landmark year for Kidzee as it continued its growth story and for the first time, the company added more than 500 pre-school franchisee partners. A leader in the Early Childhood Development and Education (ECDE) domain for over a decade now, Kidzee has nurtured over 450,000 children till date, thus truly standing for India's Favourite Preschool.

Kidzee's proprietary curriculum places the child at the centre and designs everything around the developmental requirements of the child. The overriding principle 'What's Right For Child' (WRFC) governs everything that we do at Kidzee and serves as a filter to deliver only what is in the best interest of the child. Being committed to the cause of Child Abuse Prevention, Kidzee continues to empower the child and educate all stakeholders to prevent incidence of child abuse in any form under the 'I Care' initiative.

Standalone Net profit stood at ₹962.3 lakhs for the year ended March 31, 2015 against the loss of (₹132.7 lakhs) for the corresponding year ending March 31, 2014. Standalone Revenue from operations for the year ending March 31, 2015 stood at ₹12,158.3 lakhs, up against ₹11,917.5 lakhs for the corresponding year ending March 31, 2014. EBITDA from operations for the year ending March 31, 2015 stood at ₹2,493.9 lakhs , up against ₹1,036.7 lakhs for the corresponding quarter ending March 31, 2014.

Consolidated Net profit stood at ₹989.3 lakhs for the year ended March 31, 2015 against the loss of (₹193.8) lakhs for the corresponding year ending March 31, 2014. Consolidated Revenue from operations for the year ending March 31, 2015 stood at ₹12,778.3 lakhs, up against ₹12,131.9 lakhs for the corresponding year ending March 31, 2014. EBITDA from operations for the year ending March 31, 2015 stood at ₹3,060.8 lakhs, up against ₹1,215.1 lakhs for the corresponding quarter ending March 31, 2014.



KIDZEE



FY15 was a landmark year for Kidzee as it continued its growth story and crossed 1350 operational centres across 550+ cities. In FY15, Kidzee grew by 18% over the last year with c.107,700 children studying in its network across the country.

Its proprietary pedagogy, iLLUME is what sets Kidzee a class apart from other preschool chains. iLLUME is an approach that helps parents and teachers spot the unique potential in each child and help them realize it. Zee Learn offers franchises to local education entrepreneurs, especially women, to run and manage Kidzee preschools.

MOUNT LITERA ZEE SCHOOL



Mount Litera Zee Schools (MLZS) aim to provide Learner Centered education with an integrated approach - where the child is at the centre of everything. Mount Litera Zee Schools were initiated to bring about a quantum leap in how school education is delivered to the modern day child. The purpose is to help children realize their unique potential through our state-of-the-art infrastructure and facilities, well trained teachers, and a proprietary pedagogy. MLZS provides holistic and quality education to all its students.

Zee Learn partners with local educational trusts under various operating models. The range of services and solutions provided by Zee Learn under these partnerships range from school set up assistance, teacher-training, assessment, teaching materials, student learning resources, branding, innovative schooling solutions and also enrolment assistance.

OUR PEDAGOGY FOR MLZS: LITERA OCTAVE

It is an integrated educational model that has been honed over years of research and development integrating various pillars such as content, infrastructure, classroom design, assessment and systems that impact the child during his/her learning and development in school.

During FY15, MLZS continued its growth story and crossed 87 operational schools. In FY15, enrollments in MLZS grew by 38% over the last year with c.30,500 children studying in its network across the country.

ZEE INSTITUTE OF CREATIVE ART (ZICA):



ZICA is a Classical and Digital Animation training academy that trains students in classical 2D and modern 3D animation. The institute has adopted a novel training style and is focused entirely on creating a stimulating environment for its curriculum.

ZEE INSTITUTE OF MEDIA ARTS (ZIMA):



ZIMA is engaged in the world of direction, cinematography, editing, sound, film animation, visual effects and the training of other high end software like Autodesk, Smoke and Flame. ZIMA offers the platform and infrastructure supporting the media education for the students fulfilling global standards.

BUSINESS STRATEGY

Zee Learn has always believed in doing what is right for the child. All programs designed at Zee Learn keep the child at its centre. We firmly believe that if our programs deliver on the promised learning and development of the child, parents will reward us with positive word of mouth and become our best ambassadors. The key strategic pillars of Zee Learn Limited operations during FY15 have been:

DEVELOP LEARNING MATERIALS CONSISTENT WITH OUR PROPRIETARY PEDAGOGIES

Zee Learn has invested considerable resources in developing learning designs, student learning materials and e-content for pre-schools and K-12 schools. This education content is consistent with our pedagogy of Litera OCTAVE and iLLUME. This puts Zee Learn in a unique position of having a full education suite for preschools and K-12 schools.

EXPAND FOOTPRINT TO MAXIMIZE IMPACT

We firmly believe that in order to take our path-breaking pedagogies and learning materials to the most number of students, we need to expand the footprint of our preschools and K-12 schools.

MANAGE COSTS AND EFFICIENCY

With our increasing scale and rationalizing of vendors, Zee Learn has been able to manage its cost of goods while improving quality. The team is constantly focused on assessing our operations and re-engineering processes to become more efficient.



GROWTH PLANS

Zee Learn is focused on maintaining its position of a pre-eminent player in the Pre K-12 market. We believe that this segment offers unparalleled opportunity to improve the human capital of the country and huge upside for growth. Within this segment, growth for Zee Learn will come from:

ENROLMENT GROWTH IN ITS INSTITUTES

Zee Learn today has more than 1350 preschools, 87 K-12 schools and 23 Vocational institutes. Driving enrolments in these existing institutes to hit full capacity gives a significant upside of more than doubling our enrolments.

EXPANSION OF FOOTPRINT

With education being a supply constrained market for good quality preschools, schools and vocational centres, Zee Learn is committed to expanding its footprint to reach out to more and more children and creating more avenues for driving enrolments. We'll be leveraging different options for this growth including franchising, partnerships and JVs.

INCREASING CAPACITY UTILIZATION

Within businesses, we constantly add innovations and products to fulfill a wide range of education needs and increase our share of the parents' wallet. This in turn increases our revenue potential and return on investment of the real estate assets.

INCREASE SHARE OF WALLET

With constant innovations and better and well researched products which can cater to wide range of education needs, we endeavor to increase our share of the parents' wallet. This in turn increases our revenue potential and return on investment of the capital deployed to run our education venture.

STANDALONE FINANCIAL PERFORMANCE

FINANCIAL YEAR 2015 COMPARED TO FINANCIAL YEAR 2014

INCOME

Our total income increased by 2 per cent to ₹12,158 lakhs in FY 15 from ₹11,917 lakhs in FY 14. Revenue from Kidzee and MLZS business grew by 22% in FY15 to ₹10,756 lakhs vis-à-vis ₹8,822 lakhs during FY14. However, top line growth looks muted on account of transferring the operations of servicing educational content of Television channel ZeeQ to our group company and due to planned reduction in non-core businesses.

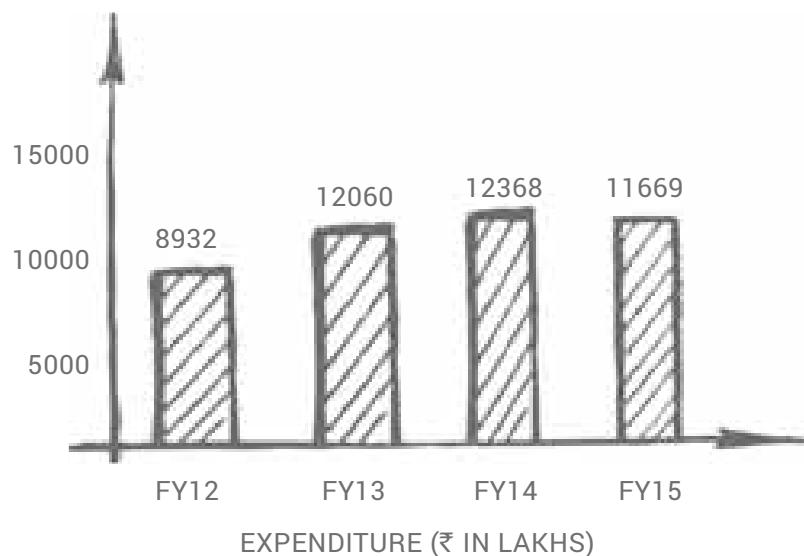


OTHER INCOME

The Company earned other income of ₹473 lakhs in FY15 up from ₹318 lakhs in FY14 largely on account of Liabilities/Excess provision written back during the year and Premium on Redemption of Preference shares.

EXPENDITURE

Total expenditure decreased by 6 per cent to ₹11,669 lakhs in FY15 from ₹12,368 lakhs in FY 14 largely on account of planned reduction of non core business and transfer of operations of servicing educational content of Television channel ZeeQ resulting in lower cost of goods sold and employees expenses.



COST OF GOODS SOLD AND OPERATIONAL EXPENSES

Cost of goods sold and operational expenses decreased by 10 per cent to ₹3,444 lakhs in FY15 from ₹3,842 lakhs in FY14.

EMPLOYEE BENEFITS EXPENSES

Employee benefits expenses decreased by 20 per cent to ₹2,495 lakhs in FY15 from ₹3,127 lakhs in FY14.

OTHER EXPENSES

Other expenses decreased by 5 per cent to ₹3,725 lakhs in FY15 from ₹3,912 lakhs in FY14 mainly on account of reduction in travelling and conveyance expenses, legal and professional charges and Provision for doubtful debts and advances.

FINANCE COSTS

The increase in finance costs by 61 per cent from ₹823 lakhs in FY14 to ₹1,325 lakhs in FY15 is on account of interest charged on loans for the full year during FY15 as against charged on pro rata basis during FY14.

Depreciation and amortisation expenses

Depreciation and amortisation expenses increased marginally by 2 per cent to ₹680 lakhs in FY15 from ₹664 lakhs in FY14.

GOVERNMENT INITIATIVES

The company has made profit after tax of ₹962 lakhs in FY15 as against loss of ₹133 lakhs in FY14 due to better revenue from operational activities and control on expenses.

SOURCE OF FUNDS

Share Capital

The share capital increased by ₹7 lakhs from ₹3,193 lakhs as at March 31, 2014, to ₹3,200 lakhs as on March 31, 2015, on account of issuance of shares under the Employee Stock Option scheme.

Reserve and Surplus

The reserve and surplus as at March 31, 2015, saw an increase of ₹1,041 lakhs from ₹19,203 lakhs as at March 31, 2014, largely on account of profits generated during the year of ₹918 lakhs.

Long-term Borrowings

Long-term borrowings saw an decrease of ₹3,916 lakhs from ₹8,596 lakhs as at March 31, 2014 to ₹4,680 lakhs at March 31, 2015, on account of classification under short-term loan due to its maturity in next the 12 months.

Long-term provisions

Long-term provisions saw an increase of ₹3 lakhs from ₹144 lakhs as at March 31, 2014 to ₹147 lakhs as at March 31, 2015, on account of increase in gratuity provisions.

Current Liabilities

Current liabilities saw an increase of ₹4,646 lakhs from ₹8,078 lakhs as at March 31, 2014 to ₹12,724 lakhs as at March 31, 2015, mainly on account of Inter Corporate Deposits taken to the tune of ₹2,937 lakhs, increase in current maturities of debentures and long term borrowing from ₹2,354 lakhs to ₹3,916 lakhs and increase in trade payables from ₹871 lakhs to ₹1,319 lakhs.

APPLICATION OF FUNDS

FIXED ASSETS

Fixed assets saw a net decrease of ₹418 lakhs from ₹1,718 lakhs as at March 31, 2014, to ₹1,301 lakhs as at March 31, 2015, on account of higher depreciation charged in compliance with Schedule II of Companies Act, 2013 i.e. depreciating the asset over useful life using straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement etc.

NON-CURRENT INVESTMENTS

Non-current investments increase by ₹22,621 lakhs from ₹10,601 lakhs as at March 31, 2014, to ₹33,222 lakhs as at March 31, 2015 on account of subscription to Compulsorily Convertible Debentures of wholly owned subsidiary company to the tune of ₹13,048 lakhs and reclassification of Non-Convertible Non-Cumulative Redeemable Preference Shares in wholly owned subsidiary company from current investment to non-current investment of ₹9,572 lakhs.

LONG-TERM LOANS AND ADVANCES

Long-term loans and advances saw an increase of ₹159 lakhs from ₹750 lakhs as at March 31, 2014, to ₹909 lakhs as at March 31, 2015, on account of increase in deposits with government and other deposits considered good.

CURRENT ASSETS

Current assets saw a decrease of ₹20,587 lakhs from ₹25,842 lakhs as at March 31, 2014, to ₹5,255 lakhs as at March 31, 2015, on account of reclassification of Non-Convertible Non-Cumulative Redeemable Preference Shares in wholly owned subsidiary company from current investment to non-current investment ₹9,659 lakhs, repayment of loans taken from related party to the tune of ₹900 lakhs and conversion of loan given to wholly owned subsidiary company into Compulsorily Convertible Debentures worth ₹10,149 lakhs.



CONSOLIDATED FINANCIAL PERFORMANCE

FINANCIAL YEAR 2015 COMPARED TO FINANCIAL YEAR 2014

INCOME

Our total income increased by 6 per cent to ₹12,778 lakhs in FY 15 from ₹12,132 lakhs in FY 14 largely due to increase of ₹410 lakhs in lease rental income in DVPL. Revenue from Kidzee and MLZS business grew by 22% in FY15 to ₹10,756 lakhs vis-à-vis ₹8,822 lakhs during FY14. However, top line growth looks muted on account of transferring the operations of servicing educational content of Television channel ZeeQ to our group company and due to planned de-growth in non-core businesses.

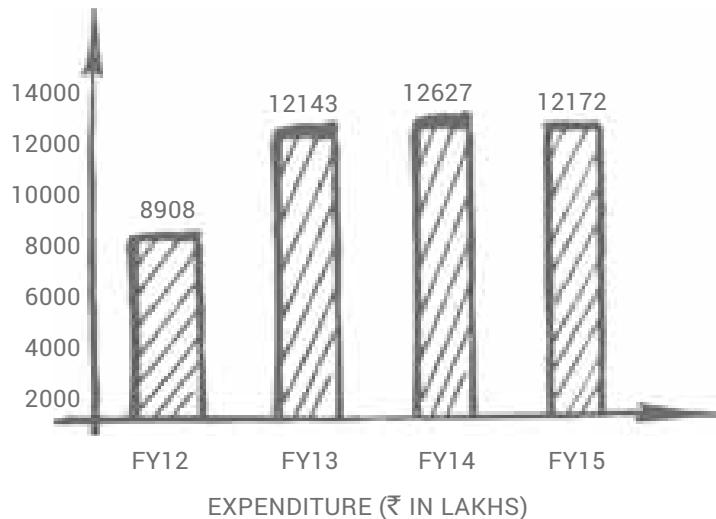


OTHER INCOME

The Company earned other income of ₹384 lakhs in FY15 up from ₹302 lakhs in FY14 largely on account of Liabilities/Excess provision written back during the year.

EXPENDITURE

Total expenditure decreased by 4 per cent to ₹12,172 lakhs in FY15 from ₹12,627 lakhs in FY 14 largely on account of planned de-growth of non core business and transfer of operations of servicing educational content of Television channel ZeeQ resulting in lower cost of goods sold and employees expenses.



COST OF GOODS SOLD AND OPERATIONAL EXPENSES

Cost of goods sold and operational expenses decreased by 10 per cent to ₹3,444 lakhs in FY15 from ₹3,842 lakhs in FY14.

EMPLOYEE BENEFITS EXPENSES

Employee benefits expenses decreased by 20 per cent to ₹2,498 lakhs in FY15 from ₹3,127 lakhs in FY14.

OTHER EXPENSES

Other expenses decreased by 4 per cent to ₹3,776 lakhs in FY15 from ₹3,948 lakhs in FY14 mainly on account of reduction in travelling and conveyance expenses, legal and professional charges and Provision for doubtful debts and advances.

FINANCE COSTS

Finance costs increased by 56 per cent to ₹1,520 lakhs in FY15 from ₹975 lakhs in FY14 on account of interest charged on loans for the full year during FY15 as against charged on pro rata basis during FY14. Also, additional term loan to the tune of ₹6,083 lakhs were raised during the year.

DEPRECIATION AND AMORTISATION EXPENSES

Depreciation and amortisation expenses increased by 27 per cent to ₹935 lakhs in FY15 from ₹736 lakhs in FY14 on account of projects capitalized during the year which was earlier part of Capital Work in progress.

PROFIT AFTER TAX

The company has made profit after tax of ₹989 lakhs in FY15 as against loss of ₹194 lakhs in FY14 due to better revenue from operational activities and control on expenses.

SOURCE OF FUNDS

Share Capital

The share capital increased by ₹7 lakhs from ₹3,193 lakhs as at March 31, 2014, to ₹3,200 lakhs as on March 31, 2015, on account of issuance of shares under the Employee Stock Option scheme.

Reserve and Surplus

The reserve and surplus as at March 31, 2015, saw an increase of ₹1,068 lakhs from ₹19,119 lakhs as at March 31, 2015, largely on account of profits generated during the year of ₹989 lakhs.

Long-term Borrowings

Long-term borrowings saw an increase of ₹1,365 lakhs from ₹28,233 lakhs as at March 31, 2014 to ₹29,598 lakhs as at March 31, 2015, on account of term loan taken of ₹3,300 lakhs. The company also made the repayment of Term loan to the tune of ₹1,935 lakhs.

Long-term provisions

Long-term provisions saw an increase of ₹5 lakhs from ₹147 lakhs as at March 31, 2014 to ₹152 lakhs as at March 31, 2015, on account of increase in gratuity provisions.

Current Liabilities

Current liabilities saw an increase of ₹4,935 lakhs from ₹10,185 lakhs as at March 31, 2014 to ₹15,120 lakhs as at March 31, 2015, largely on account of Inter Corporate Deposits taken to the tune of ₹3,381 lakhs and increase in trade payables from ₹872 lakhs to ₹1,319 lakhs.

APPLICATION OF FUNDS

FIXED ASSETS

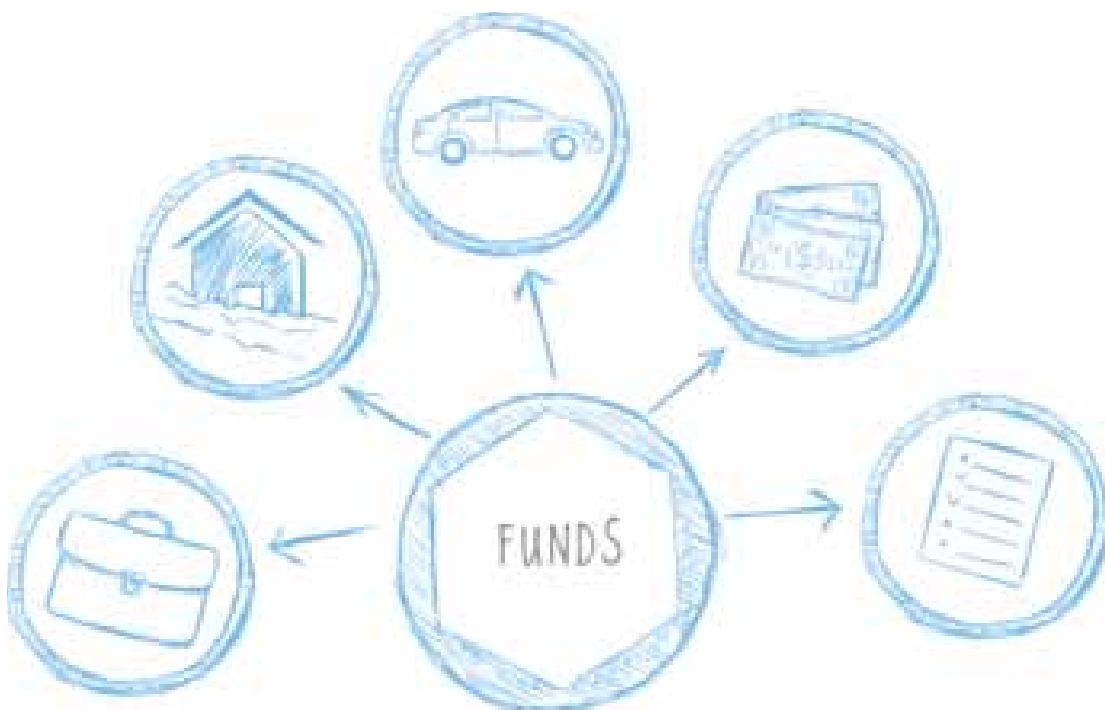
Fixed assets saw a net increase of ₹6,734 lakhs from ₹47,156 lakhs as at March 31, 2014, to ₹53,890 lakhs as at March 31, 2015, on account of increase of ₹7,152 lakhs in tangible and intangible assets in DVPL.

LONG-TERM LOANS AND ADVANCES

Long-term loans and advances saw an increase of ₹114 lakhs from ₹6,773 lakhs as at March 31, 2014, to ₹6,891 lakhs as at March 31, 2015, on account of increase in deposits with government and other deposits.

CURRENT ASSETS

Current assets saw an increase by ₹84 lakhs from ₹6,653 lakhs as at March 31, 2014, to ₹6,736 lakhs as at March 31, 2015.



INTERNAL CONTROLS

The Company has in place adequate internal control systems, commensurate with its size and nature of operations so as to ensure smoothness of operations and compliance with applicable legislation. The Company has a well-defined system of management reporting and periodic review of business to ensure timely decision-making. Internal audit is conducted by professionally qualified financial personnel, which conducts periodic audits/review to maintain a proper system of checks and control.

The management information system (MIS) forms an integral part of the Company's control mechanism. All operating parameters are monitored and controlled. Any material change in the business outlook is reported to the Board. Material deviations from the annual planning and budgeting, if any, are reported to the Board on quarterly basis.



MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The HR strategy of Zee Learn Limited is aligned with the overall strategy of the company.

TALENT ACQUISITION:

Zees learn hires the best fit talent to meet the current and future requirements of the business. During the year the hiring policy framework was further strengthened to identify the best fit talent. The talent pool diversity is built continuously by hiring across industries to augment our efforts towards market leadership in all the businesses that we operate.

TALENT MANAGEMENT:

Zee Learn has built a progressive people environment which fosters a culture of meritocracy with an emphasis on caring for employees. Employees are encouraged to take up different roles within the organization. This grooms the talent and prepares them to take up senior positions at a later date. The high potential employees are identified, encouraged and rewarded to make them committed and capable for achieving the Zee Learn's business goals. An approachable senior leadership team stays connected and coaches employees for superior performance.

EMPLOYEE ENGAGEMENT:

At Zee Learn the employee engagement efforts are inclusive and empowering. Forums such as regular business meets, monthly open forums and round the

year regional meets are organized to provide interactive platforms for sharing information and ideas and presenting the employee recognition awards. Additionally, the 'HR Connexion' program organized routinely helps the Human Resources function and employees interact and collaborate to understand and enhance effectiveness of the various HR and organization efforts across locations. The Q12 survey conducted this year witnessed a healthy participation and the aggregate results positively indicated our efforts in engagement initiatives.

LEARNING AND DEVELOPMENT:

Enabling people to perform their function effectively is core to Zee Learn's philosophy. Zee Learn strives to keep its employees updated with the latest developments in their fields of work and encourage them to take up new challenges outside their job domains. Zee Learn has a three pronged strategy for people development. The first and most important is to provide a challenging work, second is to foster a strong cross-functional interaction and the third is structured training programs by engaging internal and external resources. Our approach has worked well in creating a learning culture where employee experience growth in their career through their work.

Corporate Information

Board of Directors

Subodh Kumar
Chairman

Surjit Banga
Independent Director

Dr. Manish Agarwal
Independent Director

Sangeeta Pandit
Independent Director

Himanshu Mody
Non-Executive Director

Auditors

M/s MGB & Co. LLP. - *Chartered Accountants*

Board Committees

Audit Committee

Surjit Banga - *Chairman*

Sangeeta Pandit - *Member*

Himanshu Mody - *Member*

Stakeholders Relationship Committee

Surjit Banga - *Chairman*

Himanshu Mody - *Member*

Nomination and Remuneration Committee

Dr. Manish Agarwal - *Chairman*

Surjit Banga - *Member*

Himanshu Mody - *Member*

Senior Management

KVS Seshasai
Chief Executive Officer

Samir Raval
Company Secretary

Vivek Bhanot
Strategic Acquisition Team

Mayank Jain
School Management services

Brijesh Jadia
Head - Procurement & Supply Chain

Pradeep Pillai
Chief Operating Officer
(Up to 03.06.2015)

Abhinav Upadhyay
Head - Marketing and Innovation

Sukhvinder Singh Bindra
Pre-school - Enrolments and operations

Vikash Kar
Head - Human Resources

Umesh Pradhan
Chief Financial Officer

Sindu Aven
Head - Academic Content

Nitish Menon
K-12 Franchisee School-Enrolments and operations

Deepa George
Head - Legal

Bankers

Axis Bank Limited | Yes Bank Limited | ICICI Bank Limited | IDBI Bank Limited | State Bank of India | Deutsche Bank

Registered Office

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

Corporate Office

Fun Republic, Level 6th,
Off. New Link Road,
Andheri (W), Mumbai - 400053.

Registrar & Share Transfer Agent

Sharepro Services (India) Private Limited
13AB, Samhita Warehousing Complex,
2nd Floor, Sakinaka Telephone Exchange Lane,
Off Andheri-Kurla Road, Sakinaka, Andheri (East),
Mumbai 400 072 - INDIA.

Investor Email ID: investor_relations@zeelearn.com | **Corporate Identity Number :** L80301MH2010PLC198405

website: www.zeelearn.com

Notice

NOTICE is hereby given that the Fifth Annual General Meeting of the members of Zee Learn Limited will be held on Friday, the 28th day of August, 2015 at 11.00 a.m., at 'The Hall of Culture', Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements of the Company - on a standalone and consolidated basis, for the financial year ended March 31, 2015 including the Balance Sheet as at March 31, 2015, the Statement of Profit & Loss for the financial year ended on that date, and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Subodh Kumar (DIN 02151793), who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
3. To re-appoint M/s MGB & Co., LLP Chartered Accountants, Mumbai, having Firm Registration No. 101169W/W-100035, as the Statutory Auditors of the Company to hold such office from the conclusion of this meeting until the conclusion of the next Annual General Meeting at remuneration to be determined by the Board of Directors of the Company.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) thereto or re-enactment thereof, for the time being in force), the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board

Samir Raval
Company Secretary

Place: Mumbai
Date : May 27, 2015

Registered Office:

Continental Building,
135, Dr. Annie Besant Road,
Worli, Mumbai – 400 018.

CIN:- L80301MH2010PLC198405

E-mail :- investor_relations@zeelearn.com

Notes:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint proxy to attend and vote on a poll on his/ her behalf. Such a proxy need not be a member of the Company. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting.

A person can act as a proxy on behalf of the members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company. Any member holding more than 10% of the total share capital of the Company may appoint a single person as proxy and in such person shall not act as a proxy for any other person or member.

2. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of Special Business to be transacted at the Annual General Meeting is annexed hereto.
3. Corporate Members are requested to send to the Registered Office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act 2013, authorizing their representative to attend and vote at the Annual General Meeting.
4. Additional information, pursuant to Clause 49 of the Listing Agreement with Stock Exchanges on Director recommended by the Board for re-appointment at the Annual General Meeting forms part of the Report on Corporate Governance in the Annual Report.
5. Members who wish to obtain information on the Financial Statements for the year ended March 31, 2015, may send their queries at least 7 (seven) days before the AGM to the Company Secretary at the registered office of the Company or at Email ID investor_relations@zeelearn.com
6. Electronic Copy of the Annual Report for FY 2014 - 15 is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participant(s) for communication. For members who have not registered their

email address, physical copy of the Annual Report for FY 2014-15 is being sent. The Annual Report may also be accessed in the Company's corporate website www.zeelearn.com

7. Members are requested to notify immediately about any change in their address / e-mail address/dividend mandate / bank details to their Depository Participant (DP) in respect of their shareholding in Demat mode and in respect of their physical shareholding to the Company's Registrar and Share Transfer Agent, M/s. Sharepro Services (India) Pvt. Ltd., at 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400 072 and/or at 912, Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai - 400 021. Shareholders holding Equity Shares of the Company in physical form may register their email address with the Registrar and Share Transfer agent of the Company to receive all communications by the Company including Annual Report and Notice of Meeting by email, by sending appropriate communication on sharepro@shareproservices.com.
8. **E-voting**
In compliance with Section 108 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014 & clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote at the 5th Annual General Meeting (AGM) by electronic means. The facility of casting votes by a member using an electronic voting system (remote e-voting) from a place other than venue of the AGM will be provided by Central Depository Services (India) Limited (CDSL) for all the business as detailed in this notice.
- The remote e-voting period for all items of business contained in this Notice shall commence from Monday, the 24th day of August 2015 at 9.00 a.m. and will end on Thursday, the 27th day of August 2015 at 5.00 p.m. During this period equity shareholders of the Company holding shares either in physical form or in dematerialized form as on the cutoff date of 21st day of August, 2015, may cast their vote electronically. The E-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently.
- The facility for voting by way of Ballot / Poll paper shall also be made available at the venue of the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
- The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
11. The voting rights of Members either by way of remote e-voting prior to the meeting or by way Ballot / Poll paper at the meeting shall be in proportion to their equity shareholding in the paid up equity share capital of the Company as on the Cut-off date of 21st day of August, 2015.
12. At the AGM the Chairman of the meeting shall after discussions on all the resolutions on which voting is to be held, allow voting by use of Ballot / Poll Paper by all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
13. The Company shall appoint an Independent Professional as Scrutinizer to conduct remote e-voting process as well as Ballot/Poll Paper voting process at the Annual General Meeting in a fair and transparent manner.
14. The Scrutinizer shall, after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman , who shall countersign the same and declare the result of the voting forthwith.
15. The results declared along with the Scrutiniser's report shall be placed on the website of the Company www.zeelearn.com and shall also be communicated to the Stock Exchanges. The resolution, if approved, shall be deemed to be passed on the date of AGM.
- 16. The instructions and process for e-voting are as under:**
 - (i) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (ii) Click on Shareholders.
 - (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (iv) Next enter the Image Verification as displayed and Click on Login.
 - (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and cast your vote earlier for EVSN of any company, then your existing password is to be used.
 - (vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
#DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
#Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.

Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii)

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly to the Company EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that such company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the "EVSN" of "Zee Learn Limited."

- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non – Individual Shareholders and Custodians:
 - a. Non Individual Shareholders and Custodians (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporates.
 - b. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the Scrutinizer to verify the same.
 - c. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be mailed to helpdesk.evoting@cdslindia.com
 - d. After receiving login details a Compliance user should be created using the admin login and password. The Compliance user will be able to link the account (s) for which they wish to vote on.
 - e. The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they will be able to cast the votes.
- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an E-mail to helpdesk.evoting@cdslindia.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 4

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. V. V. & Associates, Cost Auditor to conduct the audit of the cost records of the Company relating to its Education Services for the Financial Year ending March 31, 2016 on a remuneration of Rs.75,000/- (plus reimbursement of service tax and out of pocket expenses).

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditor for the Financial Year ending March 31, 2016.

Your Board recommends the ordinary resolution as set out in Item No. 4 for approval of Members.

None of the Directors and /or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in this ordinary resolution set out in Item No. 4.

By order of the Board

Place: Mumbai
Date: May 27, 2015

Samir Raval
Company Secretary

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

CIN:- L80301MH2010PLC198405
E-mail :- investor_relations@zeearn.com

Directors' Report

To,
The Members of
Zee Learn Limited

Your Directors take pleasure in presenting the Fifth Annual Report of the Company together with Audited Financial Statements for the year ended March 31, 2015.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013 ('the Act'), in relation to the Audited Financial Statements for the Financial Year 2014-2015, your Directors confirm that:

- a) The Financial Statements of the Company - comprising of the Balance Sheet as at March 31, 2015 and the Statement of Profit & Loss for the year ended on that date, have been prepared on a going concern basis following applicable accounting standards and that no material departures have been made from the same;
- b) Accounting policies selected were applied consistently and the judgments and estimates related to the financial statements have been made on a prudent and reasonable basis, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015, and, of the profit of the Company for the year ended on that date;
- c) Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Act, to safeguard the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) Requisite internal financial controls were laid down and that such financial controls are adequate and operating effectively; and
- e) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

FINANCIAL PERFORMANCE

The financial performance of your Company for the year ended March 31, 2015 is summarized below: (₹ In lacs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Revenue from Operations	12,158.25	11,917.54
Other Income	473.39	318.09
Total Income	12,631.64	12,235.63
Total Expenses	9,664.32	10,880.82
Operating Profit/Loss	2,967.32	1,354.81
Less: Finance Cost	1,324.84	823.30
Less: Depreciation	680.21	664.16
Profit/Loss before Tax	962.26	(132.65)
Provision for Taxation (Net)	-	-
Profit/Loss after Tax	962.26	(132.65)
Balance Carried to Balance Sheet	962.26	(132.65)

DIVIDEND

With a view to conserve the resources for future business requirements and expansion plans, your Directors are of view that the current year's profit be ploughed back into the operations and hence no dividend is recommended for the year under review.

BUSINESS OVERVIEW

Your Company is a leading education company, founded with the purpose of 'Improving Human Capital'. The company has contributed in the field of education across age groups, all the while maintaining its core values of integrity, ownership, leadership, trust and continuous learning. We believe that every child has a unique and infinite potential and we are committed to help children realize their capabilities. Under its Portfolio, Zee Learn is currently operating over 1350 pre-schools & 87 K-12 schools, through its leading brands, "Kidzee" & "Mount Litera Zee School" respectively. By the current financial year end Kidzee has reached to over 4,10,000 students & MLZS has reached to about 30,500 students through its network of school chain.

In order to cater the need to develop skills of youth population, your company is looking to explore vocational courses outside the traditional curriculum. Zee Institute of Media Arts (ZIMA)

provides diploma courses in TV and film making courses and Zee Institute of Creative Art (ZICA) provides diploma courses in 2D and 3D animation.

SHARE CAPITAL

During the year under review, your Company had allotted 6,69,453 Equity Shares of ₹ 1/- each upon exercise of Stock Options by the Option grantees under the Employee Stock Option Scheme. This has resulted an increase in the paid-up equity share capital of the Company from ₹ 31,93,31,644 to ₹ 32,00,01,097 comprising of 32,00,01,097 equity shares of ₹ 1/- each.

NON-CONVERTIBLE DEBENTURES

During the year under review, 125 12% Secured Redeemable Non-Convertible Debentures ('SRNCD's) each of ₹ 10,00,000/- aggregating to ₹12,50,00,000/-, listed on Wholesale Debt Market Segment of National Stock Exchange of India Ltd. (NSE), were redeemed as per the terms of issue and extinguished. As at March 31, 2015, there is no outstanding SRNCD's.

Further, your Company had issued and allotted on April 8, 2015 650 (Six Hundred Fifty) Rated, Unlisted, Redeemable, Non-Convertible Debentures ("NCDs") of the Face Value of ₹10,00,000/- (Rupees Ten Lakhs Only) Each, for cash, aggregating to ₹ 65,00,00,000/- (Rupees Sixty Five Crores Only) on Private Placement Basis, on which Credit Analysis & Research Limited (CARE) has affirmed the rating of 'CARE AA (SO)', which signifies the NCDs are construed to offer high safety for timely servicing of debt obligation and carries very low credit risk.

GLOBAL DEPOSITORY RECEIPTS

During the Financial year 2013-14, Global Depository Receipts (GDRs) offer of the Company for 56,17,977 GDRs opened for subscription at an issue price of US\$ 3.56 per GDR representing 5,61,79,770 fully paid Equity Shares of Re. 1/- each of the Company(each GDR representing 10 Equity Shares). Upon subscription of the GDR, the Company issued and allotted 5,61,79,770 fully paid Equity Shares of Rs. 19.50 per share underlying Global Depository Receipts ("GDRs") on May 21, 2013. 56,17,977 Global Depository Receipts have been listed on the Luxembourg Stock Exchange since May 24, 2013. As at March 31, 2015, total 41,17,977 GDRs have remained outstanding, the underlying shares of which forms part of the existing paid up share capital of the Company.

EMPLOYEES STOCK OPTION SCHEME

Your Company has implemented an Employee Stock Option Scheme called ZLL ESOP-2010, in accordance with Securities and Exchange Board of India (Employee Stock

Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (SEBI Guidelines) for grant of stock options to its eligible employees of the Company and its Subsidiary. The Nomination & Remuneration Committee of the Board administers and monitors the Scheme. The applicable disclosures as stipulated under the SEBI Guidelines as at March 31, 2015 are annexed to this report.

During the year under review, 19,61,750 Stock Options were granted on September 29, 2014. Further, your Company had issued and allotted 6,69,453 Equity Shares of ₹ 1/- each upon exercise of equivalent number of vested Stock Options by the Option Grantees at Option price of ₹ 26.05 (80,100 Shares), ₹ 14.50 (2,32,362 Shares) and ₹ 20.85 (3,56,991 Shares) per share.

The Company has received a Certificate from the Statutory Auditors, M/s. MGB & Co., LLP, Chartered Accountants, confirming that the Scheme has been implemented in accordance with SEBI Guidelines and the resolution passed by the shareholders. The Certificate shall be placed at the ensuing Annual General Meeting and a copy of the same shall be available for inspection at the Registered Office of the Company on all working days (except Saturdays) between 2.00 p.m. to. 5.00 p.m., up to the date of ensuing Annual General Meeting.

SUBSIDIARY COMPANY

Your company has one wholly owned subsidiary, namely, Digital Ventures Private Limited.

No other Subsidiary / Joint-venture was formed or divested during the year under review. In compliance with Section 129 of the Act, a statement containing requisite details including financial highlights of the operations of the aforesaid Subsidiary Company is annexed to this report.

In accordance with Accounting Standard AS 21 – Consolidated Financial Statements read with Accounting Standard AS 23 – Accounting for Investments in Associates, and Accounting Standard 27 – Financial Reporting of Interests in Joint Ventures, the audited Consolidated Financial Statements are provided in the Annual Report.

CORPORATE GOVERNANCE & POLICIES

Your Company is in compliance with the Corporate Governance requirements mentioned under Clause 49 of the Listing Agreement. A Report on Corporate Governance as stipulated under the Listing Agreement(s) with the Stock Exchanges as also a Management Discussion and Analysis Report forms part of the Annual Report. Certificate from the Statutory Auditors of the Company, M/s MGB & Co LLP, Chartered Accountants, confirming compliance with the provisions of Corporate Governance as stipulated in Clause 49, is annexed to the said Corporate Governance Report.

In compliance with the requirements of the Companies Act, 2013, the Nomination and Remuneration Committee of the Board had fixed criteria for nominating a person on the Board which, *inter alia* include desired size and composition of the Board, age limit, qualification/ experience, areas of expertise and independence of individual. Your Company has also adopted a Remuneration Policy, salient features whereof is annexed to this report.

Your Board had in accordance with the requirements of Companies Act, 2013 and Clause 49 of the Listing Agreement, adopted new policies including Related Party Transaction Policy, and amended existing Whistle Blower and Vigil Mechanism Policy in line with the amended requirements. These policies are available on the website of the Company www.zeelearn.com.

CORPORATE SOCIAL RESPONSIBILITY

As responsible citizen, your Company believes that a Business cannot succeed in a society that fails and therefore it is imperative for business houses, to invest in the future by taking part in CSR activities. As part of CSR activity, the Company has been providing School Management Services under Public Private Partnership to selected schools managed by Gujarat State Tribal Development Residential Educational and Institutional Society under the Eklavya Model Residential School project of Government of Gujarat. Additionally, the Company regularly organizes various Education awareness events / programs for the various strata of the Society.

During the year, your Company undertook many initiatives at Mount Litera Zee School to educate and connect with the local communities around the school and created various campaign to support various causes. Initiative such as "Yoga Day" raised awareness towards 'Importance of daily exercise'. Besides these, the schools also conducted various events such as Tree plantation activities, Swatch Bharat Abhiyan, World Population, distribution of Bins in the society, Human right programmes, etc. in their local communities.

In continuation to the I Care initiative – this year too OMEP India has led 'I Care' program across the country sensitizing on Anti Child Abuse and Neglect. This year the program extended to schools apart from preschools. The 'I care' campaign is part of a national movement to change the way we think about prevention of child abuse.

As part of its CSR activity, Zee Institute of Creative Arts (ZICA), Noida center run by the franchisee, has partnered with two NGO's namely Prerna Niketan Sangh & Deepalaya to provide free creative course scholarship for the underprivileged students. Through this initiative, ZICA in association with Prerna Niketan Sangh & Deepalaya will provide scholarship to eligible students to 100% of course fees. Prerna Niketan Sangh is registered with Delhi Government and is working for physically challenged children since 1998.

Further, as your Company has made net profit of ₹ 9.62 Cr in FY 2014-15, Section 135 of the Companies Act, 2013 and Listing agreement of the Stock Exchanges has become applicable which specifies constitution of a Corporate Social Responsibility Committee of the Board ("CSR Committee"). Accordingly, your Company will constitute ("CSR Committee") in F.Y. 2015-16.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Your Board comprises of 5 Directors including 3 Independent Directors. Independent Directors provide their declarations both at the time of appointment and annually confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013 and Clause 49 of the Listing Agreement. During FY 2015 your Board met 6 (six) times details of which are available in Corporate Governance Report annexed to this report.

Mr. Subodh Kumar, Non-Executive Director is liable to retire by rotation at the ensuing Annual General Meeting and, being eligible he has offered himself for re-appointment. Your Board recommends his re-appointment.

In compliance with the requirements of Section 203 of the Companies Act, 2013, Mr. K V S Seshasai, Chief Executive Officer, Mr. Umesh Pradhan, Chief Financial Officer & Mr. Samir Raval, Compliance Officer & Company Secretary of the Company were nominated as Key Managerial personnel.

BOARD EVALUATION

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated. Based on such report of the meeting of Independent Directors and taking into account the views of executive directors and non-executive directors the Board had evaluated its performance on various parameters such as Board composition and structure, effectiveness of board processes, effectiveness of flow of information, contributions from each Directors, etc.

AUDITORS

STATUTORY AUDITOR

M/s. MGB & Co., LLP, Chartered Accountants, Mumbai having firm registration No. 101169W/W-100035 holds office until the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment.

Your Company has received confirmation from the Auditors to the effect that their appointment, if made, will be in accordance with the limits specified under the Companies Act, 2013 and the firm satisfies the criteria specified in Section 141 of the Companies Act, 2013 read with Rule 4 of Companies (Audit & Auditors) Rules 2014. Your Board is of the opinion that

continuation of M/s. MGB & Co., LLP, as Statutory Auditors during FY 2015-16 will be in the best interests of the Company and therefore, Members are requested to consider their re-appointment as Statutory Auditors of the Company from the conclusion of ensuing Annual General Meeting till next Annual General Meeting at remuneration be decided by the Board.

COST AUDITOR

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, amended rules, 2014, the cost audit records maintained by the Company in respect of its education services, other than such similar services falling under philanthropy or as part of social spend which do not form part of any business is required to be Audited.

Your Directors had, on the recommendation of the Audit Committee and on ratification of its Members appointed M/s. V. V. & Associates, Cost Auditor having Firm registration No. 000515 to audit the cost accounts of the Company for the financial year 2015-16.

SECRETARIAL AUDITOR

During the year, Secretarial Audit was carried out by Mrs. Mita Sanghavi, Practising Company Secretary in compliance with Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DISCLOSURES

i. Particulars of loans, guarantees and investments :

Particulars of loans, guarantees and investments made by the Company required under Section 186 (4) of the Companies Act, 2013 are contained in Note No. 29 to the Standalone Financial Statements.

ii. Transactions with Related Parties :

None of the transactions with related parties fall under the scope of Section 188(1) of the Act. Information on material transactions with related parties pursuant to Section 134(3)(h) of the Act, read with Rule 8(2) of the

Companies (Accounts) Rules, 2014, in form AOC-2 is annexed to this report.

iii. Deposits:

Your Company has not accepted any public deposits and as such no amount on account of principal or interest on public deposits under Section 73 of the Companies Act, 2013, read with Companies (Acceptance of Deposits) Rules, 2014, was outstanding as on the date of the Balance Sheet.

iv. Extract of Annual Return :

The extract of Annual Return in Form MGT-9 as required under Section 92(3) of the Act read with the Companies (Management & Administration) Rules, 2014 is annexed to this report.

v. Sexual Harassment :

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. During the year under review one (1) complaint on sexual harassment was received and it has been resolved as per the provisions of the Act.

vi. Regulatory Orders :

No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company is engaged in the business of delivering learning solutions and training to entire spectrum of the society from toddler to teens through its multiple products. Since these activities do not involve any manufacturing activity, most of the information required to be provided under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is not applicable.

However, the information as applicable are given hereunder:

Conservation of Energy:

- (i) steps taken or impact on conservation of energy
- (ii) steps taken by the company for utilizing alternate sources of energy
- (iii) capital investment on energy conservation equipments

Your Company, being a service provider, requires minimal energy consumption and every endeavor has been made to ensure optimal use of energy, avoid wastages and conserve energy as far as possible.

Technology Absorption:

- (i) the efforts made towards technology absorption
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -
 - (a) the details of technology imported
 - (b) the year of import
 - (c) whether the technology been fully absorbed
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof
- (iv) the expenditure incurred on Research and Development

In its endeavor to deliver the best to its users and business partners, your Company has been constantly active in harnessing and tapping the latest and best technology in the industry.

FOREIGN EXCHANGE EARNING AND OUTGO:

During the year under review, there were no Foreign Exchange Earnings and the particulars of Foreign Exchange outgo is given in Note no. 34 of the Notes to Accounts forming part of the Annual Accounts.

PARTICULARS OF EMPLOYEES

Requisite disclosures in terms of the provisions of Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 along with statement showing names and other particulars of the employees drawing remuneration in excess of the limits prescribed under the said rules is annexed to this report.

ACKNOWLEDGEMENTS

Your Board takes this opportunity to place on record their appreciation for the dedication and commitment of employees shown at all levels, Franchisees and Business Partners that have contributed to the success of your Company. Your Directors also express their gratitude for the valuable support and co-operation received from the Central and State Governments including Ministry of Human Resource Development and other stakeholders including Bankers, Financial Institutions, Investors, Service Providers as well as regulatory and government authorities.

For and on behalf of the Board

Place: Mumbai
Date: May 27, 2015

Subodh Kumar
Chairman

Disclosures with respect to Employees Stock Option Scheme of the Company:

	Particulars	Grant of Options
a	Total number of Options Granted	During F.Y. 2014 -15, total 19,61,750 stock options granted. Total 65,44,800 stock options granted so far.
b	Exercise Price (Rs.)	i) 11,07,000 options granted @ ₹ 26.05 per option on January 27, 2011; ii) 16,09,700 options granted @ ₹ 14.50 per option on January 30, 2012; iii) 18,16,350 options granted @ ₹ 20.85 per option on September 10, 2013; iv) 50,000 options granted @ ₹ 27.55 per option on February 4, 2014; and v) 19,61,750 options granted @ ₹ 35.25 per option on September 29, 2014.
c	Total number of Options Vested	Total 21,79,890 options vested out of which 8,84,976 options vested during FY 2014-15
d	Total number of Options Exercised	Total 10,82,728 options exercised out of which 6,69,453 options exercised during FY 2014-15.
e	Total number of Shares arising as a result of Exercise of option	10,82,728
f	Total number of Options Lapsed	Total 21,44,299 options lapsed out of which 5,38,774 options lapsed in F.Y. 2014- 15.
g	Variation in terms of Options	NIL
h	Money realized by exercise of Options	Rs. 1,19,15,591.55 realized during F.Y. 2014-15
i	Total number of Options in force	33,31,773
j	Employee wise details of Options granted to:	
	(i) Senior Management Personnel KVS Seshasai, Chief Executive Officer Pradeep Pillai, Chief Operating Officer Umesh Pradhan , Chief Financial Officer	1,65,000 75,000 45,000 45,000
	(ii) Any other employee who received a grant in any one year of Options amounting to 5 % or more of Options granted during that year	None
	(iii) Identified employees who were granted Options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	None

k	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20. 'Earning Per Share'	₹ 0.30
l	Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	The issuance of the equity shares upon exercise of option shall not affect the Profit & Loss account of the Company, as the Pricing formula as approved by the Shareholders of the Company is the Market Price as per the SEBI Guidelines i.e. latest available closing price prior to the date of grant of option at the Stock Exchange where there is highest trading volume.
m	Weighted-average exercise prices and weighted-average fair values of options, separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Not Applicable
n	A description of the method and significant assumptions used during the year to estimate the fair value of options, including the following weighted-average information. (i) Risk-free interest rate (ii) Expected life (iii) Expected volatility (iv) Expected dividends (v) The price of the underlying share in market at the time of option grant.	Not Applicable

A Certificate received by the Company from the Statutory Auditors of the Company M/s. MGB & Co., LLP, Chartered Accountants, Mumbai to the effect that the Stock Option Scheme has been implemented in accordance with the SEBI Guidelines and the resolution passed by the Shareholders, will be placed before the ensuing Annual General Meeting and a copy of the same shall be available for inspection by the Members at the Registered Office of the Company on all working days (except Saturdays) up to the date of the ensuing Annual General Meeting of the Company.

For and on behalf of the Board

Place: Mumbai
Date : May 27, 2015

Subodh Kumar
Chairman

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATES / JOINT VENTURE AS PER THE COMPANIES ACT, 2013 FOR THE YEAR ENDED MARCH 31, 2015

(₹ In lacs)

Name of the subsidiary	Digital Ventures Private Limited
Share capital	511.00
Reserves & surplus	19,605.07
Total Assets	60,661.01
Total Liabilities	40,544.94
Investments	-
Turnover	670.85
Profit before Taxation	27.11
Provision for Taxation	-
Profit after Taxation	27.11
Proposed Dividend	-
% of shareholding	100.00%

Note: The Company does not have any Associate / Joint Venture

For and on behalf of the Board

Place: Mumbai
Date : May 27, 2015

Subodh Kumar Director **Surjit Banga** Director

EXTRACT OF REMUNERATION POLICY

The Board has approved a policy for Remuneration for Director(s) & Employees of the Company which, *inter alia*, includes:

i) Objective:

This Policy aims to attract, retain and motivate the Members of the Board of Directors, Senior Managers viz: CEO, and other employees who are at one level below the Key Managerial Personnel or Functional Heads of the Company, by remunerating them reasonably and sufficiently so as to run the operations of the Company successfully. The Policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

ii) Guiding Principles:

The guiding principle of this Policy is that the remuneration and other terms of engagement / employment shall be competitive enough to ensure that the Company is in a position to attract, retain and motivate right kind of human resource(s) for achieving the desired growth set by the Company's management year on year thereby creating long-term value for all stakeholders of the Company.

While designing the remuneration package, efforts are to be made to ensure that the remuneration matches the level in comparable companies, whilst also taking into consideration requisite competencies, qualifications, industry experience, efforts required and the scope of the work.

The Nomination and Remuneration Committee while considering a remuneration package shall ensure balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

The Nomination and Remuneration Committee believes that a successful remuneration policy must ensure that a significant part of the remuneration package should be linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

iii) Remuneration of Executive Members on the Board:

Any Executive Member(s) on the Board shall be paid remuneration which shall comprise of fixed monthly basic salary, perquisites such as House Rent Allowance or furnished / unfurnished housing accommodation in lieu thereof, car with or without chauffeur, telephone for office as well as personal use, reimbursement of medical expenses, leave travel allowance, club membership, stock options, statutory and non-statutory allowances such as education allowances, personal allowances, travel allowances,

subscription allowances etc. as may be recommended by the Nomination and Remuneration Committee / Board of Directors and approved by the Members of the Company from time to time.

However, the overall remuneration of executive member(s) on the Board, where there are more than one, shall not exceed 10% of the net profit calculated in the manner provided under the Companies Act, 2013 and Rules framed thereunder, and shall not exceed 5% in case there is only one executive member on the Board. In the event of loss or inadequacy of profit in any financial year during the currency of tenure of services of an executive member of the Board, the payment of remuneration shall be governed by the applicable limits prescribed under the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

Executive Members of the Board including the Managing Director, if any, shall be employed under service contracts for a period not exceeding 3 (three) years at a time, on the terms & other conditions and remuneration as recommended by the Nomination and Remuneration Committee and approved by the Members of the Company at the General Meeting(s). Executive members of the Board shall not be eligible to receive any sitting fees for attending any meeting of the Board of Directors or Committee thereof.

iv) Remuneration of Non-Executive Members of the Board:

The remuneration payable to the Non-Executive member(s) of the Board shall be limited to a fixed amount of Commission each year, as may be determined and approved by the Board based on the time devoted, contribution made in the progress and guiding the Company for future growth. Aggregate of such sum shall not exceed 1% of net profit of the year on a stand-alone basis or such sum as may be prescribed by the Government from time to time, calculated in accordance with the provisions of the Companies Act, 2013 and relevant rules framed thereunder. Such remuneration shall in the form of commission payable to Non-Executive members of the Board and shall be in addition to the sitting fees payable to them for attending the meetings of the Board and / or Committees thereof, excluding Stakeholders Relationship Committee and Finance Sub-Committee and reimbursement of expenses for participation in the Board and other meetings. Independent Director(s) of the Company shall not be entitled to any stock option issued or proposed to be issued by the Company. The performance of the non-executive members of the Board shall be reviewed by the Board on an annual basis.

v) Remuneration of Executive Management comprising of Senior Management & Key Managerial Personnel

The Company believes that a combination of fixed and performance-linked pay to the Executive Management shall ensure that the company can attract and retain key

employees. The performance-linked incentive based on Company performance and performance of the employee concerned each year shall be considered and approved by the Nomination & Compensation Committee, annually, inter-alia, for the Executive Management. Additionally subject to appropriate approval of shareholders, the Company may consider issuance of stock options to Senior Management.

The Nomination & Compensation Committee will from time to time consider proposals concerning the appointment and remuneration of the Key Managerial Personnel and ensure that the proposed remuneration is in line with industry standards in comparable companies. Such proposals then shall be submitted to the Board for approval. The remuneration

of the members of the Executive Management may consist of the following components:

- Basic salary and Allowances
- Performance linked incentive / bonus
- Stock options
- Perquisites as per rules of the Company including Company car, telephone etc.

Executive Management shall not be eligible to receive any remuneration, including sitting fees, for directorships held in any of the Essel Group of Companies, whether listed or otherwise.

PARTICULARS OF RELATED PARTY TRANSACTION

FORM NO. AOC-2

{Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014}

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

The Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2014-15.

2. Details of material contracts or arrangement or transactions at arm's length basis:

The Company has not entered into any material contracts or arrangement or transactions with its related parties which is at arm's length basis during financial year 2014-15.

For and on behalf of the Board

Place: Mumbai

Date : May 27, 2015

Subodh Kumar

Chairman

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS	
1. CIN	L80301MH2010PLC198405
2. Registration Date	04.01.2010
3. Name of the Company	Zee Learn Limited
4. Category / Sub-Category of the Company	Company Limited by Share / Indian Non- Government Company
5. Address of the Registered office and contact details	Continental Building, 135, Dr. Annie Besant, Worli, Mumbai - 400 018 Tel No: +91-22-24831234 / Fax No: +91-22-24900302
6. Whether Listed	Yes
7. Name, Address and Contact details of Registrar and Transfer Agent	Sharepro Services (India) Pvt. Ltd. 13 AB Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri - Kurla Road, Sakinaka, Andheri (E), Mumbai - 400 072 Tel No: + 91 - 22 - 6772 0300/ 400 Fax No: + 91 - 2859 1568/ 2850 8927

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated

Sl. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Education Support Services	99929200	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Name, Address & CIN of the Company	% of Shares held	Applicable Section
A. Holding Company		
NIL		
B. Subsidiary Company		
Digital Ventures Private Limited Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai - 400 018 U72900MH2006PTC165215	100%	2 (87)(ii)
C. Associate Company		
NIL		

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK- UP AS PERCENTAGE OF TOTAL EQUITY)

i) Category wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2014)				No. of Shares held at the end of the year (As on 31-03-2015)				% Change
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total Shares	% of Total	
A. Promoters									
(1) Indian									
a) Individual/HUF	7,29,089	0	7,29,089	0.23%	7,29,089	0	7,29,089	0.23%	0.00
b) Bodies Corp.	19,07,66,475	0	19,07,66,475	59.74%	19,07,66,475	0	19,07,66,475	59.61%	-0.13%
Sub-total (A) (1)	19,14,95,564	0	19,14,95,564	59.97%	19,14,95,564	0	19,14,95,564	59.84%	-0.13%
(2) Foreign									
a) Bodies Corp.	57,97,315	0	57,97,315	1.82%	57,97,315	0	57,97,315	1.81%	-0.01%
Sub-total (A) (2)	57,97,315	0	57,97,315	1.82%	57,97,315	0	57,97,315	1.81%	-0.01%
Total shareholding of Promoter	19,72,92,879	0	19,72,92,879	61.78%	19,72,92,879	0	19,72,92,879	61.65%	-0.13%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	274	274	0.00%	0	274	274	0.00%	0
b) Banks / FI	94,584	0	94,584	0.03%	89,808	0	89,808	0.03%	0.00
c) Insurance Companies	25,218	0	25,218	0.01%	19,218	0	19,218	0.01%	0.00
d) FIs	3,88,29,379	3,013	3,88,32,392	12.16%	4,93,31,214	3,013	4,93,34,227	15.42%	3.26%
Sub-total (B)(1)	3,89,49,181	3,287	3,89,52,468	12.20%	4,94,40,240	3,287	4,94,43,527	15.45%	3.25%
2. Non-Institutions									
a) Bodies Corp.	3,03,86,830	1,823	3,03,88,653	9.52%	2,02,48,449	1,823	2,02,50,272	6.33%	-3.19%
b) i) Individual shareholders holding nominal share capital upto ₹. 1 lakh	93,44,180	1,17,078	94,61,258	2.96%	1,01,03,069	1,09,617	1,02,12,686	3.19%	0.23%
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	16,40,150	0	16,40,150	0.51%	11,62,948	0	11,62,948	0.36%	-0.15%
c) i) Overseas Corporate Bodies	4,230	0	4,230	0.00	123	0	123	0.00%	0.00%
ii) Foreign Nationals	12,500	274	12,774	0.00	12,500	274	12,774	0.00%	0.00%
iii) Trusts	213	0	213	0.00	88	0	88	0.00%	0.00%
iv) Non Resident Indians	2,83,969	1,15,280	3,99,249	0.13%	3,33,441	1,12,589	4,46,030	0.14%	0.01%
Sub-total (B)(2)	4,16,72,072	2,34,455	4,19,06,527	13.12%	3,18,60,618	2,24,303	3,20,84,921	10.03%	-3.09%
Total Public Shareholding (B)=(B)(1) + (B)(2)	8,06,21,253	2,37,742	8,08,58,995	25.32%	8,13,00,858	2,27,590	8,15,28,448	25.48%	0.16%
C. Shares held by Custodian for GDRs & ADRs	4,11,79,770	0	4,11,79,770	12.90%	4,11,79,770	0	4,11,79,770	12.87%	-0.03%
Grand Total (A+B+C)	31,90,93,902	2,37,742	31,93,31,644	100%	31,97,73,507	2,27,590	32,00,01,097	100%	0.00%

ii) Promoter & Promoter Group Shareholding

Sl. No	Name of Promoter	Shareholding at the beginning of the year (As on 01-04-2014)				Shareholding at the end of the year (As on 31-03-2015)		
		No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	% change in shareholding during the year
1	Asian Satellite Broadcast Pvt Ltd	6,30,52,512	19.75%	17.47%	6,30,52,512	19.70%	17.15%	(0.05)%
2	Jayneer Capital Pvt Ltd	7,79,75,375	24.42%	12.15%	7,79,75,375	24.37%	17.93%	(0.05)%
3	Essel Media Ventures Private Limited	1,28,61,036	4.03%	0	1,28,61,036	4.02%	0	(0.01)%
4	Sprit Textiles Private Limited	1,11,03,864	3.48%	1.88%	1,11,03,864	3.47%	1.87%	(0.01)%
5	Ganjam Trading Company Private Limited	49,49,506	1.55%	0	49,49,506	1.55%	0	-
6	Veena Investment Pvt Ltd	34,49,013	1.08%	0	34,49,013	1.08%	0	-
7	Essel Infraprojects Limited	17,52,286	0.55%	0	17,52,286	0.55%	0	-
8	Ambience Business Services Private Limited	6,22,883	0.20%	0	6,22,883	0.19%	0	(0.01)%
9	Essel Holdings Ltd	57,97,315	1.82%	0	57,97,315	1.81%	0	(0.01)%
10	Jayneer Enterprises, LLP	1,50,00,000	4.70%	0	1,50,00,000	4.69%	0	(0.01)%
11	Ashok Mathai Kurien	5,59,089	0.18%	0	5,59,089	0.17%	0	(0.01)%
12	Sushila Goel	1,70,000	0.05%	0	1,70,000	0.05%	0	-
Total		19,72,92,879	61.78%	31.50%	19,72,92,879	61.65%	36.95%	0.13%

iii) Change in Promoters' Shareholding

Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	19,72,92,879	61.78%		
Date wise Increase/ decrease in shareholding with reason	NIL	NIL	NIL	NIL
At the end of the year			19,72,92,879	61.65%

Note: The change in percentage of share capital is due to change in total paid up capital of the company, post ESOP allotment.

iv) Shareholding pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs & ADRs)

	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Orange Mauritius Investments Ltd. \$	2,35,46,529	7.37%	1,63,08,657	5.10%
Polus Global Fund #	1,50,00,000	4.70%	-	-
Religare Finvest Ltd. \$	1,18,17,956	3.70%	1,04,86,660	3.28%
Penguin Deal Trade Pvt. Ltd. \$	22,16,298	0.69%	45,650	0.01%
P.R.B. Securities Pvt. Ltd. #	20,88,905	0.65%	-	-
IOTA Mtech Power, LLP \$	18,25,000	0.57%	18,25,000	0.57%
Prism Commodeal Pvt. Ltd. \$	17,26,196	0.54%	10,70,937	0.33%
Hopeful Tradelink Pvt. Ltd. #	12,14,399	0.38%	-	-
Kotak Mahindra Investments Ltd. #	8,84,040	0.28%	-	-
Swiss Finance Corporation (Mauritius) Limited Ltd. @	-	-	2,17,60,738	6.80%
Copthall Mauritius Investment Ltd. @	-	-	82,10,585	2.57%
Driehaus Emerging Markets Small Cap Growth Fund, A Series Of Driehaus Mutual Funds @	-	-	28,43,113	0.89%
Kiran Vyapar Ltd. @	-	-	13,25,000	0.41%
Adit Infopower Private Ltd. @	-	-	8,08,606	0.25%
Hamlet Regency Private Ltd. @	-	-	8,00,000	0.25%

Notes: 1: The Shares of the Company are substantially held in dematerialized form and are traded on a daily basis and hence, date wise increase / decrease in shareholding is not indicated.

2: \$ denotes common top 10 shareholders on April 1, 2014 and March 31, 2015;

denotes top 10 shareholder only as on April 1, 2014; and

@ denotes top 10 shareholder only as on March 31, 2015

v) Change in Shareholding of Directors & KMP

Details of changes in the shareholding of Directors of the Company who held /hold Equity Shares of the Company are as mentioned herein. None of the other Directors / Key Managerial Personnel of the Company held any Equity Shares of the Company either at the beginning of the year i.e. April 1, 2014 or at the end of the year i.e. March 31, 2015 or dealt in the Equity Shares of the Company during financial year ended March 31, 2015:

Shareholding at the Changes beginning i.e. April 1, 2014		Cumulative Shareholding				
No. of Shares	% of Share Capital	Date	No. of Shares	Reason	No. of Shares	% of Share Capital
Mr. Subodh Kumar Non- Executive Director						
0	0.00%	07.10.2014	30,000	ESOP Allotment	30,000	0.01%
Mr. Himanshu Mody Non- Executive Director						
0	0.00%	07.10.2014	75,625	ESOP Allotment	75,625	0.02%
		11.02.2015	4,875	ESOP Allotment	80,500	0.02%
Mr. Surjit Banga Independent Director						
45,450	0.01%	03.06.2014	1,450	Market Sale	44,000	0.01%
		20.08.2014	2,000	Market Sale	42,000	0.01%
		25.08.2014	7,500	ESOP Allotment	49,500	0.01%
		24.09.2014	15,000	ESOP Allotment	64,500	0.02%
		11.02.2015	4,500	ESOP Allotment	69,000	0.02%
Dr. Manish Agarwal Independent Director						
25.500	0.01%	02.12.2014	30,000	ESOP Allotment	55,500	0.02%
		11.02.2015	4,500	ESOP Allotment	60,000	0.02%
		24.02.2015	25,500	Market sale	34,500	0.01%
Mr. Samir Raval Company Secretary						
0	0.00%	24.09.2014	6,500	ESOP Allotment	6,500	0.00%
		19.11.2014	3,768	Market Sale	2,732	0.00%
		21.11.2014	2,732	Market Sale	0	0.00%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(₹ in lacs)

Particulars	Secured Loans	Unsecured Loans	Deposit	Total Indebtedness
At the beginning of the financial Year				
Principal Amount	10,950.00	-	-	10,950.00
Interest due but not paid	-	-	-	-
Interest accrued but not due	100.11	-	-	100.11
Total	11,050.11	-	-	11050.11
Change in Indebtedness during the Financial Year				
Addition	-	3,865.00	-	3,865.00
Reduction	(2,354.00)	(1002.00)	-	(3,356.00)
Net Change	(2,354.00)	2,863.00	-	509.00
Indebtedness at the end of the Financial Year				
Principal Amount	8,596.00	2,863.00	-	11,459.00
Interest due but not paid	-	-	-	-
Interest accrued but not due	88.15	73.91	-	162.06
Total	8,684.15	2,936.91	-	11,621.06

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time Directors and/ or Manager

(₹ in lacs)

Particulars of Remuneration	Mr. Umesh Pradhan, Manager & CFO	Total Amount
Gross Salary (As per Income tax act)		
Salary	36.14	36.14
Perquisites	NIL	NIL
Profits in lieu of salary	-	-
Stock Options*	90,000 Shares	90,000 Shares
Sweat Equity	-	-
Commission (as % of profit and loss otherwise)	-	-
Others (Contribution to Provident Fund)	1.78	1.78
Total (A)	37.92	37.92
Ceiling as per the Act	₹ 48 lacs as per Special Resolution Passed at the 3rd AGM held on 7 th August, 2013	

* The stock options indicates number of stocks granted but the CFO has not exercised his right of conversion as on March 31, 2015.

B. Remuneration to other directors

(₹ in lacs)

Name of Directors	Sitting Fees	Commission	Others	Total
Independent Directors				
Surjit Banga	2.40	-	-	2.40
Dr. Manish Agarwal	1.60	-	-	1.60
Sangeeta Pandit	1.80	-	-	1.80
Total	5.80	-	-	5.80
Non-Executive Directors				
Subodh Kumar	-	-	-	-
Himanshu Mody	-	-	-	-
Total	-	-	-	-
Grand Total	5.80	-	-	5.80
Overall Ceiling as per the Act	₹1,00,000/- per meeting of the board or committee thereof as per Section 197 read with Rule 4 of Companies (Appointment and Managerial Remuneration) Rules, 2014			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD

(₹ in lacs)

Particulars of Remuneration	Key Managerial Personnel		
	CEO	Company Secretary	Total Amount
Gross Salary (As per Income Tax Act)			
Salary	68.17	23.11	91.28
Perquisites	NIL	0.73	0.73
Profits in lieu of salary	-	-	-
Stock Options* Sweat Equity	1,25,000 Shares	72,500 Shares	-
Commission (as % of profit or otherwise)	-	-	-
Others (Contribution to Provident fund)	4.39	0.165	4.56
Total	72.56	24.01	96.57

* The stock options indicates number of stocks granted. Out of which the CEO has not exercised his right of conversion and the Company Secretary has exercised his right for conversion of total 6,500 vested stock options as on March 31, 2015.

Note: For details of remuneration of CFO refer remuneration details of Mr. Umesh Pradhan mentioned in Table A above.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES / UNDER PROVISION OF COMPANIES ACT:

Neither the Company nor any of its Directors or Officers in default were penalized / punished for violation of any of the provisions of Companies Act, 1956 or 2013, by any of the regulatory authorities under the Act. Further no application was made by the Company or its Directors or Officers in Default for compounding of any of the provisions of the Act and therefore information in this regard is Nil.

For and on behalf of the Board

Place: Mumbai

Subodh Kumar

Date: May 27, 2015

Chairman

PARTICULARS OF REMUNERATION OF EMPLOYEES

{Pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

The information required under Section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

A. Remuneration of each Director and Key Managerial Personnel (KMP) along with particulars of increase in remuneration during the financial year, ratio of remuneration of Directors to the Median remuneration of employees and comparison of remuneration of each KMP against Company's standalone performance:

Name of Director/ Key Managerial Personnel	Remuneration Total (₹ in lacs)	% increase in remuneration	Ratio of Director's remuneration to median remuneration	Comparison of remuneration of each KMP against Company Performance	
				% of Turnover	% of Net Profit Before Tax
Non- Executive Directors					
Subodh Kumar	NIL	NIL	NIL	NIL	NIL
Himanshu Mody	NIL	NIL	NIL	NIL	NIL
Surjit Banga	NIL	NIL	NIL	NIL	NIL
Dr. Manish Agarwal	NIL	NIL	NIL	NIL	NIL
Sangeeta Pandit	NIL	NIL	NIL	NIL	NIL
Key Managerial Personnel					
K V S Seshasai	72.56	NA.	NA.	0.60%	7.54%
Umesh Pradhan	37.92	11.17%	NA.	0.31%	3.94%
Samir Raval	24.01	16.16%	NA.	0.20%	2.50%

Sl. No	Requirements	Disclosure
1	The Percentage increase in median remuneration of employees in Financial Year	7.3%
2	Number of permanent employees on the rolls of the Company	305
3	The explanation on the relationship between average increase in remuneration and Company's performance	The average increment of 10.05% during the year was in line with the market trend and Company's financial performance.

Sl. No	Requirements	Disclosure		
4	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company (Standalone).	The aggregate remuneration of Key Managerial Personnel was 1.2% of turnover and 15.22% of Net Profit (before tax) during financial Year.		
5	Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current and previous financial year	Particulars	Market Capitalization (₹ in Mio)	Price Earnings Ratio
		31.03.2015	11584	121.58
		31.03.2014 [#]	7839	-
		Change %	48%	N.A.
# In view of the losses in the year 31st March 2014, the price earning ratio is not shown.				
6.	Percentage increase/decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with last Public Offer	The Closing market price of the Equity Shares of the Company was ₹ 35.50 per share. The Equity Shares of the Company were Listed with effect from December 20, 2010 in pursuance of a Scheme of Arrangement. Till March 31, 2015, the Company had not come out with any Public Offer and therefore comparative details are not applicable.		
7.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	The average annual increase in the salaries of employees other than managerial personnel during the year was 10 % while the average increase in managerial remuneration during the year was 11.17%		
8.	Key parameters for any variable component of remuneration availed by the Directors	Not applicable.		
9.	The ratio of the remuneration of the highest paid Director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	Not applicable.		
10.	Affirmation that the remuneration is as per the remuneration policy of the Company.	The Company affirms that the remuneration is as per the remuneration policy of the Company.		

B. Particulars of Employees whose remuneration exceeded ₹60 lacs per annum or ₹5 lacs per month during FY 2014-15

1. Employed throughout the year and in receipt of remuneration aggregating ₹60 lacs or more per annum.

Name of Employee	Age Yrs	Designation	Remuneration Total (₹)	Qualification	Experience Yrs	Date of Joining	Last Employment in yearsJoining
K V S Seshasai	45	Chief Executive Officer	72,56,931	BE (Electronics & Telecommunications) & PGDBM	17	06.01.2014	Reliance Brands Limited.

2. There are no employees who are employed for part of the year and in receipt of remuneration aggregating ₹5 lacs or more per month.

For and on behalf of the Board of Directors

Place: Mumbai

Date: May 27, 2015

Subodh Kumar

Chairman

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CIN No-L80301MH2010PLC198405

To,
The Members,
Zee Learn Limited,
135, Continental Building
Dr. Annie Besant Road
Worli, Mumbai-400 018

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Zee Learn Limited**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the **Zee Learn Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2015 complied with the statutory provision listed hereunder and also that the Company has proper Board-processes and compliances-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I here examined the books, papers, minute books, forms and return filed and other records maintained by **Zee Learn Limited** for the financial year ended on 31st March 2015 according to the provision of:

- i. The Companies Act,2013 (the Act) and the rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act,1956 (SCRA) and the rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulation and Bye-laws framed thereunder;
 - iv. Foreign Exchange Management Act,1999 and the rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing;
 - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Stock Purchase Scheme) Guidelines,1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008;
 - f) The Securities and Exchange Board of India (Registars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
 - vi. I have also examined compliance with the applicable clauses of the following:
 - i. Secretarial Standard for Board Meetings and Annual General Meetings issued by the Institute of Company Secretaries of India.
 - ii. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.
 - iii. Labour Laws to the extent of Employees' State Insurance Act, 1948, the Payment of Bonus Act , 1965 , the Maternity Benefit Act, 1961 and also the Payment of Gratuity Act,1972, Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

During the Period under review the Company has complied with the provision of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The change in the composition of the Board of Directors that took place during the period under review was carried out in compliance with the provision of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for the meaningful participation at the meeting but the meetings were not held through Video Conference and thus the option to attend the meeting via Video Conference was not given by the Company

Majority decision is carried through while the dissenting members, views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company has

- i. Issued shares under Company's ESOP Scheme to Mr. Surjit Banga and Dr. Manish Agarwal, independent directors but these Directors were entitled to stock options before the commencement of Companies Act, 2013 and the options were vested and exercised by them in current year.
- ii. During the period under review, two Postal ballots were conducted with proper compliances from 1st August 2014 to 30th August 2014 for approval of members under Section 180 (1)(a) and appointment of cost Auditor and voting report was filed on 5th September 2014 and next Postal Ballot was conducted from 23rd February 2015 to 24th March 2015 for issue of rated, unlisted Secured Redeemable Non-Convertible Debentures and voting report for the same was filed on 25th March 2015
- iii. The Company is in the process of framing Risk Management plan but the Company is adhering (a) process for risk management and (b) procedure for risk minimization. Risk Management is also being taken care of by the internal control mechanism and adequate insurance coverage of the Company which tend to mitigate various risks .

Place: Thane

Date: May 27, 2015

Mita Sanghavi
(Practising Company Secretary)
FCS No.7205, C P No.6364

This report is to be read with our letter which is annexed as Annexure A and forms an integral Part of the Report

Annexure A

CIN No-L80301MH2010PLC198405

To,
The Members,
Zee Learn Limited,
135, Continental Building
Dr. Annie Besant Road
Worli, Mumbai-400 018

My Secretarial Audit Report is to be read along with this letter

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Thane
Date: May 27, 2015

Mita Sanghavi
(Practising Company Secretary)
FCS 7205, CP 6364

Report on Corporate Governance

COMPANY'S GOVERNANCE PHILOSOPHY

Corporate Governance Philosophy of Zee Learn stems from its belief that the Company's business strategy, plans and decisions should be consistent with the welfare of all its stakeholders, including Shareholders. Good Corporate Governance practices enable a Company to attract financial and human capital and leverage these resources to maximize long-term shareholder value, while preserving the interests of multiple stakeholders, including the society at large. Corporate Governance at Zee Learn is founded upon 4 pillars of Core Values viz., Transparency, Integrity, Honesty and Accountability.

Your Company has laid strong foundation for making Corporate Governance a way of life by constituting a Board with a balanced mix of professionals of eminence and integrity from within and outside the business, forming a core group of top executives, inducting competent professionals across the organization and putting in place appropriate system, process and technology. The Company's Code of Business Conduct, its Risk Management Plan and its well structured internal control systems which are subjected to regular assessment for its effectiveness, reinforces integrity of Management and fairness in dealing with the Company's stakeholders. Your Company has enabled to earn the trust and goodwill of its investors, business partners, employees and the communities in which it operates. In its endeavor to improve on the Corporate Governance practices, the Board has adopted a Corporate Governance Manual which serves as guide in various activities and decisions in normal course of business.

POLICIES

In compliance with the requirements of Clause 49 of the Listing Agreement, SEBI regulations and Companies Act, 2013, Board of Directors of the Company has approved various policies, as detailed herein:

Whistle Blower & Vigil Mechanism Policy

As per Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a comprehensive Whistle Blower and Vigil Mechanism Policy has been approved and implemented within the organization. The policy enables the employees and directors to report instances of any unethical act or suspected incidents of fraud or violation of Companies Code of conduct.

This mechanism/ Policy provides adequate safeguards to whistle blowers against reprisals or victimization.

The Copy of the Policy has been uploaded on the Company's Website viz. www.zeelearn.com

Code of Conduct

The Company has also adopted a Code of Conduct for the Members of the Board of Directors and Senior Management and all the Directors and senior functionaries as defined in the Code provide their annual confirmation of compliance with the Code. Copy of the Code is available on the website of the Company www.zeelearn.com

A declaration affirming compliance with the Code of Conduct by the Members of the Board and Senior Management personnel is given below:

Declaration:

I confirm that the Company has obtained from all Directors and Senior Management Personnel of the Company their affirmation of compliance with the Code of Conduct for Members of the Board of Directors and Senior Management of the Company for the financial year ended March 31, 2015.

K V S Seshasai
 Chief Executive Officer
 Mumbai, May 27, 2015

Related Party Transaction Policy

In compliance with the requirements of Clause 49 of the Listing Agreement, the Board of Directors of the Company has approved a Related Party Transaction Policy, to facilitate management to report and seek approval for any Related Party Transaction proposed to be entered into by the Company. The said Related Party Transaction Policy can be viewed on www.zeelearn.com.

Policies & Code as per SEBI Insider Trading Regulations

In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and approved (i) an Insider Trading Code to regulate dealing in the securities of the Company by designated persons in compliance with the regulations; and (ii) a Policy for Fair Disclosure of Unpublished Price Sensitive Information.

The Company Secretary of the Company is Compliance officer for the purposes of Insider Trading Code, while Mr. Umesh Pradhan, Chief Financial Officer of the Company has been appointed as Chief Investor Relations Officer for the purpose of Fair Disclosure policy.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

With a view to familiarize Independent Directors with the Company's operations, the Company has conducted Familiarization program for them with a view to enable them to understand Company's business in depth and contribute significantly to the Company. Such programs / presentations will provide an opportunity to the Independent Directors to interact with the senior leadership team of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, quality, facilities and risk management and such other areas as may arise from time to time.

The details of Familiarization program can be accessed by clicking on www.zeelearn.com

BOARD OF DIRECTORS

Composition & Category of Directors

ZLL has a balanced Board with combination of Executive and Non-Executive Directors, to ensure independent functioning and the current composition of the Board is in conformity with Clause 49(II)(A) of the Listing Agreements. Non-Executive Directors include independent professionals with experience in business, finance, strategy and education. Independent Directors of the Company provide appropriate annual certifications to the Board confirming satisfaction of the conditions of their being independent as laid down in Section 149(6) of the Companies Act, 2013 and Clause 49.

Composition of the Board as at the close of March 31, 2015

Category of Directors	No. of Directors	Percentage to total No. of Directors
Non-Executive Independent Directors	3	60%
Other Non-Executive Directors	2	40%
Total	5	100%

Particulars of Directors, their attendance at the Annual General Meeting and Board Meetings held during the financial year 2014-15 and also their other directorships in other Public Companies (excluding Foreign Companies and Section 8 Companies of Companies Act, 2013) and Membership/Chairmanship of Audit Committee and Stakeholder Relationship Committee of other Public Companies as at March 31, 2015 are as under:

Name of Director	Attendance at		No. of Directorship of other Public Companies		No. of Committee positions held in other public Companies	
	Board Meetings (Total 6 Meetings)	4th AGM held on 11/08/2014	Chairman	Member	Chairman	Member
Non- Executive Chairman						
Mr. Subodh Kumar	6	Yes	1	6	-	-
Non Executive Director						
Mr. Himanshu Mody	5	Yes	-	5	-	1
Non- Executive Independent Director						
Mr. Surjit Banga	6	Yes	-	4	3	3
Dr. Manish Agarwal	5	Yes	-	-	-	-
Mrs. Sangeeta Pandit	6	Yes	-	2	-	1

None of the Directors on the Board is a member of more than ten (10) Committees (other than Nomination and Remuneration Committee) or Chairman of more than five (5) Committees across all the companies in which he is a Director.

Board Meetings & Procedures

During the financial year under review, six (6) meetings of the Board were held. The intervening period between the Board Meetings were well within the maximum time gap of four (4) months prescribed under Clause 49 of the Listing Agreement. The annual calendar of meetings is broadly determined at the beginning of each year. The details of the meetings held during the year are as under:

Sr.No.	Date of Board Meeting	Board Strength	No. of Directors present
1	May 29, 2014	5	5
2	July 16, 2014	5	5
3	September 8, 2014	5	5
4	October 21, 2014	5	4
5	January 30, 2015	5	4
6	March 30, 2015	5	5

Board Meetings of the Company are governed by a structured agenda. The Board meetings are generally held at the Registered Office of the Company at Mumbai. The Company Secretary in consultation with the Chairman, Chief Executive Officer & Chief Financial Officer finalizes the agenda of the Board Meetings. All major agenda items, backed up by comprehensive background information, are sent well in advance of the date of the Board Meetings to enable the Board to take informed decision. Any Board Member may, in consultation with the Chairman, bring up any matter for consideration by the Board. Senior Management personnel are invited from time to time to the Board Meetings to make requisite presentations on relevant issues or provide necessary insights into the operations/working of the Company and corporate strategies.

The Board periodically reviews Compliance Reports in respect of various laws and regulations applicable to the Company.

Independent Directors Meeting

In compliance with the requirements of Clause 49 of the Listing Agreement and Section 149 read with Schedule IV of the Companies Act, 2013, the Independent Directors of the Company met on March 30, 2015 to review performance of the Chairman and other Non Independent Directors, evaluate performance of the Board and review flow of information between the management and the Board.

Brief profile of the Director of the Company to be re-appointed at the Annual General Meeting

Mr Subodh Kumar, 63, Non- Executive Director of Zee Learn Limited had one of the most illustrious careers in the Indian Administrative Service spanning 35 years, heading various key government agencies with stellar integrity and transparency. Mr Subodh Kumar, a 1977 batch IAS officer was Municipal Commissioner of Greater Mumbai Municipal Corporation as his last assignment and he has earlier served in the Departments of Telecommunication, Ministry of Industry, Ministry of Textile in the Government of India and also served as Commissioner of Sales Tax, Commissioner of State Excise as well as Principal Secretary - Finance Department in the Government of Maharashtra. Besides being Director on Public Sector Undertakings, he had also been the Managing Director of Maharashtra State Seeds Corporation. Mr. Subodh Kumar has had many noticeable contributions to the areas of his work and most notably making modifications to the Development Control Regulations thereby drastically reducing the manipulation in building industry. Mr Kumar holds M.Sc in Physics and several diplomas and management certificates from IIM-A, IIM-B, IIM-C, Harvard Business School, IDS Sussex, IMF amongst other Ivy League institutions.

Apart from the Company, Mr. Subodh Kumar currently holds directorship in seven (7) other Indian Public Limited Companies viz. Siti Cable Network Limited, Essel Infraprojects Limited, Essel Utilities Distribution Company Limited, Zee Entertainment Enterprises Ltd, Essel Finance Business Loans Limited, Essel Finance Capstar Advisory Limited and Essel Finance VKC Forex Limited.

As on March 31, 2015, Mr. Subodh Kumar hold 30,000 Equity Shares in the Company.

BOARD COMMITTEES

a) Audit Committee Constitution

The Board has constituted an Audit Committee, comprising of three (3) members, two (2) of whom are Independent Directors, with Mr. Surjit Banga, a Non-Executive Independent Director as its Chairman.

The composition of the Audit Committee of the Board which complies with the requirements of Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement are as under:

Name of Directors	Category
Mr. Surjit Banga	Non- Executive Independent Director
*Dr. Manish Agarwal	Non -Executive Independent Director
**Mrs. Sangeeta Pandit	Non- Executive Independent Director
*** Mr. Subodh Kumar	Non- Executive Director
**** Mr. Himanshu Mody	Non -Executive Director

* Up to 29.05.2014

** w.e.f. 29.05.2014

***Up to 30.01.2015

****w.e.f. 30.01.2015

Terms of reference

The role and the powers of the Audit Committee are as per guidelines set out in Clause 49 of the Listing Agreement and provisions of Section 177 of the Companies Act, 2013 (' the Act') read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. The Committee meets periodically and reviews various agenda items as per the terms of reference which broadly includes:

- Review Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient, accurate, timely and credible.
- Review and recommend for approval of the Board quarterly, half yearly and annual financial statements before submission to the Board for approval.
- Review internal audit reports, related party transactions, company's financial and risk management policies and functioning of Whistle Blower & Vigil Mechanism Policy.
- Review with the management, external and internal auditors, the adequacy of internal control systems including computerized information system controls and security.
- Recommend to the Board the appointment, reappointment and removal of the statutory auditor, fixation of audit fee and approval of payment of fees for any other services.
- Review the adequacy of internal audit function including approving appointment and remuneration payable to Internal Auditor.

The Audit Committee also reviews adequacy of disclosures and compliance with all relevant laws. In addition to these, in compliance with requirements of Clause 49 of the Listing Agreement, the Audit Committee reviews operations of Subsidiary Companies viz., its financial statements, to grant omnibus approval for related party transactions which are in the ordinary course of business and on an arms length pricing basis and to review and approve such transactions subject to the approval of the Board, statement of investments and minutes of meetings of its Board and Committees.

The details of composition of the Audit Committee, which complies with the requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement along with attendance of the Committee Members at the 4 (four) meetings held during the financial year are as under:

Sr. No.	Date of Meeting	Committee Strength	No. of Directors present	No. of Independent Directors present
1	May 29, 2014	3	3	2
2	July 16, 2014	3	3	2
3	October 21, 2014	3	3	2
4	January 30, 2015	3	2	2

Audit Committee Meetings are generally attended by the Chief Executive Officer, Chief Financial Officer and representative of the Statutory Auditors of the Company. Internal Auditors have attended Audit Committee Meetings wherein the Internal Audit Reports were considered by the Committee. The Company Secretary acts as the secretary to the Audit Committee.

b) Nomination & Remuneration Committee

Constitution

In compliance with the requirements of Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013 during financial year 2014-15, the Board renamed the existing Remuneration Committee as 'Nomination and Remuneration Committee' which comprises of Dr. Manish Agarwal, Non-Executive Independent Director as Chairman, Mr. Himanshu Mody and Mr. Surjit Banga as members of the Committee. The Company Secretary acts as the secretary to the Nomination & Remuneration Committee.

Terms of reference

Terms of reference of the Nomination & Remuneration Committee include:

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- Formulate the criteria for determining qualification, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Ensure the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
- Ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Formulate policy with regard to remuneration to directors, key managerial personnel and senior management involving a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- Approve the remuneration policy and other matters relating thereto as applicable to directors and senior management and other employees of the Company and administer Employee Stock Option Scheme of the Company.

The details of attendance of the Committee Members at the meetings held during the year under review, is as detailed herein:

Sr. No.	Date of Meeting	Committee Strength	No. of Directors present
1	July 3, 2014	3	3
2	September 29, 2014	3	3

Remuneration Policy

The guiding principle of the remuneration policy of the Company is that the remuneration and other terms of engagement / employment shall be competitive enough to ensure that the Company is in a position to attract, retain and motivate right kind of human resource(s) for achieving the desired growth set by the Company's management year on year thereby creating long-term value for all stakeholders of the Company. An extract of the Remuneration Policy approved by the Nomination & Remuneration Committee of the Board has been included as a part of this Annual report.

Remuneration payable to Non-Executive Director

Non-Executive Directors were entitled to sitting fees of Rs. 20,000/- per meeting of the Board and Committees thereof, other than Stakeholder Relationship Committee.

Particulars of sitting fees paid to Non-Executive Independent Directors of the Company for the financial year 2014-15 are as under:

Name of Director	Sitting Fees Paid (₹)
Mr. Surjit Banga	2,40,000/-
Dr. Manish Agarwal	1,60,000/-
Mrs. Sangeeta Pandit	1,80,000/-
Total	5,80,000/-

In addition to this, the Non-Executive Non-Independent Directors were granted Stock Options (each convertible into equivalent number of equity shares of Re. 1/- each of the Company) as per the following details at an exercise price equivalent to Market Price, as per the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

Particulars of Stock Options granted under ZLL ESOP 2010 scheme to the Non-Executive Independent Directors & Non-Independent Directors and their outstanding as at March 31, 2015, are as under:

Name of Director	No. of Stock Options granted @ Rs. 26.05 per stock option	No. of Stock Options granted @ Rs. 14.50 per stock option	No. of Stock Options granted @ Rs. 20.85 per stock option	No. of Stock Options granted @ Rs. 35.25 per stock option	Total Stock Options granted	Total Stock Options vested	Total Stock Options exercised
Mr. Surjit Banga	30,000	30,000	30,000	N.A.	90,000	75,000	75,000
Dr. Manish Agarwal	30,000	30,000	30,000	N.A.	90,000	75,000	75,000
Mrs. Sangeeta Pandit	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Subodh Kumar	N.A.	N.A.	60,000	75,000	1,35,000	30,000	30,000
Mr. Himanshu Mody	28,000	32,500	40,000	40,000	1,40,500	80,500	80,500

The Non-Executive Independent Directors of the Company do not have any other material pecuniary relationships or transactions with the Company or its directors, senior management, subsidiary or associate, other than in normal course of business.

c) Stakeholder Relationship Committee

Constitution

In compliance with Section 178 of the Companies Act, 2013, during financial year 2014-15, the Board had renamed the Share Transfer and Investors Grievance Committee as 'Stakeholders Relationship Committee', which currently comprise of Mr. Surjit Banga as Chairman and Mr. Himanshu Mody as the member. The Company Secretary is the Secretary of the Committee.

Terms of Reference

Terms of reference of Stakeholder Relationship Committee is to supervise and ensure efficient transfer of shares, issue of duplicate share certificates reported lost, defaced or destroyed and proper and timely attendance to investors' grievances. The Committee has delegated the power of approving requests for transfer, transmission, rematerialization, and dematerialization etc. of shares of the Company to the executives in the Secretarial Department of the Company.

During the financial year under review, Stakeholder Relationship Committee met seven (7) times. The details of the meetings are as under:

Sr. No.	Date of Meeting	Committee Strength	Directors present
1	October 21, 2014	2	2
2	January 2, 2015	2	2
3	January 5, 2015	2	2
4	January 27, 2015	2	2
5	February 16, 2015	2	2
6	March 9, 2015	2	2
7	March 30, 2015	2	2

Details of number of requests/ complaints received and resolved during the year ended March 31, 2015, are as under:

Nature of Correspondence	Received	Replied/ Resolved	Pending
Non-receipt of Share Certificate (Demerger)	Nil	Nil	Nil
Non-receipt of Dividend	Nil	Nil	Nil
Non-receipt of Annual Report	02	02	Nil
Letter from Stock Exchange/ROC/SEBI	Nil	Nil	Nil
Total	02	02	Nil

OTHER BOARD COMMITTEES

In addition to the above, the Board has constituted following Committees to exercise powers delegated by the Board as per the scope mentioned herein:

i) ESOP Allotment Sub-Committee

In order to process and facilitate allotment of Equity Shares, from time to time, upon exercise of Stock Options granted under Company's ESOP Scheme, the Nomination & Remuneration Committee has constituted ESOP Allotment Sub-Committee comprising of Mr. Himanshu Mody, Non Executive Director, Mr. K V S Seshasai, Chief Executive Officer and the Company Secretary of the Company as its members.

ii) Finance Sub-Committee

The Finance Sub-Committee of the Company's comprises of Mr. Surjit Banga and Mr. Himanshu Mody as members.

With a view to facilitate monitoring and expediting any debt fund raising process, approve financing facilities offered and / or sanctioned to the Company by various Banks and /or Indian Financial Institutions from time to time, in the form of Term Loans, Working Capital facilities, Guarantee facilities etc., including the acceptance of terms and conditions of such facilities being offered and exercising other authorities as may be delegated by the Board from time to time, the Board has constituted a Finance Sub-Committee.

iii) Issue & Allotment Sub-Committee

In order to facilitate the process of approving Company's Offering Document for issue of Global Depository Receipts (GDRs), appointment of various intermediaries, approving various agreements, deciding on the terms of issue along with timing thereof, obtaining approval of Stock Exchange(s) and/or other regulatory / statutory / administrative authorities etc., the Board has constituted an Issue and Allotment Committee comprising of Mr. Himanshu Mody, Non-Executive Director and Mr. Surjit Banga, Non- Executive Independent Director as its members.

iv) Corporate Management Committee

The Board has constituted a Corporate Management Committee comprising of senior executives i.e. Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company to review, approve and / or grant authorities for managing day-to-day affairs of the Company within the limits delegated by the Board.

These committees meet as and when required to deliberate and decide on various matters within their respective scope or powers delegated by the Board.

GENERAL MEETINGS

The Fifth Annual General Meeting of the Company for the financial year 2014-15 will be held on Friday, August 28, 2015 at 11.00 a.m. at 'The Hall of Culture', Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018.

The location, day, date and time of the Annual General Meetings held during last three years along with Special Resolution(s) passed at these meetings are as follows :

Financial year	Day, Date and Time of the meeting	Special Resolutions passed	Venue
2011-2012	Wednesday, August 8, 2012 at 11.00 a.m.	Extending the benefits of Employees Stock Option Scheme to the eligible employees of holding / subsidiary company. Fixing the investment limit by FIIs / QFI in the equity share capital of the Company subject to condition that total investment shall not exceed an aggregate limit of 49% of paid-up equity share capital of the Company.	The Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018.
2012- 2013	Wednesday August 7, 2013 at 11.00 a.m	Appointment of Mr. Umesh Pradhan, Chief Financial Officer of the Company as Manager under Schedule XIII of the Companies Act,1956 for a period of 3 years w.e.f. April 1, 2013.	The Hall of Harmony', Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018.
2013-2014	Monday, August 11, 2014 at 11.00 a.m	Approval of Borrowings in excess of aggregate of paid-up share capital & free reserves of the Company	The Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018.

All the above resolutions were passed with requisite majority.

None of the resolutions proposed at the ensuing Annual General Meeting needs to be passed by Postal Ballot in terms of Section 110 of the Companies Act, 2013 read with Rule 22 of Companies (Management and Administration) Rules, 2014.

POSTAL BALLOT

Particulars of Resolutions passed by way of Postal Ballot during financial year 2014-15 are as detailed herein:

Date of Notice:	July 16, 2014	February 11, 2015
Date of Result:	September 5, 2014	March 24, 2015
Particulars of Resolution	Special Resolution u/s 180 (1)(a) of the Companies Act, 2013 authorising the Board to create security in respect of the current and future borrowings of the Company.	Special Resolution u/s 42 and 71 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 to offer or invite subscription(s) for Secured and/or unsecured Redeemable Non-Convertible Debentures of the Company
Details of Votes Cast	For	Against
Number of Shares	19,74,03,465	7,154
% of total shares for which votes were cast	99.9964%	0.0036%
	For	Against
	20,31,03,299	1,113
	99.9995%	0.0005%

Ms. Mita Sanghavi, Practising Company Secretary was appointed as a Scrutinizer in respect of the aforesaid resolutions, to ensure that E-voting and Postal Ballot Voting process is conducted in fair and transparent manner. The above resolution was passed with requisite majority.

DISCLOSURES

The Whistle Blower & Vigil Mechanism Policy approved by the Board has been implemented and no personnel has been denied access for making disclosure or report under the Policy to the Vigilance Officer and/or Audit Committee.

There are no materially significant related party transactions between the Company and its promoters, directors or key managerial personnel or their relatives, having any potential conflict with interests of the Company at large. Transactions with related parties including material related party transaction with one of the wholly owned subsidiary of the Company Digital Ventures Private Limited are disclosed elsewhere in the Annual Report.

There has not been any non-compliance by the Company and no penalties or strictures imposed by SEBI or Stock Exchanges or any other statutory authority on any matter relating to capital markets, during the last three years.

Compliance with Non-Mandatory requirements

The Company has complied with all mandatory requirements of Clause 49 of Listing Agreement. The status of compliance with non-mandatory requirements of Clause 49 of the Listing Agreement are as detailed hereunder:

Audit Qualification – The financial statements of the Company are unqualified.

Means of Communication

The Company has promptly reported all material information including declaration of quarterly financial results, press releases, etc., to all Stock Exchanges where the securities of the Company are listed. Such information is also simultaneously displayed immediately on the Company's website, www.zeelearn.com. The quarterly, half yearly and annual financial results and other statutory information were communicated to the shareholders by way of an advertisement in a English daily viz. 'Daily News & Analysis (DNA)' and in a vernacular language newspaper viz. 'Punya Nagari (Marathi)' as per requirements of the Listing Agreement. The financial and other information filed by the Company on NEAPS and Corporate Filing platforms of NSE and BSE respectively.

Official news, releases and presentations made to the institutional investors or to the analysts, if any, are displayed on Company's website www.zeelearn.com

Management Discussions and Analysis Report forming part of annual report is annexed separately.

General Shareholders Information

The required information is provided in Shareholders Information Section.

Auditor's Certificate

To

The Members,
Zee Learn Limited

We have examined the compliance of conditions of Corporate Governance by Zee Learn Limited ('the Company'), for the year ended March 31, 2015 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **MGB & Co., LLP**
Chartered Accountants
Registration No- 101169W/W-100035

Sanjay Kothari
Partner
Membership No. 048215

Mumbai, May 27, 2015

Shareholders' Information

1. Date, Time and Venue of Shareholder's Meeting

Meeting : Fifth Annual General Meeting
Day & Date : Friday, 28th August, 2015
Time : 11.00 a.m.
Venue : 'The Hall of Culture', Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018.

2. Financial Year

April 1, 2014 till March 31, 2015

3. Date of Book Closure

From Monday, August 24, 2015 to Friday, August 28, 2015 (both days inclusive).

4. Dividend Payment Date

Not Applicable as the Board has not recommended any equity dividend.

5. Address for correspondence

Registered Office:-
Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai - 400 018.
Tel: +91-22-2483 1234, Fax: +91-22-2495 5974
Website : www.zeelearn.com

Corporate Office:-
Level 6, Fun Republic, Off. New Link Road, Andheri (West), Mumbai - 400 053.
Tel: +91-22-4034 3900, Fax: +91-22-2674 3422

6. Corporate Identity No.

L80301MH2010PLC198405

7. Listing on Stock Exchanges

Equity Shares:
BSE Limited (BSE)
The National Stock Exchange of India Limited (NSE)

8. Stock Code

Equity Shares BSE : 533287
NSE : ZEELEARN

9. ISIN No.

Equity Shares: INE565L01011

10. Global Depository Receipts (GDRs) Details

As at March 31, 2015, total 41,17,977 Global Depository Receipts have remained outstanding, the underlying shares of which forms part of the existing paid up share capital of the Company.

a. Listed at

Societe DE LA Bourse De Luxembourg
Societe Anonyme,
35A, Boulevard Joseph II
L- 1840,Luxembourg.

b. Overseas Depository

Deutsche Bank Trust Company Americas
Trust & Securities Services
Global Equity Services- Depository Receipts
60 Wall Street,
Newyork, NY-10005.

c. Domestic Custodian

Deutsche Bank AG,
 Securities & Custody Services
 Block B1, Nirlon Knowledge Park
 Western Express Highway
 Goregaon (East), Mumbai – 400 063.

d. ISIN Code

US9892181028

e. Market Data Relating to GDRs Listed on Luxembourg Stock Exchange

Luxembourg Stock Exchange (figures in USD)			
Month	Monthly Closing (Maximum)	Monthly Closing (Minimum)	Average
April 2014	\$4.18	\$3.91	\$4.05
May 2014	\$4.82	\$3.85	\$4.27
June 2014	\$6.00	\$5.09	\$5.50
July 2014	\$6.30	\$5.12	\$5.56
August 2014	\$6.49	\$4.87	\$5.78
September 2014	\$6.71	\$5.74	\$6.08
October 2014	\$5.83	\$5.56	\$5.73
November 2014	\$5.81	\$5.36	\$5.60
December 2014	\$5.40	\$4.66	\$5.00
January 2015	\$5.14	\$4.75	\$4.95
February 2015	\$5.79	\$5.13	\$5.52
March 2015	\$5.97	\$5.54	\$5.75

11. Registrar & Share Transfer Agent

Sharepro Services (India) Private Limited,
 13AB, Samhita Warehousing Complex,
 Second Floor, Sakinaka Telephone Exchange Lane,
 Off Andheri - Kurla Road, Sakinaka,
 Andheri (East), Mumbai - 400 072.
 Tel: +91-22-67720400 / Fax: +91-22- 28591568
 E-Mail: sharepro@shareproservices.com

12. Investor Relations Officer

Company Secretary
 Zee Learn Limited
 Continental Building, 135, Dr. Annie Besant Road,
 Worli, Mumbai - 400 018.
 Tel: +91-22-2483 1234 / Fax: +91-22-2490 0302/0213
 E-mail: hemangi.patil@zeelearn.com

13. PAN & Change of Address

The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in dematerialized form are requested to submit their PAN, notify the change of address including e-mail address/ dividend mandate, if any, to their respective Depository Participant (DP). Members holding shares in physical form can submit their PAN, notify the change of address including e-mail address/ dividend mandate, if any, to the Company/ Registrar & Share Transfer Agent.

14. Share Transfer System

Equity Shares sent for physical transfer or for dematerialisation are generally registered and returned within a period of 7 days from the date of receipt of completed and validly executed documents.

15. Dematerialisation of Equity Shares & Liquidity

To facilitate trading in demat form the Company has made arrangements with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shareholders may open account with any of the Depository Participant registered with any of these two depositories. As on March 31, 2015, 99.93% of the equity shares of the Company is held by 82,561 Equity Shareholders in dematerialized form and the balance 0.07% is held by 1,000 Equity Shareholders in physical form. Entire Equity shareholding of the promoters in Company is held in dematerialized form.

16. Unclaimed Shares

As per Clause 5A of the Listing Agreement, details in respect of the Shares, which were issued pursuant to the Scheme of Arrangement and lying in the Suspense account, is as under:

Description	Number of shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense account as at April 1, 2014	224	42,439
Fresh undelivered cases during the Financial Year 2014-15	NIL	NIL
Number of shareholders who approached the Company for transfer of shares from suspense account till March 31, 2015	4	2,738
Number of shareholders to whom shares were transferred from the Suspense account till March 31, 2015	4	2,738
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2015	220	39,701

The voting rights on the Equity shares outstanding in the suspense account as on March 31, 2015 shall remain frozen till the rightful owner of such shares claims the shares.

17. Shareholders' Correspondence

The Company has attended to all the investors' grievances/ queries/ information requests except for the cases where the Company is restrained due to pending legal proceedings or court/ statutory orders.

It is the endeavor of the Company to reply to all letters/ communications received from the shareholders within a period of 5 working days.

All correspondence may please be addressed to the Registrar & Share Transfer Agent at the address given above. In case any shareholder is not satisfied with the response or do not get any response within reasonable period, they may approach the Investor Relations Officer at the address given above.

18. Outstanding Convertible Securities

There are no outstanding Securities including Stock Options issued by the Company and convertible into Equity Shares of the Company as at March 31, 2015.

19. Share Capital Build-up

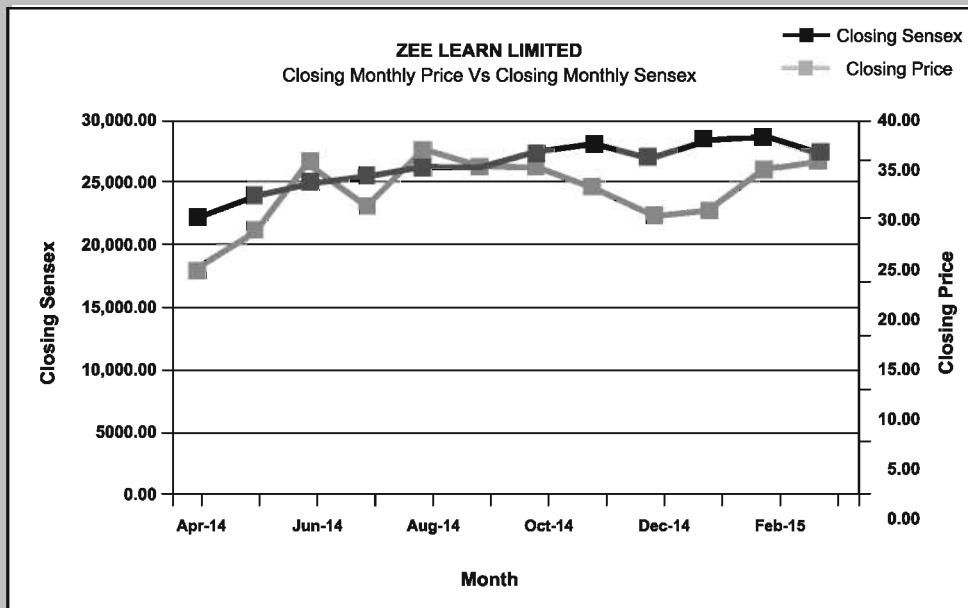
Particulars	No. of Shares Issued	Date of Issue
Issued to Subscribers	50,000	20.01.2010
Sub-Division of Shares from Rs. 10/- each to Re. 1/- each	5,00,000	22.01.2010
Issued to ZEEL Shareholders pursuant to Scheme	12,22,38,599	14.10.2010
Issued to EsseL Entertainment Media Limited Shareholders pursuant to Scheme	14,00,00,000	01.07.2011
Allotment under ESOP	2,12,000	30.11.2012
Allotment under ESOP	59,650	13.03.2013
Allotment under ESOP	5,61,79,770	21.05.2013
Allotment under ESOP	18,500	14.08.2013
Allotment under ESOP	52,500	25.10.2013
Allotment under ESOP	54,700	30.01.2014
Allotment under ESOP	15,925	24.03.2014
Allotment under ESOP	30,200	12.05.2014
Allotment under ESOP	28,250	11.06.2014
Allotment under ESOP	36,550	25.08.2014
Allotment under ESOP	2,39,189	24.09.2014
Allotment under ESOP	1,35,950	07.10.2014
Allotment under ESOP	74,663	29.10.2014
Allotment under ESOP	52,500	02.12.2014
Allotment under ESOP	15,488	02.01.2015
Allotment under ESOP	18,975	11.02.2015
Allotment under ESOP	37,688	23.03.2015
Issue & Paid- up Capital as on 31.03.2015	32,00,01,097	

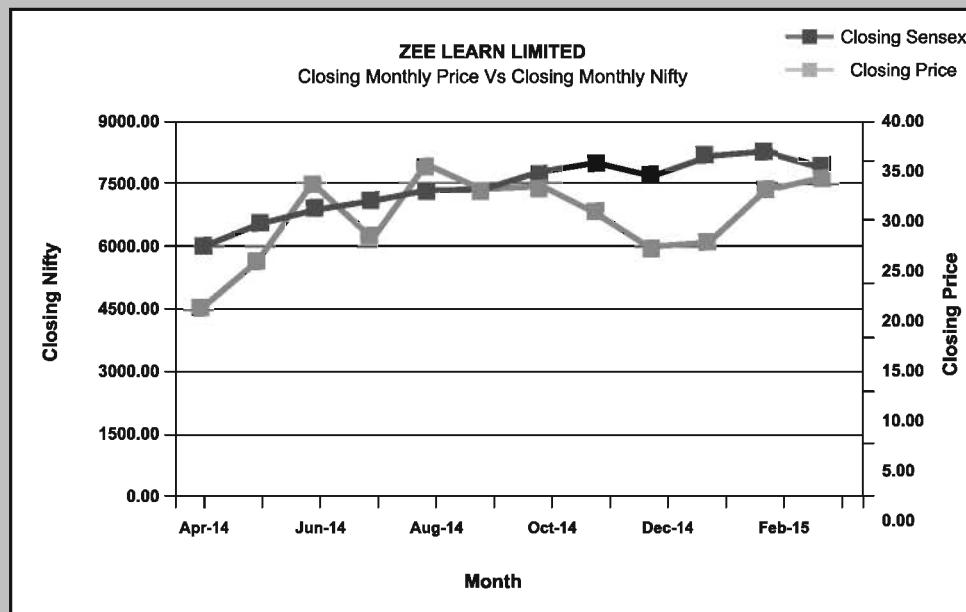
20. Stock Market Data Relating to Shares Listed in India

Monthly high and low quotations and volume of Equity Shares traded on BSE and NSE for the financial year 2014-15:

Month	BSE			NSE		
	High (₹)	Low(₹)	Volume Of Shares Traded	High (₹)	Low(₹)	Volume of Shares Traded
April 2014	25.65	22.50	6,01,766	25.55	22.85	18,93,480
May 2014	29.40	22.60	13,18,127	29.40	22.60	36,27,952
June 2014	38.00	28.35	84,99,243	37.90	28.35	2,30,08,421
July 2014	38.60	27.15	39,25,666	38.65	30.25	1,09,89,752
August 2014	40.90	29.20	37,08,990	40.90	29.20	1,08,63,483
September 2014	42.30	34.00	32,48,250	42.40	34.00	1,97,80,708
October 2014	36.90	32.20	5,17,061	37.70	33.25	23,09,109
November 2014	36.80	32.80	6,04,365	36.85	32.85	26,26,799
December 2014	40.20	28.90	3,63,414	34.00	29.05	16,17,012
January 2015	35.00	29.00	46,84,254	33.95	29.30	1,26,55,591
February 2015	36.35	30.10	44,70,340	36.75	30.15	1,16,56,201
March 2015	38.05	34.25	42,94,959	38.25	34.20	1,08,25,430

21. Relative Performance of the Equity shares Vs. BSE Sensex & Nifty Index



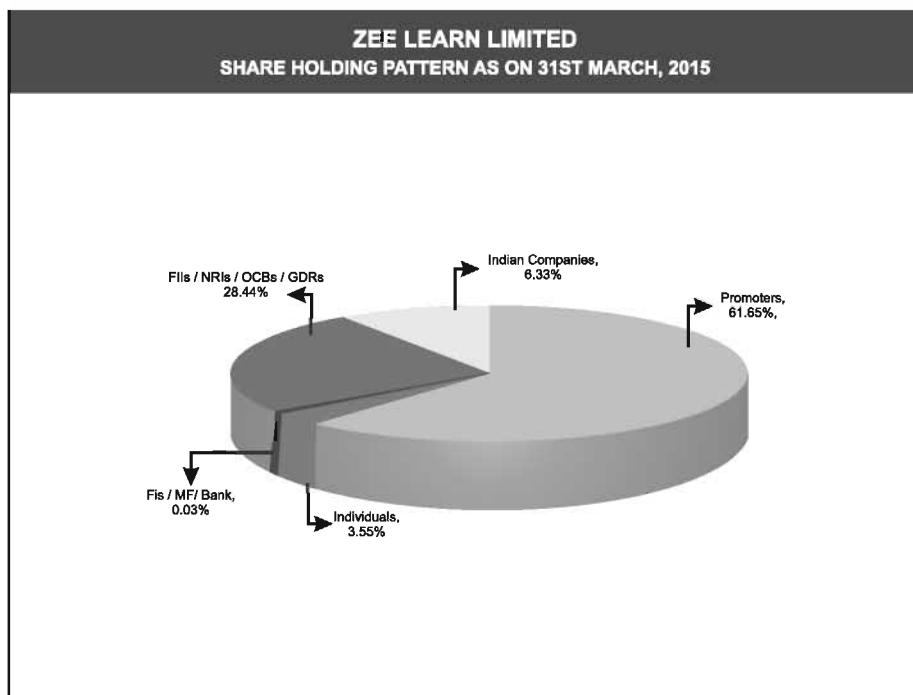


22. Distribution of Shareholding as on March 31, 2015

No. of Equity Shares	Share Holders		No. of Shares	
	Number	% of Holders	Number	% of Capital
Up to 5000	83,187	99.55 %	73,37,796	2.29 %
5001 - 10000	171	0.21 %	13,08,847	0.41 %
10001 - 20000	94	0.11 %	13,59,642	0.43 %
20001 - 30000	26	0.03 %	6,70,951	0.21 %
30001 - 40000	13	0.02 %	4,47,917	0.14 %
40001 - 50000	7	0.01 %	3,36,056	0.10 %
50001 -100000	19	0.02 %	14,34,880	0.45 %
100001 and Above	44	0.05 %	30,71,05,008	95.97 %
Total	83,561	100.00 %	32,00,01,097	100.00 %

23. Categories of Equity Shareholders as on March 31, 2015

Category	March 31, 2015	
	% of shareholding	No. of shares held
Promoters	61.65 %	19,72,92,879
Individuals	3.55 %	1,13,75,634
FIIs/MF/Banks	0.03 %	1,09,300
FIIs/ NRIs/OCBs/GDRs	28.44 %	9,09,73,012
Indian Companies	6.33 %	2,02,50,272
Total	100.00 %	32,00,01,097



24. Particulars of Shareholding

a) Promoter Shareholding as on March 31, 2015

Sr. No	Particulars	No of Shares held	% of shareholding
1.	Asian Satellite Broadcast Pvt. Ltd.	6,30,52,512	19.70 %
2.	Jayneer Capital Pvt. Ltd.	7,79,75,375	24.37 %
3.	Essel Media Ventures Pvt. Ltd.	1,28,61,036	4.02 %
4.	Sprit Textiles Pvt. Ltd.	1,11,03,864	3.47 %
5.	Ganjam Trading Company Pvt. Ltd.	49,49,506	1.55 %
6.	Veena Investment Pvt. Ltd.	34,49,013	1.08 %
7.	Essel Infraprojects Ltd.	17,52,286	0.55 %
8.	Ambience Business Services Pvt. Ltd.	6,22,883	0.19 %
9.	Essel Holdings Ltd.	57,97,315	1.81 %
10.	Jayneer Enterprises LLP	1,50,00,000	4.69 %
11.	Ashok Mathai Kurien	5,59,089	0.17 %
12.	Sushila Goel	1,70,000	0.05 %
	Total	19,72,92,879	61.65 %

b) Top ten (10) Public Shareholding as on March 31, 2015

Sr.	Particulars	No of Shares held	% of shareholding
1.	Deutsche Bank Trust Company Americas	4,11,79,770	12.87 %
2.	Swiss Finance Corporation (Mauritius) Ltd.	2,17,60,738	6.80 %
3.	Orange Mauritius Investments Ltd.	1,63,08,657	5.10 %
4.	Religare Finvest Ltd.	1,04,86,660	3.28 %
5.	Cophthal Mauritius Investment Ltd.	82,10,585	2.57 %
6.	Driehaus Emerging Markets Small Cap Growth	28,43,113	0.89 %
7.	IOTA Mtech Power LLP	18,25,000	0.57 %
8.	Kiran Vyapar Ltd.	13,25,000	0.41 %
9.	Prism Commodeal Pvt. Ltd.	10,70,937	0.33 %
10.	Adit Infopower Private Ltd.	8,08,606	0.25 %
	Total	10,58,19,066	33.07 %

Certification on Financial Statements of the Company

We, **K V S Seshasai**, Chief Executive Officer and **Umesh Pradhan**, Chief Financial Officer of Zee Learn Limited ('the Company'), certify that:

- (a) We have reviewed the financial statements and the cash flow statement of the Company for the year ended March 31, 2015 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2015 are fraudulent, illegal or violative to the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken to rectify these deficiencies.
- (d) During the year:
 - (i) There has not been any significant changes in internal control over financial reporting;
 - (ii) There have not been any significant changes in accounting policies; and
 - (iii) There have been no instances of significant fraud of which we are aware that involve management or other employees, having significant role in the company's internal control system over financial reporting.

For Zee Learn Limited

Mumbai,
May 27, 2015

K V S Seshasai
Chief Executive Officer

Umesh Pradhan
Chief Financial Officer

Independent Auditors' Report

To
The Members of
Zee Learn Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of **Zee Learn Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

4. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory requirements

5. As required by the 'Companies (Auditor's Report) Order, 2015' issued by the Central Government of India in terms of Section 143 (11) of the Act (hereinafter referred to as the "Order") and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
6. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 30 to the financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Sanjay Kothari
Partner
Membership Number 048215

Mumbai, 27 May 2015

Annexure referred to in Paragraph 6 under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of Zee Learn Limited on the standalone financial statements for the year ended 31 March 2015.

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) The fixed assets have been physically verified by the management during the year as per the phased program designed to cover all the fixed assets over a period. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets. As informed to us, no discrepancies were noticed on such verification.
- (ii) (a) In our opinion and according to the information and explanations given to us, the inventory except those lying with third parties has been physically verified by the management at reasonable intervals during the year. In respect of stock lying with third parties, *certain confirmations are yet to be obtained*.
(b) In our opinion, except as given herein (a) above, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) As explained to us, the Company is maintaining proper records of inventories and discrepancies noticed on physical verification of inventories as compared to book records, which are not material, have been properly dealt with in the books of accounts.
- (iii) The Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control systems in respect of the aforesaid areas.
- (v) The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder to the extent notified.
- (vi) We have broadly reviewed the cost accounting records maintained by the Company prescribed by the Central Government under Section 148 (1) of the Act and are of the opinion that *prima facie* the prescribed cost records have been maintained. However, we are neither required to carry out nor have carried out detailed examination of such cost accounting records with a view to determine whether they are accurate or complete.
- (vii) According to the records of the Company, examined by us and information and explanations given to us:
 - (a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, duty of excise, value added tax, cess and others as applicable have generally been deposited regularly with the appropriate authorities except delay in few cases. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March 2015 for a period of more than six months from the date they became payable.
 - (b) The dues of service tax, sales tax, value added tax and income tax which are not deposited on account of any dispute are as under:

Name of the Statute	Nature of the Dues	Amount (₹ in lakhs)	Period to which the amount relate	Forum where dispute is pending
Maharashtra Value Added Tax Act, 2002	Sales Tax	75.64	F.Y. 2005-2006	Deputy Commissioner Sales Tax (Appeals)
	Sales Tax -Penalty	46.55	F.Y. 2005-2006	
Central Sales Tax Act, 1956	Sales Tax	3.44	F.Y. 2003-2004	Deputy Commissioner Sales Tax (Appeals)
		6.16	F.Y. 2004-2005	
		52.95	F.Y. 2005-2006	
		89.55	F.Y. 2011-2012	Joint Commissioner of Sales Tax (Appeals)
Bombay Sales Tax Act, 1959	Sales tax	3.07	F.Y. 2002-2003	Deputy Commissioner of Sales Tax (Appeals)
		3.67	F.Y. 2003-2004	
		6.66	F.Y. 2004-2005	
Central Excise Act,1944	Service tax	57.87	F.Y. 2009-2010 to F.Y. 2011-2012	Commissioner of Service tax
		21.66*	F.Y. 2007-2008 to F.Y. 2010-2011	
		1.89	F.Y. 2011-2012	
		2.95	F.Y.2012-2013	Assistant Commissioner of Service Tax
		9.04	F.Y.2012-2013	Additional Commissioner of Service Tax
The Income Tax Act, 1961	Income Tax	16.51	F.Y. 2010-2011	Income Tax Officer

* does not include penalty of ₹/lakhs 21.66

- (c) There were no amounts required to be transferred to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
- (viii) The Company does not have accumulated losses exceeding fifty percent of its networth at the end of the financial year. The Company has not incurred any cash losses during the current financial year but had incurred cash losses in the immediately preceding financial year.
- (ix) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to banks, financial institutions and debenture holders during the year.
- (x) In our opinion and according to the information and explanations given to us, the terms and conditions on which the Company has given guarantees for loans taken by a subsidiary from banks are *prima facie* not prejudicial to the interests of the Company.
- (xi) The Company has not taken any term loan during the year.
- (xii) Based on the audit procedures performed and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

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

Sanjay Kothari
 Partner
 Membership Number 048215

Mumbai, 27 May 2015

Balance Sheet as at 31 March, 2015

(₹ lakhs)

	Note	2015	2014
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	3	3,200.01	3,193.32
Reserves and surplus	4	20,244.07	19,203.25
		23,444.08	22,396.57
Non-current liabilities			
Long-term borrowings	5(a)	4,680.00	8,596.00
Long-term provisions	6	147.22	144.46
Other long-term liabilities	7	29.60	71.39
		4,856.82	8,811.85
Current liabilities			
Short-term borrowings	5(b)	2,936.91	-
Trade payables	8	1,318.85	871.63
Other current liabilities	8	8,425.56	7,162.75
Short-term provisions	6	42.64	43.91
		12,723.96	8,078.29
Total		41,024.86	39,286.71
ASSETS			
Non-current assets			
Fixed assets	9		
Tangible assets		218.85	571.07
Intangible assets		724.10	874.35
Intangible assets under development		357.86	273.06
		1,300.81	1,718.48
Non-current investments	10	33,221.92	10,601.05
Long-term loans and advances	11	909.08	750.50
Other non-current assets	12	337.60	374.23
		35,769.41	13,444.26
Current assets			
Current investments	13	377.13	10,035.93
Inventories	14	2,741.09	1,924.16
Trade receivables	15	701.27	1,027.14
Cash and bank balances	16	992.59	1,411.60
Short-term loans and advances	11	262.77	11,309.73
Other current assets	12	180.60	133.89
		5,255.45	25,842.45
Total		41,024.86	39,286.71

Notes forming part of the financial statements

1-37

As per our attached report of even date

For and on behalf of the Board

For MGB & Co. LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

Subodh Kumar
Chairman

Surjit Banga
Director

Sanjay Kothari

Partner

Membership Number 048215

Umesh Pradhan
Chief Financial Officer

Samir Raval
Company Secretary

Place: Mumbai

Date: 27 May, 2015

Statement of Profit and Loss for the year ended 31 March, 2015

(₹ lakhs)

	Note	2015	2014
Revenue			
Revenue from operations	17	12,158.25	11,917.54
Other income	18	473.38	318.09
	Total	12,631.63	12,235.63
Expenses			
Operational cost	19	3,444.19	3,842.28
Employee benefits expense	20	2,495.13	3,126.85
Finance costs	21	1,324.84	823.30
Depreciation and amortization expenses	22	680.21	664.16
Other expenses	23	3,725.00	3,911.69
	Total	11,669.37	12,368.28
Profit/(Loss) before tax		962.26	(132.65)
Less: Tax expense			
Current tax		-	-
Deferred tax		-	-
Profit/(Loss) after tax		962.26	(132.65)
Earnings per share (face value ₹ 1 each)	36		
Basic		0.30	(0.04)
Diluted		0.30	(0.04)

Notes forming part of the financial statements

1-37

As per our attached report of even date

For and on behalf of the Board

For MGB & Co. LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

Subodh Kumar
Chairman

Surjit Banga
Director

Sanjay Kothari

Partner

Membership Number 048215

Umesh Pradhan
Chief Financial Officer

Samir Raval
Company Secretary

Place: Mumbai

Date: 27 May, 2015

Notes forming part of the Financial Statements

1 Corporate Information

Zee Learn Limited ("the Company") is incorporated in the State of Maharashtra on 4 January, 2010. The Company is one of the most diversified premium education companies which delivers learning solutions and training through its multiple products viz. Kidzee, Mount Litera Zee Schools, Braincafe, Mount Litera World Preschool, Zee Institute of Media Arts (ZIMA), Zee Institute of Creative Arts (ZICA) and E - Learning Online Education and Testing. The Company is also engaged in production/acquisition of television content.

2 Significant Accounting Policies

a Basis of preparation of financial statements

The financial statements are prepared on going concern basis in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). GAAP comprises mandatory Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 (Act) read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The financial statements have been prepared on accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b Use of estimates

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses for the period. Difference between the actual results and estimates are recognised in the period in which results are known / materialized.

c Tangible fixed assets

- (i) Tangible fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the assets to its working condition for intended use.
- (ii) Capital work in progress comprises cost of fixed assets and related expenses that are not yet ready for their intended use at the reporting date.

d Intangible assets

Intangible assets are recognised in the year it is put to use at cost. Intangible assets are carried at cost less accumulated amortization and impairment loss, if any. The cost comprises of purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost incurred on asset that are not ready for their intended use at the reporting date.

e Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of qualifying asset till the time such assets are ready for its intended use are capitalized as a part of the cost of assets. All other borrowing costs are expensed in the period they occur.

f Impairment of tangible and intangible assets

At each Balance Sheet date, the Company reviews the carrying amount of fixed assets to determine whether there is an indication that those assets have suffered impairment loss. If any such indication exists, the recoverable amount of assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

Notes forming part of the Financial Statements

g Depreciation/amortization on tangible/intangible assets

- (i) Depreciable amount for tangible fixed assets is cost of an asset, or other amount substituted for cost less its estimated residual value. Depreciation on tangible fixed assets is provided on straight - line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.
- (ii) Leasehold Improvements are amortized over the period of Lease.
- (iii) Intangible assets are amortised over their respective individual estimated useful lives on straight line basis.

h Investments

- (i) Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments including investment property are classified as long-term investments.
- (ii) Current investments are stated at lower of cost and fair market value determined on an individual investment basis. Long-term investments are stated at cost, less provision for diminution other than temporary, in the value of such investments.

i Transactions in foreign currencies

- (i) Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transaction.
- (ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements are recognised as income or as expenses in the year in which they arise.

j Revenue recognition

Revenue is recognised to the extent it is probable that economic benefits will flow to the Company and the revenue can be reliably measured.

- (i) Sales- Educational goods and equipments and television content is recognized when the significant risk and rewards of ownership are passed onto the customers, which is generally on dispatch or agreed terms.
- (ii) Services
 - a) Course fees and Royalty income is recognized over the duration of the course.
 - b) Franchise fees is recognized as per the agreed terms of the agreement.
 - c) Revenue from other services is recognised as and when such services are completed/Performed.
- (iii) Interest income is recognised on a time proportion basis taking into account principal outstanding and the applicable interest rate.
- (iv) Dividend income is recognised when the Company's right to receive dividend is established.

k Inventories

Educational goods and equipments and television content are valued at lower of cost or estimated net realizable value. Cost comprises cost of purchase, freight and other expense incurred in bringing the inventories to their present location and condition. Costs are taken on weighted average basis in case of educational goods and equipments and specific identification method in case of television content.

l Retirement and other employee benefits

- (i) Short-term employee benefits are expensed at the undiscounted amount in the Statement of Profit and Loss in the year the employee renders the service.
- (ii) Post employment and other long-term employee benefits are recognised as an expense in the Statement of Profit and Loss at the present value of the amount payable determined using actuarial valuation techniques in the year the employee renders the service. Actuarial gains and losses are charged to the Statement of Profit and Loss.
- (iii) Payment to defined contribution retirement benefit schemes are recognised as an expense in the Statement of Profit and Loss, when due.

m Accounting for taxes on income

- (i) Current tax is determined as the amount of tax payable in respect of taxable income as per the provisions of the Income Tax Act, 1961.

Notes forming part of the Financial Statements

(ii) Deferred tax is recognized, subject to consideration of prudence in respect of deferred tax asset, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates and laws.

n **Operating lease**

Lease of assets under which all the risk and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognized as expense on accrual basis in accordance with the terms of respective lease agreements.

o **Earnings per share**

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the year. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except when the results would be anti-dilutive.

p **Provisions, Contingent liabilities and Contingent assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the financial statements. Contingent Assets are neither recognized nor disclosed in the financial statements.

3 Share Capital	(₹ lakhs)	
	2015	2014
Authorised		
1,000,000,000 (1,000,000,000) Equity Shares of ₹1/- each	10,000.00	10,000.00
	10,000.00	10,000.00
Issued, Subscribed and Paid up		
320,001,097 (319,331,644) Equity Shares of ₹1/- each fully paid up	3,200.01	3,193.32
Total	3,200.01	3,193.32

a) Reconciliation of number of Equity shares and Share capital

	2015		2014	
	Number of equity shares	₹ lakhs	Number of equity shares	₹ lakhs
At the beginning of the year				
Add : Allotted on exercise of Employee Stock Option (Refer (e) below)	319,331,644	3,193.32	263,010,249	2,630.10
Add : Issue of Shares pursuant to Global Depository Receipts (GDR's)	669,453	6.69	141,625	1.42
Outstanding at the end of the year	-	-	56,179,770	561.80
	320,001,097	3,200.01	319,331,644	3,193.32

Notes forming part of the Financial Statements

b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 1 each. Each holder of equity shares is entitled to one vote per share, however the holders of global depository receipts (GDR's) do not have voting rights in respect of the equity shares represented by the GDRs till the shares are held by custodian. The Company declares and pays dividend in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) The Company has not issued any bonus shares or bought back equity shares during the five years preceding 31 March, 2015. Details of aggregate number of shares issued for consideration other than cash during the five years preceding 31 March, 2015 is as under:

	2015	2014
Pursuant to the Composite Scheme of Arrangement/Amalgamation	262,238,599	262,238,599

d) Details of Shareholders holding more than 5 % of the aggregate shares in the Company

Name of the Shareholders	2015		2014	
	Number of equity shares	% Shareholding	Number of equity shares	% Shareholding
Jayneer Capital Private Limited	77,975,375	24.37%	77,975,375	24.42%
Asian Satellite Broadcast Private Limited	63,052,512	19.70%	63,052,512	19.75%
Orange Mauritius Investments Limited	16,308,657	5.10%	23,546,529	7.37%
Deutsche Bank Trust Company Americas	41,179,770	12.87%	41,179,770	12.89%
Swiss Finance Corporation (Mauritius) Limited	21,760,738	6.80%	-	-

e) Employees Stock Option Scheme (ESOP):

The Company has instituted an Employee Stock Option Plan (ZLL ESOP 2010) as approved by the Board of Directors and Shareholders in 2010 for issuance of stock options convertible into equivalent number of equity shares not exceeding the aggregate of 5% of the issued and paid up capital of the Company i.e upto 6,136,930 equity shares of ₹ 1 each to the employees of the Company as well as that of its subsidiary and also to non-executive directors including Independent Directors of the Company at the market price determined as per the SEBI (ESOS) Guidelines, 1999. The said Scheme is administered by the Remuneration Committee of the Board.

During the year ended 31 March, 2015, the Company issued 1,961,750 stock options. The options granted under the Scheme shall vest not less than one year and not more than five years from the date of grant of options. The options granted vests in the ratio of 50:35:15 at the expiry of one, two and three years from the date of grant and once vested, these would be exercisable at any time within a period of four years and the equity shares arising on exercise of options shall not be subject to any lock in. Upon exercise of 669,453 (141,625) options, equivalent number of equity shares were issued and allotted during the year ended 31 March, 2015.

The options were granted to the employees/independent directors at an exercise price, being the latest market price as per the SEBI (ESOS) Guidelines 1999. In view of this, there being no intrinsic value on the date of the grant (being the excess of market price of share under the Scheme over the exercise price of the option), the Company is not required to account the accounting value of options as per the SEBI guidelines.

Notes forming part of the Financial Statements

Summary of stock options outstanding is as follows:

	2015	2014
Options outstanding at the		
- beginning of the year	2,564,250	1,134,250
- granted during the year	1,961,750	1,866,350
- lapsed during the year	538,774	294,725
- exercised during the year	669,453	141,625
Options outstanding at the end of the year	3,317,773	2,564,250

	(₹ lakhs)	
	2015	2014
Securities Premium		
As per last balance sheet	10,059.15	62.53
Add: On issue of Employees Stock Option Plan	122.30	19.99
Add: On issue of Global depository receipts	-	10,393.26
Less: Expenses on issue of Global depository receipts	-	416.63
	10,181.45	10,059.15
General Reserve*		
As per last balance sheet	13,971.80	13,971.80
Surplus/(Deficit) in the Statement of Profit and Loss		
As per last balance sheet	(4,827.70)	(4,695.05)
Add : Profit/(Loss) for the year	962.26	(132.65)
Add: Adjustment of depreciation as per transitional provisions (Refer Note 9 (b))	(43.74)	-
	(3,909.18)	(4,827.70)
Total	20,244.07	19,203.25

* Includes ₹/lakhs 8,881.25 (Previous year ₹ /lakhs 8,881.25), pursuant to the Scheme of Amalgamation, sanctioned by the Hon'ble High Court of Bombay which shall not be used for the purpose of declaring dividend.

	(₹ lakhs)			
	Non-Current		Current	
	2015	2014	2015	2014
Secured				
Debentures				
Nil(125), 12% Secured Redeemable Non-Convertible Debentures of Rs. 1,000,000 each fully paid up	-	-	-	1,250.00
Term Loan from Banks	4,680.00	8,596.00	3,916.00	1,104.00
	4,680.00	8,596.00	3,916.00	2,354.00
Less : Amount disclosed under the head "Other Current Liabilities" (Refer Note 8)	-	-	(3,916.00)	(2,354.00)
Total	4,680.00	8,596.00	-	-

Notes forming part of the Financial Statements

- a) Debentures are secured by first charge on free hold land, all fixed and current assets including fixed deposits, escrow account, reserve account, assignment of all benefits under agreement for Operation of school and further DSRA Undertaking by Zee Entertainment Enterprises Limited. The debentures carries interest @ 12% p.a and are redeemable at par in four equal installments of 25% each beginning at the end of 2nd year from the date of allotment, viz 6 January, 2010. The debentures have been fully repaid during the year.
- b) Term Loan from Axis Bank Limited ₹/lakhs 3,500.00 (Previous year ₹/lakhs 4,500.00) is secured by first pari passu charge on all the fixed and current assets (present and future) of the Company and also reserve account and DSRA Undertaking by Zee Entertainment Enterprises Limited. The loan carries interest over lenders base rate plus 2.25% and is repayable in 8 half yearly installments beginning from 30 June, 2013. However, the loan has been fully repaid in April 2015.
- c) Term Loan from Yes Bank Limited ₹/lakhs 5,096.00 (Previous year ₹/lakhs 5,200.00) is secured by first pari passu charge on all the movable assets (including current assets, loans and advances) of the Company and lien over debt service reserve account. The loan is further secured by way of securities and corporate guarantee provided by related parties. The loan carries interest over lenders base rate plus 1.1% and is repayable in 12 half yearly installments beginning from 30 June, 2014.

5 (b) Short-term borrowings	(₹ lakhs)	
	2015	2014
Intercorporate Deposits - Unsecured*	2,936.91	-
* Includes Interest of ₹/lakhs 73.91 (Previous year ₹/lakhs Nil)		
Total	2,936.91	-

The loan carries Interest @12.5% p.a and is repayable on or before 30 September 2015

6 Provisions	(₹ lakhs)			
	Long - Term		Short - Term	
	2015	2014	2015	2014
Provision for employee benefits				
- Gratuity	94.63	88.96	9.97	10.33
- Leave benefits	52.59	55.50	5.54	6.45
Others				
Provision for litigation	-	-	27.13	27.13
Total	147.22	144.46	42.64	43.91

7 Other long-term liabilities	(₹ lakhs)	
	2015	2014
Unearned revenue	19.60	61.39
Deposits from customers	10.00	10.00
Total	29.60	71.39

Notes forming part of the Financial Statements

8 Current liabilities	(₹ lakhs)	
	2015	2014
Trade payables	1,318.85	871.63
	1,318.85	871.63
Other current liabilities		
Current maturities of debentures and term loan (Refer Note 5 (a))	3,916.00	2,354.00
Interest accrued and due	88.15	-
Interest accrued but not due	-	100.11
Unearned Revenue	1,699.26	1,752.83
Cheques overdrawn	-	27.44
Deposits from customers	2.00	2.00
Advance received from customers	1,273.37	1,234.70
Creditors for capital expenditure	-	42.57
Statutory dues payable	123.08	128.97
Creditors for expenses	1,323.70	1,520.13
	8,425.56	7,162.75
Total	9,744.41	8,034.38

Notes forming part of the Financial Statements

9. Fixed assets

(₹ lakhs)

Description	Gross Block				Depreciation / Amortization			Net Block	
	As at 1 April 2014	Additions	Deductions	As at 31 March 2015	Up to 31 March 2014	For the year	Reserve adjustment (Refer Note b below)	Up to 31 March 2015	As at 31 March 2015
Tangibles									
Freehold Land (Refer Note a below)	5.85	-	-	5.85	-	-	-	-	5.85
Leasehold Asset Improvements	295.04	13.30	31.16	277.18	177.11	59.49	-	22.44	214.16
Equipments	158.23	8.26	21.27	145.22	26.71	62.38	-	1.79	87.30
Computers	468.86	5.91	95.22	379.55	187.16	112.65	43.74	26.64	316.91
Furniture and Fixtures	59.88	-	-	59.88	25.81	4.65	-	-	30.46
Total	987.86	27.47	147.65	867.68	416.79	239.17	43.74	50.87	648.83
Previous year	2,067.54	55.91	1,135.60	987.86	668.65	222.31	-	474.17	416.79
Intangibles									
Content Development Softwares	1,218.95	246.25	-	1,465.20	500.08	335.80	-	-	835.88
	432.26	55.22	19.48	468.00	276.78	105.24	-	8.80	373.22
Total	1,651.21	301.47	19.48	1,933.20	776.86	441.04	-	8.80	1,209.10
Previous year	683.57	967.64	-	1,651.21	335.01	441.85	-	-	776.86
Intangible under development									357.86
									273.06

a) Acquired pursuant to the Composite Scheme of Arrangement, yet to be transferred in the name of the Company and is mortgaged against the Secured Debentures.

b) During the year, the Company has adopted the useful life as per the Schedule II of Companies Act, 2013. Consequently, ₹/lakhs 43.74 representing the written down value of fixed assets whose lives have expired as at 1 April 2014 have been adjusted in Surplus / (Deficit) in Statement of Profit and Loss (Note 4). The unamortised carrying value has been depreciated / amortised over the revised / remaining useful lives.

c) During the previous year, fixed assets (Training equipments) of ₹/lakhs 610.89 (written down value) have been converted into Stock in Trade.

Notes forming part of the Financial Statements

10 Non-current investments (valued at cost, unless stated otherwise)	(₹ lakhs)	
	2015	2014
[A] Trade Investments - Unquoted		
In wholly owned subsidiary company - Digital Ventures Private Limited		
(i) 5,010,000 (5,010,000) Equity shares of ₹ 10/- each (Refer Note a below)	10,601.00	10,601.00
(ii) 100,000 (100,000) 0.1%, Non-Convertible Non-Cumulative Redeemable Preference Shares of ₹ 10/- each (Refer Note b below)	9,572.00	9,572.00
Amount disclosed under the head "Current Investments" (Refer Note 13)	-	(9,572.00)
(iii) 13,048,870 (Nil) 0.01 %, Compulsorily Convertible Debentures of ₹ 100/- each (Refer Note c below)	13,048.87	-
	33,221.87	10,601.00
[B] Others- Unquoted		
In National Savings Certificate (Pledged with Sales Tax Authorities)	0.05	0.05
(All the above securities are fully paid up)	33,221.92	10,601.05

- a) Non disposal undertaking for 51% shares held by the Company for loan taken by subsidiary Company viz Digital Ventures Private Limited
- b) As per the revised terms of redemption, the preference shares are redeemable on 31 March 2017 (Previous year 31 March 2015) at a premium of ₹ 10,005/- (Previous year ₹ 9,725/-) per share.
- c) 0.01 %, Compulsorily Convertible Debentures (CCD) of ₹ 100 each fully paid up are compulsorily convertible into equity shares at a conversion rate to be decided based on fair value of equity shares any time from the date of allotment but not later than 10 years from the date of allotment.

Notes forming part of the Financial Statements

11 Loans and advances (unsecured)

(₹ lakhs)

	Long-Term		Short-Term	
	2015	2014	2015	2014
Capital advances	0.79	72.60	-	-
Deposits				
- Related parties	-	-	-	900.00
- Others	561.56	454.49	23.78	9.79
- considered doubtful	-	-	5.40	-
	561.56	454.49	29.18	909.79
Less: Provision for doubtful deposits	-	-	5.40	-
	561.56	454.49	23.78	909.79
Loans - Wholly owned Subsidiary Company	-	-	-	10,148.76
Other advances				
- considered good	-	-	200.82	198.25
- considered doubtful	33.71	-	-	1.71
	33.71	-	200.82	199.96
Less: Provision for doubtful advances	33.71	-	-	1.71
	-	-	200.82	198.25
Prepaid expenses	0.25	0.68	38.17	29.33
Balances with Government authorities				
- Advance direct taxes	346.48	222.73	-	-
- Advance indirect taxes	-	-	-	23.60
Total	909.08	750.50	262.77	11,309.73

12 Other assets

(₹ lakhs)

	Non-Current		Current	
	2015	2014	2015	2014
Balances with banks -in deposit account (Refer Note 16)	160.36	369.61	-	-
Interest accrued - on bank deposits	13.40	4.62	29.68	5.18
- on Debentures - Subsidiary	0.84	-	-	-
Premium on redemption of Preference Shares - Subsidiary	163.00	-	-	23.29
Dividend receivable- Subsidiary	-	-	0.01	-
Other receivables	-	-	150.91	105.42
Total	337.60	374.23	180.60	133.89

Notes forming part of the Financial Statements

13 Current investments

(₹ lakhs)

	2015	2014
(i) Trade Investments - Unquoted		
Preference shares in wholly owned subsidiary company	-	9,572.00
100,000 (100,000) 0.1% Non-Convertible Non-Cumulative Redeemable Preference		
Shares of ₹ 10/- each of Digital Ventures Private Limited		
(Refer Note 10(b))		
(ii) Others - Units of Mutual Funds-Quoted		
71,181 (Nil) units of ICICI Prudential Flexible Income Plan -Direct of face value of ₹ 10 each	75.26	-
30,163 (Nil) units of Religare Invesco Liquid Fund-Direct Plan of face value of ₹ 1000 each	301.87	-
Nil (39,789) units of Axis Mutual fund - Daily Dividend of face value of ₹ 1000 each	-	398.02
Nil (248,082) units of ICICI Prudential Ultra Short Term of face value of ₹ 10 each	-	25.09
Nil (40,795) units of ICICI Prudential Liquid- Daily Dividend of face value of ₹ 10 each	-	40.82
(All the above securities are fully paid up)	Total	377.13
		10,035.93

Net Asset Value as at 31 March 2015 is ₹ / lakhs 377.13 (Previous year ₹ / lakhs 463.93)

14 Inventories

(₹ lakhs)

	2015	2014
Educational goods and equipments	2,741.09	1,672.63
Television content	-	251.53
Total	2,741.09	1,924.16

15 Trade receivables (unsecured)

(₹ lakhs)

	2015	2014
Over six months		
- considered good	206.16	180.76
- considered doubtful	726.03	726.03
Others		
- considered good	495.11	846.38
- considered doubtful	-	-
Less: Provision for doubtful debts	1,427.30	1,753.17
	726.03	726.03
Total	701.27	1,027.14

Notes forming part of the Financial Statements

16 Cash and bank balances

(₹ lakhs)

	Non-Current		Current	
	2015	2014	2015	2014
Cash and cash equivalents				
Balances with banks in current accounts	-	-	621.49	1,361.31
Cash in hand	-	-	0.17	0.02
	-	-	621.66	1,361.33
Other bank balances				
Balances with banks *-				
in deposits accounts	-	-	370.93	50.27
in deposits accounts with banks maturity more than 12 months	160.36	369.61	-	-
Amount disclosed under the head "Other Assets" (Refer Note 12)	(160.36)	(369.61)	-	-
	Total	-	992.59	1,411.60

* Includes pledged/Lien for Term Loan/debentures ₹/lakhs 325.12 (Previous year ₹/lakhs 407.71), Lien for Government authorities ₹/lakhs 0.89, (Previous year ₹/lakhs 0.49) Lien for others ₹/lakhs 117.99 (Previous year ₹/lakhs 6.99)

17 Revenue from operations

(₹ lakhs)

		2015	2014
Sales	- Educational goods and equipments	5,762.67	4,993.59
	- Television content	480.72	1,319.72
Services	- Education and Other Services		
	- Course Fees/Royalty	3,991.20	3,543.41
	- Franchisee Fees	1,863.73	1,609.14
	- Others	21.68	19.38
Other Operating Revenue		38.25	432.30
	Total	12,158.25	11,917.54

18 Other Income

(₹ lakhs)

	2015	2014
Interest Income		
- from Bank Deposits	36.98	62.50
- from Others	4.74	2.08
- from Debentures - Subsidiary	0.93	-
Dividend on		
- Mutual funds	54.14	9.53
- Preference shares - Subsidiary Company	0.01	-
Premium on Redemption of Preference shares	139.71	23.29
Gain on exchange difference (net)	-	180.44
Liabilities/Excess provision written back (net)	235.43	40.25
Profit on sale of fixed assets (net)	1.44	-
	Total	473.38
		318.09

Notes forming part of the Financial Statements

19 Operational cost	(₹ lakhs)	
	2015	2014
a) Educational goods and equipments		
Opening	1,672.63	891.44
Add: Purchases*	3,755.86	3,054.36
	5,428.49	3,945.80
Less: Closing	2,741.09	1,672.63
	2,687.40	2,273.17
b) Television content		
Opening	251.53	148.53
Add: Commissioned/Acquisition	185.49	1,302.74
	437.02	1,451.27
Less: Closing	-	251.53
	437.02	1,199.74
c) Other Educational Operating Expenses		
	319.77	369.37
Total	3,444.19	3,842.28

* During the previous year, fixed assets (equipments) of ₹/lakhs 610.89 (written down value) have been converted into Stock in Trade.

20 Employee benefits expense	(₹ lakhs)	
	2015	2014
Salaries and allowances	2,370.34	2,937.19
Contribution to provident and other funds	29.28	70.83
Training and recruitment cost	58.02	43.44
Staff Welfare expenses	37.49	75.39
Total	2,495.13	3,126.85

21 Finance costs	(₹ lakhs)	
	2015	2014
Interest- Loan	1,307.05	755.24
- Others	3.17	6.96
Bank and other financial charges	14.62	61.10
Total	1,324.84	823.30

22 Depreciation and amortization expenses	(₹ lakhs)	
	2015	2014
Depreciation on tangible assets	239.17	222.31
Amortisation on intangible assets	441.04	441.85
Total	680.21	664.16

Notes forming part of the Financial Statements

23 Other expenses

	(₹ lakhs)	2015	2014
Rent		280.07	313.06
Repairs and maintenance - others		317.43	333.74
Insurance		8.63	11.74
Rates and taxes		23.85	29.40
Electricity and water charges		28.78	31.60
Communication expenses		140.24	155.35
Printing and stationery		48.89	52.80
Travelling and conveyance expenses		563.38	645.30
Legal and professional charges		276.74	319.12
Payment to auditors (Refer note 33)		14.40	15.56
Miscellaneous expenses		107.91	99.07
Freight and packing charges		463.83	392.87
Directors sitting fees		5.80	7.20
Bad debts / advances written off	1.71		
Less : Provision for doubtful debts and advances written back	1.71	-	-
Provision for doubtful debts and advances		39.11	100.32
Loss on sale / discard of fixed assets (net)		-	33.73
Marketing, advertisement and publicity expenses		1,405.25	1,370.83
Loss on exchange difference (net)		0.69	-
Total		3,725.00	3,911.69

24 Operating Leases:

The Company has taken office, residential facilities and plant and machinery (including equipments) etc. under cancellable/non-cancellable lease agreements that are renewable on a periodic basis at the option of both the Lessor and the Lessee. The initial tenure of the lease generally is for 11 months to 60 months.

	(₹ lakhs)	2015	2014
Lease rental charges for the year		328.30	420.90
Future Lease rental obligation payable (under non-cancellable lease)			
Not later than one year	62.97	132.88	
Later than one year but not later than five years	21.31	49.59	

25 a) Current Tax

In the absence of taxable income during the year, as per the provisions of Income Tax Act 1961, provision for current tax is not required.

b) Deferred tax

In accordance with the Accounting Standard 22 on "Accounting for Taxes on Income" (AS 22) issued by ICAI, deferred tax assets and liabilities should be recognized for all timing differences in accordance with the said standard. However, considering the present financial position and requirement of the accounting standard regarding certainty / virtual certainty, deferred tax asset for the year is not accounted for. However, the same will be reassessed at a subsequent balance sheet date and will be accounted for in the year of certainty / virtual certainty in accordance with the aforesaid accounting standard.

Notes forming part of the Financial Statements

26 Managerial Remuneration

Remuneration paid or provided in accordance with Section 197 of the Companies Act, 2013 to Manager, included in Employee benefits expense is as under : (₹ lakhs)

	2015	2014
Salary and Allowances	36.14	32.22
Contribution to Provident fund	1.79	1.78
Total	37.93	34.00

Note: Salary and Allowances include basic salary, house rent allowance, leave travel allowance and performance bonus but excluding leave encashment and gratuity provided on the basis of actuarial valuation.

27 Employee Benefits

As per the Accounting Standard 15 "Employee Benefits", the disclosures are as under:

A Defined Benefit Plans

The present value of gratuity obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave benefits (non funded) is also recognised using the Projected Unit Credit Method.

	Gratuity (Non Funded) (₹ lakhs)	
	2015	2014
I. Expenses recognized during the year		
1. Current Service Cost	30.98	33.51
2. Interest Cost	8.89	6.02
3. Actuarial Losses / (Gains)	(31.26)	(11.74)
Total Expenses	8.61	27.79
II. Net Asset/(Liability) recognized in the Balance Sheet as at 31 March, 2015		
1. Present value of defined benefit obligation	104.60	99.29
2. Net Asset / (Liability)	(104.60)	(99.29)
III. Reconciliation of Net Asset/(Liability) recognized in the Balance Sheet as at 31 March, 2015		
1. Net Asset/(Liability) at the beginning of year	(99.29)	(78.18)
2. Expense as per I above	(8.61)	(27.79)
3. Employer contribution	3.30	6.68
4. Net Asset/(Liability) at the end of the year	(104.60)	(99.29)
IV. Actuarial Assumptions:		
1. Discount rate	7.90%	9.10%
2. Expected rate of salary increase	6.00%	6.00%
3. Mortality	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate

Notes forming part of the Financial Statements

(₹ lakhs)

V Amount recognised in current year and previous four years	Defined Benefit Obligation	Actuarial Losses / (Gains)
2015	104.60	(31.26)
2014	99.29	(11.74)
2013	78.18	(18.77)
2012	61.08	3.14
2011	27.18	(7.66)

Notes:

- (a) Amounts recognized as an expense and included in the Note 20: "Employee benefits expense" are Gratuity ₹/lakhs 8.61 (Previous year ₹/lakhs 27.79) and Leave benefits ₹/lakhs 23.99 (Previous year ₹/lakhs 29.49)
- (b) The estimates of rate of escalation in salary considered in actuarial valuation take into account the inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

B Defined contribution plan:

"Contribution to provident and other funds" is recognized as an expense in Note 20 "Employee benefits expense" of the Statement of Profit and Loss.

28 Related Party Transactions

(i) List of Parties where control exists Subsidiary Company-Wholly owned

Digital Ventures Private Limited

(ii) Other Related parties with whom transactions have taken place during the year and balance outstanding as on the last day of the year.

Asian Satellite Broadcast Private Limited, Cyquator Media Services Private Limited, Direct Media Distribution Ventures Private Limited, Diligent Media Corporation Limited, Digital Satellite Holdings Private Limited, Essel Corporate Resources Private Limited, Essel Vision Productions Limited, Himgiri Zee University, Pan India Network Infravest Private Limited, Pri-Media Services Private Limited, TALEEM Research Foundation, Zee Entertainment Enterprises Limited, Zee Media Corporation Limited.

(₹ lakhs)

	2015	2014
A) Transactions with Related Parties		
Short- term borrowings	3,865.00	13,082.00
Other Related Parties		
Asian Satellite Broadcast Private Limited	3,865.00	13,082.00
Repayment of Short- term borrowings	1,002.00	22,094.50
Other Related Parties		
Asian Satellite Broadcast Private Limited	1,002.00	22,094.50
Interest Expense	83.74	-
Other Related Parties		
Asian Satellite Broadcast Private Limited	83.74	-
Loans given	-	7,570.56
Subsidiary Company		
Digital Ventures Private Limited	-	7,570.56

Notes forming part of the Financial Statements

(₹ lakhs)

	2015	2014
Loans and deposits given repaid	900.00	3,469.14
Subsidiary Company		
Digital Ventures Private Limited	-	3,469.14
Other Related Parties		
Himgiri Zee University	900.00	-
Debentures application money given	4,663.80	-
Subsidiary Company		
Digital Ventures Private Limited	4,663.80	-
Debentures application money given repaid	1,763.69	-
Subsidiary Company		
Digital Ventures Private Limited	1,763.69	-
Investment in Compulsorily Convertible Debentures	13,048.87	-
Subsidiary Company		
Digital Ventures Private Limited	13,048.87	-
Sales and Services	576.31	2,037.29
Other Related Parties		
Zee Entertainment Enterprises Limited	553.16	2,037.29
Himgiri Zee University	23.15	-
Sale of Fixed Assets	113.70	7.54
Other Related Parties		
Cyquator Media Services Private Limited	-	5.50
Esse Vision Productions Limited	-	2.04
Zee Entertainment Enterprises Limited	113.70	-
Other Income	0.94	-
Dividend Income		
Subsidiary Company		
Digital Ventures Private Limited	0.01	-
Interest income on Compulsorily Convertible Debentures		
Subsidiary Company		
Digital Ventures Private Limited	0.93	-
Purchase of Material	50.16	-
Other Related Parties		
Pri-Media Services Private Limited	50.16	-
Purchase of Services	45.32	350.35
Other Related Parties		
Pan India Network Infravest Private Limited	22.24	21.97
Cyquator Media Services Private Limited	-	2.84
Zee Entertainment Enterprises Limited	19.17	34.54
Esse Corporate Resources Private Limited	-	52.22
Esse Vision Productions Limited	-	225.15
Diligent Media Corporation Limited.	2.17	13.07
Taleem Research Foundation	1.75	0.57
Reimbursement of expenses	10.62	-
Other Related Parties		
Taleem Research Foundation	10.62	-

Notes forming part of the Financial Statements

(₹ lakhs)

	2015	2014
B) Balances outstanding as at 31 March		
Short- term borrowings	2,936.91	-
Other Related Parties		
Asian Satellite Broadcast Private Limited	2,936.91	-
Investments	33,221.87	20,173.00
Subsidiary Company		
Digital Ventures Private Limited		
Equity shares	10,601.00	10,601.00
Non-Convertible Non-Cumulative Redeemable Preference Shares	9,572.00	9,572.00
Compulsorily Convertible Debentures	13,048.87	-
Loans and deposits given	-	11,048.76
Subsidiary Company		
Digital Ventures Private Limited*	-	10,148.76
Other Related Parties		
Himgiri Zee University	-	900.00
Trade Receivables	21.40	550.73
Other Related Parties		
Zee Entertainment Enterprises Limited	9.97	542.20
Himgiri Zee University	11.43	8.54
Other Receivables	11.47	9.09
Subsidiary		
Digital Ventures Private Limited	0.85	-
Other Related Parties		
Taleem Research Foundation	10.62	1.55
Cyquator Media Services Private Limited	-	5.50
Essel Vision Productions Limited	-	2.04
Trade Payables	37.45	49.43
Other Related Parties		
Essel Vision Productions Limited	-	49.43
Pri-Media Services Private Limite	37.45	-
Creditors for expenses	8.47	131.09
Other Related Parties		
Pan India Network Infravest Private Limited	1.91	10.11
Cyquator Media Services Private Limited	-	0.37
Diligent Media Corporation Limited	0.40	-
Essel Corporate Resources Private Limited	-	96.36
Zee Media Corporation Limited	-	0.51
Zee Entertainment Enterprises Limited	6.16	23.75
Guarantees given	26,788.00	36,139.00
Subsidiary		
Digital Ventures Private Limited	26,788.00	36,139.00
Guarantees received		
Other Related Parties		
Zee Entertainment Enterprises Limited	5,409.10	174.80
Jointly Corporate Guarantee given by Direct Media Distribution Ventures Private Limited and Digital Satellite Holdings Private Limited	109.10	174.80
	5,300.00	-

*Converted from Intercorporate deposit given to Debenture investment during the year and hence not considered above.

Notes forming part of the Financial Statements

29 (a) Disclosures as required by Clause 32 of the listing agreement

(i) Loans given to Wholly owned Subsidiary Company

(₹ lakhs)

	Balance as at 31 March		Maximum amount outstanding	
	2015	2014	2015	2014
Digital Ventures Private Limited- Interest Free #	Nil	10,148.76	10,148.76	10,148.76

Intercorporate deposit given of ₹/lakhs 10,148.76 was converted into debenture application money w.e.f 1 April 2014.

(ii) Loanees have not made investments in the shares of the Company.

(b) Information under Section 186(4) of the Companies Act, 2013

(i) Loans given

Intercorporate deposit given to wholly owned Subsidiary Company viz Digital Ventures Private Limited of ₹/lakhs 10,148.76 was converted into debenture application money w.e.f 1 April 2014.

(ii) Investments made

There are no investments made during the year except those mentioned in Note 10 and Note 13

(iii) Guarantees given

(₹ lakhs)

Name of the Party	2015	2014
To secure obligations of wholly owned Subsidiary Company viz Digital Ventures Private Limited - Guarantees to Banks	26,788.00	36,139.00
Total	26,788.00	36,139.00

(iv) Securities given

There are no securities given during the year.

30 Contingent Liabilities not provided for

(₹ lakhs)

	2015	2014
(i) a) Claims against the Company not acknowledged as debts *	123.80	54.27
b) Disputed Direct Tax	16.51	16.51
c) Disputed Indirect Taxes	402.76	304.07
d) Corporate guarantee to wholly owned Subsidiary to the extent of loans availed/ outstanding ₹/lakhs 25,223.00 (Previous year ₹/lakhs 16,647.52)	26,788.00	36,139.00

* does not include Interest amount, as interest rate has not been adjudicated by court.

(ii) The Company had entered into warehousing arrangement for its inventories of educational goods and equipments with a service provider. During the year, there was a dispute with the service provider and Company has issued termination letter giving three months notice as per terms of the contract. However, the service provider stopped rendering the services during the notice period and refused to give the inventory of the Company. On approaching the court, the Company obtained the custody of the inventory and filed a claim for damages of ₹/lakhs 600.00/- with interest against the service provider, which is under arbitration.

31 Capital and other commitments/undertakings

- (a) Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) is ₹/lakhs 13.62 (Previous year ₹/lakhs 27.88)
- (b) Non-disposal undertaking for 51% shares held by the Company in Digital Ventures Private Limited for loan taken by subsidiary Company.

Notes forming part of the Financial Statements

32 Expenditure in foreign currency	(₹ lakhs)	
	2015	2014
a. Purchase of television content	29.46	140.58
b. Operational cost	-	11.31
c. Travelling expenses	4.88	14.76
d. Legal and professional charges	1.74	379.45
e. Membership & subscription	0.33	-

33 Payments to Auditors	(₹ lakhs)	
	2015	2014
Audit fees (including Limited review)	12.00	11.00
Tax audit fees	2.00	2.00
Tax representation	-	1.02
Certification and others	0.40	1.54
Total	14.40	15.56

34 Foreign Exchange	(₹ lakhs)	
	2015	2014
Receivables	34.05	8.57
Payables	-	23.50

35 Micro, Small and Medium enterprises		
The Company has no dues to Micro, Small and Medium enterprises during the year ended 31 March, 2015, on the basis of information provided by the parties and available on record.		

36 Earnings per share (EPS)		
	2015	2014
a. Profit/ (Loss) after Tax (₹/lakhs)	962.26	(132.65)
b. Weighted Average number of equity shares for Basic EPS (in numbers)	319,648,477	311,538,034
c. Weighted Average number of equity shares for Diluted EPS (in numbers)	320,192,290	311,922,794
d. Nominal value of equity shares (₹)	1	1
e. Basic EPS (₹)	0.30	(0.04)
f. Diluted EPS (₹)	0.30	(0.04)

37 Prior year Comparatives

Previous years figures have been regrouped, rearranged or recasted wherever necessary to conform to this year's classification. Figures in brackets pertain to previous year.

Cash Flow Statement for the year ended 31 March 2015

	(₹ lakhs)	
	2015	2014
A. Cash Flow from Operating Activities		
Profit/ (Loss) before tax	962.26	(132.65)
Adjustments for:		
Depreciation and Amortisation expenses	680.21	664.16
Interest Income	(42.65)	(64.58)
Dividend Income	(54.15)	(9.53)
Interest expense	1,310.22	762.19
Provision for doubtful debts (net)	39.11	100.32
Loss/ (profit) on sale / discard of fixed assets (net)	(1.44)	33.73
Operating Profit before Working Capital Changes	2,893.56	1,353.64
Adjustments for:		
Decrease / (Increase) in trade and other receivables	893.11	(4,538.23)
Decrease / (Increase) in Inventories	(816.93)	(273.30)
Increase / (Decrease) in Trade and other payables	154.04	985.32
Cash Generated from Operations	3,123.78	(2,472.57)
Direct taxes paid	(123.75)	(101.26)
Net Cash from/(used in) Operating Activities (A)	3,000.03	(2,573.83)
B. Cash Flow from Investing Activities		
Purchase of fixed assets including Capital Work in Progress	(384.49)	8,790.03
Sale of fixed assets	108.90	16.81
Interest received	8.53	60.70
Investments in bank deposits	(320.66)	(171.79)
Investments in bank deposits (having original maturity of more than 12 months)	209.25	-
Debenture Application money given - Subsidiary	(4,663.80)	-
Refund of Debenture Application money- Subsidiary	1,763.69	-
Purchase of Investments in mutual funds	(6,698.64)	(1,626.37)
Sale of Investments in mutual funds	6,785.45	1,162.43
Dividend Income	54.14	9.53
Investments in Subsidiary	-	(9,572.00)
Net Cash from/(used in) Investing Activities (B)	(3,137.63)	(1,330.64)

Cash Flow Statement for the year ended 31 March 2015

(₹ lakhs)

	2015	2014
C. Cash Flow from Financing Activities		
Proceeds from issue of share capital including securities premium	128.99	10,559.82
Proceeds from intercorporate deposits	3,865.00	13,082.00
Repayment of intercorporate deposits	(1,002.00)	(22,094.50)
Proceeds from long-term borrowings	-	4,700.00
Repayment of long-term borrowings	(2,354.00)	(1,250.00)
Interest paid	(1,240.06)	(790.54)
Net Cash from/(used in) Financing Activities (C)	(602.07)	4,206.78
Net Cash flow during the year (A+B+C)	(739.67)	302.31
Cash and cash equivalents at the beginning of the year	1,361.33	1,059.02
Net cash and cash equivalents	621.66	1,361.33
Add: Balances earmarked	370.93	50.27
Cash and Bank Balances at the end of the year	992.59	1,411.60

Notes

- 1) Intercorporate deposits given to subsidiary of ₹/lakhs 10,148.76 is converted into compulsorily convertible debentures, being a non-cash item, hence not considered in the above cash flow statement.
- 2) Previous year's figures have been regrouped, recast wherever necessary.

As per our attached report of even date

For and on behalf of the Board

For MGB & Co. LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

Subodh Kumar
Chairman

Surjit Banga
Director

Sanjay Kothari

Partner

Membership Number 048215

Umesh Pradhan
Chief Financial Officer

Samir Raval
Company Secretary

Place : Mumbai

Date : 27 May, 2015

Independent Auditors' Report

To
The members of
Zee Learn Limited

1. Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Zee Learn Limited** ("hereinafter referred to as "the Holding Company" or "the Company") and its subsidiary (the Holding Company and its subsidiary together referred as "the Group"), comprising of the Consolidated Balance Sheet as at 31 March 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that gives a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 financial statements 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 consolidated financial statements by the Directors of the Holding Company, as aforesaid.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

5. Other Matter

We did not audit the financial statements / financial information of a subsidiary whose financial statements / financial information reflect total assets of ₹/lakhs 60,661.01 as at 31 March, 2015, total revenues of ₹/lakhs 670.85 and net cash flows amounting to ₹/lakhs 283.11 for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of section 143(3) and 143(11) of the Act, insofar as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the financial statements / financial information certified by the Management.

6. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary company incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors of the Holding Company as on 31 March, 2015 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group company incorporated in India is disqualified as on 31 March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 28 of the consolidated financial statements.
- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

For MGB & Co. LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

Sanjay Kothari

Partner

Membership Number 048215

Mumbai, 27 May 2015

Annexure referred to in Paragraph 6 (1) of the Section on “Report on Other Legal and Regulatory Requirements” of our report of even date.

Re: Zee Learn Limited ('Holding Company') and its Subsidiary Company incorporated in India and to whom the provisions of the Order apply (hereinafter referred to as 'the Covered entity' in this report)

- (i) (a) The Holding Company and the Covered entity have maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) The fixed assets have been physically verified by the management of the Holding Company and the Covered entity during the year as per the phased program designed to cover all the fixed assets over a period. In our opinion and opinion of other auditor, this periodicity of physical verification is reasonable having regard to the size of the Holding Company and the Covered entity and the nature of its assets. According to the information and explanations given to us and other auditor, discrepancies noticed on such verification which are not material, have been properly dealt with in the books of accounts.
- (ii) (a) In our opinion and according to the information and explanations given to us, the inventory except those lying with third parties has been physically verified by the management of the Holding Company at reasonable intervals during the year. In respect of stock lying with the third parties, *certain confirmations are yet to be obtained*. The Covered entity does not have any inventory during and at the end of the year considering the nature of business, hence the sub-clauses ii (a) ii (b), ii (c) of ii of the Order is not applicable.
- (b) In our opinion, except as given herein (a) above, the procedures of physical verification of inventory followed by the management of the Holding Company are reasonable and adequate in relation to the size of the Holding Company and the nature of its business.
- (c) In our opinion, the management of Holding Company has maintained proper records of its inventories and discrepancies noticed on physical verification of inventories as compared to book records, which are not material, have been properly dealt with in the books of accounts.
- (iii) According to the information and explanations given to us and other auditor, the Holding Company and the Covered entity have not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act.
- (iv) In our opinion and opinion of other auditor and according to the information and explanations given to us and other auditor, there is an adequate internal control system commensurate with the size of the Holding Company and the Covered entity and the nature of its business with regard to purchase of inventory, fixed assets, sale of goods and services. During the course of audit, no continuing failure to correct major weaknesses in the internal control systems was observed by us or other auditor.
- (v) According to the information and explanations given to us and other auditor, the Holding Company and the Covered entity have not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder to the extent notified.
- (vi) According to the information and explanations given to us, the cost accounting records as prescribed by the Central Government of India under Section 148(1) of the Act are *prima facie* maintained by the management of the Holding Company. However, we are neither required to carry out nor have carried out detailed examination of such cost accounting records with a view to determine whether they are accurate or complete. In the opinion of the other auditor, in respect of the covered entity, maintenance of such cost records has not been prescribed by the Central Government of India under Section 148(1) of the Act.

(vii) According to the records of the Holding Company and Covered entity, examined by us and other auditor and information and explanations given to us and other auditor:

(a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and others as applicable have generally been regularly deposited with the appropriate authorities except for delays in few cases in respect of Holding Company. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March 2015 for a period of more than six months from the date they became payable

(b) The dues of service tax, sales tax, value added tax and income tax which are not deposited on account of any dispute are as under:

Name of the Statute	Nature of the Dues	Amount (₹ in lakhs)	Period to which the amount relate	Forum where dispute is pending
Maharashtra Value Added Tax Act, 2002	Sales Tax	75.64	F.Y. 2005-2006	Deputy Commissioner Sales Tax (Appeals)
	Sales Tax -Penalty	46.55	F.Y. 2005-2006	
Central Sales Tax Act, 1956	Sales Tax	3.44	F.Y. 2003-2004	Deputy Commissioner Sales Tax (Appeals)
		6.16	F.Y. 2004-2005	
		52.95	F.Y. 2005-2006	
		89.55	F.Y. 2011-2012	
Bombay Sales Tax Act, 1959	Sales tax	3.07	F.Y. 2002-2003	Deputy Commissioner of Sales Tax (Appeals)
		3.67	F.Y. 2003-2004	
		6.66	F.Y. 2004-2005	
Central Excise Act,1944	Service tax	57.87	F.Y. 2009-2010 to F.Y. 2011-2012	Commissioner of Service tax
		21.66*	F.Y. 2007-2008 to F.Y. 2010-2011	
		1.89	F.Y. 2011-2012	
		2.95	F.Y.2012-2013	
		9.04	F.Y.2012-2013	
The Income Tax Act, 1961	Income Tax	16.51	F.Y. 2010-2011	Income Tax Officer
		778.18	F.Y. 2010-2011	Commissioner of Income Tax (Appeals)
		109.78	F.Y. 2011-2012	

* does not include penalty of ₹/lakhs 21.66

- (c) The Holding Company and the Covered entity are not required to transfer amount to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and the rules framed thereunder.
- (viii) The Holding Company and the Covered entity does not have Consolidated accumulated losses exceeding fifty percent of its networth at the end of the financial year and has not incurred any cash losses, on a Consolidated basis, during the current financial year or in the immediately preceding financial year.
- (ix) In our opinion and the opinion of other auditor and according to the information and explanations given to us and other auditor, the Holding Company and Covered entity have not defaulted in repayment of dues to banks, financial institutions and debenture holders during the year.
- (x) In our opinion and the opinion of other auditor and according to the information and explanations given to us and other auditor, the terms and conditions on which the Holding Company have given guarantees for loans taken by a subsidiary from banks are *prima facie* not prejudicial to the interests of the Holding Company. In the opinion of the other auditor, the covered entity has not given any guarantee for loans taken by others from any banks or the financial institutions.
- (xi) In our opinion, Holding Company has not taken any term loan during the year. In the opinion of the other auditor, the Covered entity has raised term loans which have been applied for the purpose for which they were raised.
- (xii) To the best of our knowledge and according to the information and explanations given to us and other auditor, no fraud on or by the Holding Company and the Covered entity have been noticed or reported during the year.

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

Sanjay Kothari
Partner
Membership Number 048215

Mumbai, 27 May 2015

Consolidated Balance Sheet as at 31 March, 2015

(₹ lakhs)

	Note	2015	2014
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share capital	3	3,200.01	3,193.32
Reserves and surplus	4	20,187.13	19,119.20
		23,387.14	22,312.52
Non-current liabilities			
Long-term borrowings	5(a)	29,597.50	28,232.74
Long-term provisions	6	152.02	146.98
Other long-term liabilities	7	29.60	71.39
Deferred tax liabilities (net)	8	9.01	9.01
		29,788.13	28,460.12
Current liabilities			
Short-term borrowings	5(b)	3,381.18	-
Trade payables	9	1,318.85	871.63
Other current liabilities	9	10,377.25	9,269.25
Short-term provisions	6	43.14	44.21
		15,120.42	10,185.09
Total		68,295.69	60,957.73
ASSETS			
Non-current assets			
Fixed assets	10		
Tangible assets		7,698.23	3,063.98
Intangible assets		1,744.09	874.35
Capital work-in-progress		34,640.25	32,444.84
Intangible assets under development		9,807.86	10,773.07
		53,890.43	47,156.24
Non-current investments	11	0.05	0.05
Long-term loans and advances	12	6,886.91	6,773.10
Other non-current assets	13	781.95	376.04
		61,559.34	54,305.43
Non-current assets			
Current investments	14	377.13	463.93
Inventories	15	2,741.09	1,924.16
Trade receivables	16	1,610.62	1,286.22
Cash and bank balances	17	1,560.24	1,696.14
Short-term loans and advances	12	266.68	1,171.25
Other current assets	13	180.59	110.60
		6,736.35	6,652.30
Total		68,295.69	60,957.73

Notes forming part of the financial statements

1-36

As per our attached report of even date

For and on behalf of the Board

For MGB & Co. LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

Subodh Kumar
Chairman

Surjit Banga
Director

Sanjay Kothari

Partner

Membership Number 048215

Umesh Pradhan
Chief Financial Officer

Samir Raval
Company Secretary

Place: Mumbai

Date: 27 May, 2015

Statement of Consolidated Profit and Loss for the year ended 31 March, 2015 (₹ lakhs)

	Note	2015	2014
Revenue			
Revenue from operations	18	12,778.33	12,131.91
Other income	19	383.50	301.56
	Total	13,161.83	12,433.47
Expenses			
Operational cost	20	3,444.19	3,842.28
Employee benefits expense	21	2,497.72	3,126.85
Finance costs	22	1,520.43	974.81
Depreciation and amortization expense	23	934.54	735.68
Other expenses	24	3,775.58	3,947.67
	Total	12,172.46	12,627.29
Profit/(Loss) before tax		989.37	(193.82)
Less: Tax expense			
Current tax		4.45	-
MAT credit entitlement		(4.45)	-
Profit/(Loss) after tax		989.37	(193.82)
Earnings per share (face value ₹ 1 each)	32		
Basic		0.31	(0.06)
Diluted		0.31	(0.06)

Notes forming part of the financial statements 1-36

As per our attached report of even date

For and on behalf of the Board

For MGB &Co. LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

Subodh Kumar
Chairman

Surjit Banga
Director

Sanjay Kothari

Partner

Membership Number 048215

Umesh Pradhan
Chief Financial Officer

Samir Raval
Company Secretary

Place: Mumbai

Date: 27 May, 2015

Notes forming part of the Consolidated Financial Statements

1 Corporate Information

Zee Learn Limited ("the Company") is incorporated in the State of Maharashtra on 4 January, 2010. The Company is one of the most diversified premium education companies which delivers learning solutions and training through its multiple products viz. Kidzee, Mount Litera Zee Schools, Braincafe, Mount Litera World Preschool, Zee Institute of Media Arts (ZIMA), Zee Institute of Creative Arts (ZICA) and E - Learning Online Education and Testing. The Company is also engaged in production/acquisition of television content. The Group is also in the business of constructing and leasing of properties for commercial use.

2 Basis of preparation of Consolidated financial statements

These consolidated financial statements have been prepared under the historical cost convention on going concern basis in accordance with Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

3 A Principles of Consolidation

- i. The Consolidated Financial Statements (CFS) relate to Zee Learn Limited (Holding Company) and its subsidiary Company viz. Digital Ventures Private Limited.
- ii. The consolidation of financial statements of the parent company and its subsidiary is done to the extent possible on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. All significant intra-group transactions, unrealised inter-company profits and balances have been eliminated in the process of consolidation.
- iii. The CFS are prepared using uniform accounting policies for transactions and other events in similar transactions.
- iv. The CFS includes the Financial Statements of the parent company and the subsidiary (as listed in the table below). Subsidiary is consolidated from the date on which effective control is acquired and are excluded from the date of transfer / disposal.

Name of the Subsidiary	Proportion of Interest (including beneficial interest) / Voting Power (either directly / indirectly or through Subsidiary)	Country of Incorporation
Direct Subsidiary		
Digital Ventures Private Limited	100 (100)	India

3 B Significant Accounting Policies

a Use of estimates

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses for the period. Difference between the actual results and estimates are recognised in the period in which results are known / materialized.

b Tangible fixed assets

- (i) Tangible fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the assets to its working condition for intended use.
- (ii) Capital work-in-progress comprises cost of tangible fixed assets and related expenses that are not yet ready for their intended use at the reporting date.

Notes forming part of the Consolidated Financial Statements

c Intangible assets

Intangible assets are recognised in the year it is put to use at cost. Intangible assets are carried at cost less accumulated amortization and impairment loss, if any. The cost comprises of purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost incurred on asset that are not ready for their intended use at the reporting date.

d Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of cost of the assets. All other borrowing costs are expensed in the period they occur.

e Impairment of tangible and intangible assets

At each Balance Sheet date, the Group reviews the carrying amount of assets to determine whether there is an indication that those assets have suffered impairment loss. If any such indication exists, the recoverable amount of assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

f Depreciation/amortization on tangible and intangible assets

(i) Depreciable amount for tangible fixed assets is cost of an asset, or other amount substituted for cost less its estimated residual value. Depreciation on tangible fixed assets is provided on straight-line method on the useful lives specified in Schedule II to the Companies Act, 2013 except in case of subsidiary, building constructed on leasehold land is provided considering useful life based on the balance lease period of the land.

	Building at	Balance lease period (years)
a	Bhatinda	32
b	Nagpur	39
c	Patiala	34
d	Karnal	35
e	BKC	26

- (ii) Leasehold Improvements are amortized over the period of Lease.
- (iii) Intangible assets are amortised over their respective individual estimated useful lives on straight line basis.

g Investments

- (i) Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments including investment property are classified as long-term investments.
- (ii) Current investments are stated at lower of cost and fair market value determined on an individual investment basis. Long-term investments are stated at cost, less provision for diminution other than temporary, in the value of such investments.

h Transactions in foreign currencies

- (i) Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transaction.
- (ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements are recognised as income or as expenses in the year in which they arise.

Notes forming part of the Consolidated Financial Statements

i Revenue recognition

Revenue is recognised to the extent it is probable that economic benefits will flow to the Company and the revenue can be reliably measured.

- (i) Sales- Educational goods and equipments and television content is recognized when the significant risk and rewards of ownership are passed onto the customers, which is generally on dispatch or agreed terms.
- (ii) Services
 - a) Course fees and Royalty income is recognized over the duration of the course.
 - b) Franchise fees is recognized as per the agreed terms of the agreement.
 - c) Revenue from other services is recognised as and when such services are completed/Performed.
 - d) Lease income is recognised as per agreed terms of lease agreements.
- (iii) Interest income is recognised on a time proportion basis taking into account principal outstanding and the applicable interest rate.
- (iv) Dividend income is recognised when the Company's right to receive dividend is established.

j Inventories

Educational goods and equipments and television content are valued at lower of cost or estimated net realizable value. Cost comprises cost of purchase, freight and other expense incurred in bringing the inventories to their present location and condition. Costs are taken on weighted average basis in case of educational goods and equipments and specific identification method in case of television content.

k Retirement and other employee benefits

- (i) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.
- (ii) Post-employment and other long-term benefits are recognised as an expense in the Statement of Profit and Loss at the present value of the amounts payable determined using actuarial valuation techniques in the year in which the employee renders the service. Actuarial gains and losses are charged to the Statement of Profit and Loss.
- (iii) Payment to defined contribution retirement benefit schemes are recognised as an expense in the Statement of Profit and Loss, when due.

l Accounting for taxes on income

- (i) Current tax is determined as the amount of tax payable in respect of taxable income as per the provisions of the Income Tax Act, 1961.
- (ii) Deferred tax is recognized, subject to consideration of prudence in respect of deferred tax asset, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates and laws.
- (iii) Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognized as an asset only when, based on convincing evidence, it is probable that the future economic benefits associated with it will flow to the Company and the assets can be measured reliably.

m Operating lease

Lease of assets under which all the risk and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognized as expense on accrual basis in accordance with the terms of respective lease agreements.

Notes forming part of the Consolidated Financial Statements

n Earnings per share

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the year. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except when the results would be anti-dilutive.

o Provisions, Contingent liabilities and Contingent assets

Provisions involving substantial degree of estimation in measurement are recognised when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

p Miscellaneous Expenditure

Preliminary expenses are amortised over a period of Five years

3 Share Capital	(₹ lakhs)	
	2015	2014
Authorised		
1,000,000,000 (1,000,000,000) Equity Shares of ₹1/- each	10,000.00	10,000.00
	10,000.00	10,000.00
Issued , Subscribed and Paid up		
320,001,097 (319,331,644) Equity Shares of ₹ 1/- each fully paid up	3,200.01	3,193.32
	3,200.01	3,193.32
Total	3,200.01	3,193.32

a) Reconciliation of number of Equity shares and Share capital

	2015		2014	
	Number of equity shares	₹ lakhs	Number of equity shares	₹ lakhs
At the beginning of the year	319,331,644	3,193.32	263,010,249	2,630.10
Add : Allotted on exercise of Employee Stock Option (Refer (e) below)	669,453	6.69	141,625	1.42
Add : Issue of Shares pursuant to Global Depository Receipts (GDR's)	-	-	56,179,770	561.80
Outstanding at the end of the year	320,001,097	3,200.01	319,331,644	3,193.32

b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 1 each. Each holder of equity shares is entitled to one vote per share, however the holders of global depository receipts (GDR's) do not have voting rights in respect of the equity shares represented by the GDRs till the shares are held by custodian. The Company declares and pays dividend in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes forming part of the Consolidated Financial Statements

c) The Company has not issued any bonus shares or bought back equity shares during the five years preceding 31 March, 2015. Details of aggregate number of shares issued for consideration other than cash during the five years preceding 31 March, 2015 is as under:

	2015	2014
Pursuant to the Composite Scheme of Arrangement/Amalgamation	262,238,599	262,238,599

d) Details of Shareholders holding more than 5 % of the aggregate shares in the Company

Name of the Shareholders	2015		2014	
	Number of equity shares	% Shareholding	Number of equity shares	% Shareholding
Jayneer Capital Private Limited.	77,975,375	24.37%	77,975,375	24.42%
Asian Satellite Broadcast Private Limited	63,052,512	19.70%	63,052,512	19.75%
Orange Mauritius Investments Limited	16,308,657	5.10%	23,546,529	7.37%
Deutsche Bank Trust Company Americas	41,179,770	12.87%	41,179,770	12.89%
Swiss Finance Corporation (Mauritius) Limited	21,760,738	6.80%	-	-

e) Employees Stock Option Scheme (ESOP):

The Company has instituted an Employee Stock Option Plan (ZLL ESOP 2010) as approved by the Board of Directors and Shareholders in 2010 for issuance of stock options convertible into equivalent number of equity shares not exceeding the aggregate of 5% of the issued and paid up capital of the Company i.e upto 6,136,930 equity shares of ₹ 1 each to the employees of the Company as well as that of its subsidiary and also to non-executive directors including Independent Directors of the Company at the market price determined as per the SEBI (ESOS) Guidelines, 1999. The said Scheme is administered by the Remuneration Committee of the Board.

During the year ended 31 March, 2015, the Company issued 1,961,750 stock options. The options granted under the Scheme shall vest not less than one year and not more than five years from the date of grant of options. The options granted vests in the ratio of 50:35:15 at the expiry of one, two and three years from the date of grant and once vested, these would be exercisable at any time within a period of four years and the equity shares arising on exercise of options shall not be subject to any lock in. Upon exercise of 669,453 (141,625) options, equivalent number of equity shares were issued and allotted during the year ended 31 March, 2015.

The options were granted to the employees/independent directors at an exercise price, being the latest market price as per the SEBI (ESOS) Guidelines 1999. In view of this, there being no intrinsic value on the date of the grant (being the excess of market price of share under the Scheme over the exercise price of the option), the Company is not required to account the accounting value of options as per the SEBI guidelines.

Summary of stock options outstanding is as follows:	2015	2014
Options outstanding at the		
- beginning of the year	2,564,250	1,134,250
- granted during the year	1,961,750	1,866,350
- lapsed during the year	538,774	294,725
- exercised during the year	669,453	141,625
Options outstanding at the end of the year	3,317,773	2,564,250

Notes forming part of the Consolidated Financial Statements

4 Reserves and surplus	(₹ lakhs)	
	2015	2014
Securities Premium		
As per last balance sheet	10,059.15	62.53
Add: On issue of Employees Stock Option Plan	122.29	19.99
Add: On issue of Global depository receipts	-	10,393.26
Less: Expenses on issue of Global depository receipts	-	416.63
	10,181.44	10,059.15
General Reserve*		
As per last balance sheet	13,971.80	13,971.80
Surplus/(Deficit) In the Statement of Profit and Loss		
As per last balance sheet	(4,911.74)	(4,717.91)
Add : Profit/(Loss) for the year	989.37	(193.82)
Add: Adjustment of depreciation as per transitional provisions (Refer Note 10 (b))	(43.74)	-
	(3,966.11)	(4,911.74)
	20,187.13	19,119.20

* Includes ₹/lakhs 8,881.25 (Previous year ₹/lakhs 8,881.25), pursuant to the Scheme of Amalgamation, sanctioned by the Hon'ble High Court of Bombay which shall not be used for the purpose of declaring dividend.

5 (a) Long-term borrowings	(₹ lakhs)			
	Non-Current		Current	
	2015	2014	2015	2014
Secured				
Debentures				
Nil (125), 12% Secured Redeemable				
Non-Convertible Debentures of Rs. 1,000,000 each fully paid up	-	-	-	1,250.00
Term Loan from banks	29,597.50	26,297.38	4,221.50	1,634.60
Term Loan from others	-	1,935.36	-	80.64
	29,597.50	28,232.74	4,221.50	2,965.24
Less : Amount disclosed under the head "Other Current Liabilities" (Refer Note 9)	-	-	(4,221.50)	(2,965.24)
Total	29,597.50	28,232.74	-	-

- Debentures are secured by first charge on free hold land, all fixed and current assets including fixed deposits, escrow account, reserve account, assignment of all benefits under agreement for Operation of school and further DSRA Undertaking by Zee Entertainment Enterprises Limited. The debentures carried interest @ 12% p.a and have been fully repaid during the year.
- Term Loan from Axis Bank Limited ₹/lakhs 3,500.00 (Previous year ₹/lakhs 4,500.00) is secured by first pari passu charge on all the fixed and current assets (present and future) of the Company and also reserve account and DSRA Undertaking by Zee Entertainment Enterprises Limited. The loan carries interest over lenders base rate plus 2.25% and is repayable in 8 half yearly installments beginning from 30 June, 2013. However, the loan has been fully repaid in April 2015.

Notes forming part of the Consolidated Financial Statements

- c) Term Loan from Yes Bank Limited ₹/lakhs 5,096.00 (Previous year ₹/lakhs 5,200.00) is secured by first pari passu charge on all the movable assets (including current assets, loans and advances) of the Company and lien over debt service reserve account. The loan is further secured by way of securities and corporate guarantee provided by related parties. The loan carries interest over lenders base rate plus 1.1% and is repayable in 12 half yearly installments beginning from 30 June, 2014.
- d) Term loan is from Axis Bank Limited, of ₹/lakhs 3,823.00 (Previous year ₹/lakhs 4,067.00) for two K-12 Schools and carries interest @3.5% p.a plus base rate viz., 12.50% p.a. The loan is repayable in 36 quarterly installments beginning from 4th year i.e FY 2015, secured by first charge on over all present and future immovable assets of the Projects by way of mortgage, over all present and future movable and intangible assets of the Projects by way of hypothecation, the entire current assets of the Projects, all the escrow accounts held by the subsidiary company for the Projects, by way of hypothecation in favor of lenders of all the present and future rights, titles and interests of the Project from all contracts, insurances, documents, which the subsidiary company is party to including contracts or letter of credit, guarantee, performance bond provided by any party to the subsidiary company; pledge of shares of Holding company to the extent of 30% of ₹/lakhs 4,067.00, Corporate Guarantee from Holding company and non disposal undertaking for 51% shares held by Holding company in the subsidiary company.
- e) Term loan of ₹/lakhs 8,900.00 (Previous year ₹/lakhs 7,000.00) for three K-12 schools and sports complex by Axis Bank Limited and carries interest @2.75% p.a plus base rate viz., 12.75% p.a. The loan is repayable in 36 quarterly installments beginning from 4th year i.e FY 2017 excluding 3 years construction period and secured by first charge on over all present and future immovable assets of the Project by way of mortgage, over all present and future movable and intangible assets of the Project by way of hypothecation, the entire current assets of the Project, all the escrow accounts held by the subsidiary company for the Project, by way of hypothecation in favor of lenders of all the present and future rights, titles and interests of the Project from all contracts, insurances, documents, which the subsidiary company is party to including contracts or letter of credit, guarantee, performance bond provided by any party to the subsidiary company, Corporate Guarantee from Holding company , non disposal undertaking for 51% shares held by Holding company in the subsidiary Company.
- f) Term loan of ₹/lakhs 10,000.00, (Previous year ₹/lakhs Nil) for BKC schools by Axis Bank Limited and carries interest @2.65% p.a plus base rate viz., 12.90% p.a. The loan is repayable in 37 quarterly installments beginning from 4th year i.e FY 2018 excluding 3 years construction period, secured by first charge on over all present and future immovable assets of the Project, over all present and future movable and intangible assets of the Project, all the escrow accounts held by the TALEEM Research Foundation & the subsidiary company for the Project; as well as assignment of all insurance policies taken for the project with the bank as loss payee, by way of hypothecation in favor of lenders of all the present and future rights, titles and interests of the Project from all contracts, insurances, documents, which the subsidiary company is party to including contracts or letter of credit, guarantee, performance bond provided by any party to the subsidiary company, registered mortgage of the lease hold land of the Project, Corporate Guarantee from Holding company, Pledge of 51% shares held by Holding company in the subsidiary company, subject to adherence to BR Act, to be held pari passu with Rupee Term Loan II (₹/lakhs 10,221.00) and Post dated cheque for principal installments.
- g) Term loan of ₹/lakhs 2,500.00 (Previous year ₹/lakhs Nil) for BKC schools by Tamilnad Mercantile Bank and carries interest @1.75% p.a plus base rate viz., 12.50% p.a. The loan is repayable in 37 quarterly installments beginning from 4th year i.e FY 2018 excluding 3 years construction period, secured by first charge on over all present and future immovable assets of the Project, over all present and future movable and intangible assets of the Project, all the escrow accounts held by the TALEEM Research Foundation & the subsidiary company for the Project; as well as assignment of all insurance policies taken for the project with the bank as loss payee, by way of hypothecation in favor of lenders of all the present and future rights, titles and interests of the Project from all contracts, insurances, documents, which the subsidiary company is party to including contracts or letter of credit, guarantee, performance bond provided by any party to the subsidiary company, registered mortgage of the lease hold land of the Project, Corporate Guarantee from the holding company, Pledge of 51% shares held by Holding company in the subsidiary company, subject to adherence to BR Act, to be held pari passu with Rupee Term Loan II (₹/lakhs 10,221) and Post dated cheque for principal installments.
- h) Term loan of ₹/lakhs Nil (Previous year ₹/lakhs 1,770.06) from Bank of Baroda to part finance the BKC Project and carried interest @ 3% p.a. plus base rate viz., 13.75% pa. and have been fully repaid during the year. Further, the loan is secured by first pari passu charge on the entire immovable assets created out of project (both present & future), charge on the entire cash flows of the project which will be routed through an escrow account maintained at Punjab National Bank, Equitable Mortgage of Lease hold rights of the project land whose leased hold rights are owned by TALEEM Research Foundation, in favour of vendors, Corporate Guarantee given by Essel Infraprojects Limited, TALEEM Research Foundation and the Holding company.

Notes forming part of the Consolidated Financial Statements

- i) Term loan of ₹/lakhs Nil (Previous year ₹/lakhs 1,794.48) from Bank of India to part finance the BKC Project and carried interest @ 3.25% p.a. plus base rate Plus 0.75% Tenor Premium viz., 13.75% p.a. and have been fully repaid during the year. Further, the loan is secured by first pari passu charge on the entire cash flows of the project will be routed through an escrow account maintained with lenders, first pari passu charge on the entire immovable and movable assets of the BKC Project (both Present & Future), equitable Mortgage of Lease hold rights of the project land whose leased hold rights are owned by TALEEM Research Foundation, in favour of vendors, Corporate Guarantee given by Essel Infraprojects Limited, TALEEM Research Foundation and Holding company.
- j) Term loan of ₹/lakhs Nil (Previous year ₹/lakhs 3,600.44) from Punjab National Bank to part finance the BKC project and carried interest of 2.50% plus base rate plus Tenor Premium viz., 13.75% p.a., for BKC project and have been fully repaid during the year. Further, the loan is secured by first pari passu charge on entire immovable and movable asset created out of BKC Project, Charge on entire cash flows of BKC Project, entire cashflows of the subsidiary company which are routed through an Escow account maintained by Punjab National Bank, equitable Mortgage of Lease hold rights of the project land whose leased hold rights are owned by TALEEM Research Foundation, in favour of vendors, Corporate Guarantee given by Essel Infraprojects Limited and TALEEM Research Foundation.
- k) Term loans of ₹/lakhs Nil (Previous year ₹/lakhs 2,016) from others carried interest rate @13.5% p.a and is fully repaid during the year.

5(b) Short-term borrowings

(₹ lakhs)

	2015	2014
Working capital loan from bank - Unsecured	444.27	-
Intercorporate Deposits - Unsecured*	2,936.91	-
* Includes Interest of ₹/lakhs 73.91 (Previous year ₹/lakhs Nil)		
Total	3,381.18	-

* The loan carries Interest @12.5% p.a. and is repayable on or before 30 September 2015.

6 Provisions

(₹ lakhs)

	Long - term		Short - term	
	2015	2014	2015	2014
Provision for employee benefits				
- Gratuity	97.96	90.58	10.31	10.52
- Leave benefits	54.06	56.40	5.70	6.56
Others				
Provision for litigation	-	-	27.13	27.13
Total	152.02	146.98	43.14	44.21

7 Other long-term liabilities

(₹ lakhs)

	2015	2014
Unearned revenue	19.60	61.39
Deposits from customers	10.00	10.00
Total	29.60	71.39

Notes forming part of the Consolidated Financial Statements

8 Deferred tax liabilities

In accordance with the Accounting Standard 22 on "Accounting for Taxes on Income" (AS 22) issued by ICAI, deferred tax assets and liabilities should be recognized for all timing differences in accordance with the said standard. However, considering the present financial position and requirement of the accounting standard regarding certainty / virtual certainty, deferred tax asset for the year is not accounted for. However, the same will be reassessed at a subsequent balance sheet date and will be accounted for in the year of certainty / virtual certainty in accordance with the aforesaid accounting standard.

Components of deferred tax liability is as under:

	(₹ lakhs)	
	2015	2014
Deffered tax liability		
Depreciation	9.01	9.01
	9.01	9.01
Deffered tax asset		
	-	-
Deferred tax liabilities (Net)	Total	9.01
		9.01

9 Current liabilities

	(₹ lakhs)	
	2015	2014
Trade payables	1,318.85	871.63
	1,318.85	871.63
Other Current Liabilities		
Current maturities of debentures and term loan (Refer Note 5(a))	4,221.50	2,884.60
Current maturities of Intercorporate deposits	-	80.64
Interest accrued and due	88.15	-
Interest accrued but not due	277.14	224.89
Interest payable on term loan from others (Secured)	-	345.64
Unearned revenue	1,699.26	1,752.83
Cheques overdrawn	-	27.44
Deposits from customers	2.00	2.00
Advance received from customers	2,480.91	2,153.98
Creditors for capital expenditure	75.26	133.38
Statutory dues payable	205.31	136.89
Creditors for expenses	1,327.72	1,526.96
	10,377.25	9,269.25
Total	11,696.10	10,140.88

Notes forming part of the Consolidated Financial Statements

10. Fixed Assets

(₹ lakhs)

Description	Gross Block			Depreciation / Amortization			Net Block		
	As at 1 April 2014 (b below)	Additions	Deductions	As at 31 March 2015	Up to 31 March 2014 below)	For the year	Reserve adjustment (Refer note		
							Deductions	Up to 31 March 2015	As at 31 March 2015
Tangibles									
Freehold Land (Refer note a below)	648.16	-	-	648.16	-	-	-	-	648.16
Buildings	1,535.21	4,796.86	-	6,332.08	58.02	110.03	-	168.05	6,164.03
Leasehold Asset Improvements	295.05	13.30	31.16	277.19	177.11	59.49	-	22.44	214.16
Equipments	335.98	144.93	21.27	459.64	35.19	113.93	-	1.79	147.34
Computers	579.44	56.10	95.22	540.32	205.26	150.60	43.74	26.64	372.97
Furniture and Fixtures	179.11	226.75	-	405.86	33.39	29.11	-	-	62.50
Total	3,572.95	5,237.95	147.65	8,663.25	508.97	463.17	43.74	50.87	965.02
Previous year	3,202.43	1,506.12	1,135.60	3,572.95	689.33	293.82	-	474.18	508.97
Intangibles									
Content Development	1,218.95	246.25	-	1,465.21	500.08	335.80	-	-	835.88
Softwares	432.26	55.22	19.48	468.00	276.78	105.24	-	8.80	373.21
Development rights	-	1,050.31	-	1,050.31	-	30.33	-	-	30.33
Total	1,651.21	1,351.78	19.48	2,983.51	776.86	471.37	-	8.80	1,239.42
Previous year	683.57	967.64	-	1,651.21	335.01	441.85	-	-	776.86
Capital work-in-progress									
Intangible under development									34,640.25
									32,444.84
									9,807.86
									10,773.07

a) Acquired pursuant to the Composite Scheme of Arrangement, yet to be transferred in the name of the Holding Company and is mortgaged against the Secured Debentures.

b) During the year, the Group has adopted the useful life as per the Schedule II of Companies Act, 2013. Consequently, ₹/lakhs 43.74 representing the written down value of fixed assets whose lives have expired as at 1 April 2014 have been adjusted in the Surplus/(Deficit) in Statement of Profit and Loss (Note 4). The unamortised carrying value has been depreciated / amortised over the revised / remaining useful lives.

c) During the previous year, fixed assets (equipments) of ₹/lakhs 610.89 (written down value) have been converted into Stock in Trade.

Notes forming part of the Consolidated Financial Statements

11 Non-current investments (valued at cost, unless stated otherwise)	(₹ lakhs)	
	2015	2014
Others- Unquoted		
In National Savings Certificate	0.05	0.05
(Pledged with Sales Tax Authorities)		
	Total	0.05
	0.05	0.05

12 Loans and advances (Unsecured)	(₹ lakhs)	
	Long-term	Short-term
	2015	2014
Capital Advances		
- Related Parties	1,499.62	1,701.45
- Others	75.77	139.67
Deposits		
- Related parties	3,821.00	3,936.91
- Others	847.19	738.45
- considered doubtful	-	-
	4,668.19	4,675.36
Less: Provision for doubtful deposits	-	-
	4,668.19	4,675.36
Other advances		
- considered good	0.34	4.00
- considered doubtful	33.71	-
	34.05	4.00
Less: Provision for doubtful advances	33.71	-
	0.34	200.92
Minimum Alternate Tax Credit Entitlement	4.45	-
Prepaid expenses	0.25	0.68
Balances with Government authorities		
- Advance direct taxes (net of provisions)	638.29	251.94
- Advance indirect taxes	-	-
Total	6,886.91	6,773.10
	266.68	1,171.25

Notes forming part of the Consolidated Financial Statements

13 Other assets (₹ lakhs)

	Non-Current		Current	
	2015	2014	2015	2014
Balances with banks -in deposit account (Refer Note 17)	767.64	369.60	-	-
Interest accrued on bank deposits	13.40	4.62	29.68	5.18
Unamortised preliminary expenses	0.91	1.82	-	-
Other receivables	-	-	150.91	105.42
Total	781.95	376.05	180.59	110.60

14 Current investments (₹ lakhs)

	2015	2014
Units of Mutual Funds- Quoted		
71,181 (Nil) units of ICICI Prudential Flexible Income Plan -Direct of face value of ₹ 10 each	75.26	-
30,163 (Nil) units of Religare Invesco Liquid Fund-Direct Plan of face value of ₹ 1,000 each	301.87	-
Nil (39,789) units of Axis Mutual fund - Daily Dividend of face value of ₹ 1,000 each	-	398.02
Nil (248,082) units of ICICI Prudential Ultra Short Term of face value of ₹ 10 each	-	25.09
Nil (40,795) units of ICICI Prudential Liquid- Daily Dividend of face value of ₹ 10 each	-	40.82
(All the above securities are fully paid up)	Total	377.13
		463.93

Net Asset Value as at 31 March 2015 is ₹/lakhs 377.13 (Previous year ₹/lakhs 463.93)

15 Inventories (valued at lower of cost or estimated net realisable value) (₹ lakhs)

	2015	2014
Educational goods and equipments	2,741.09	1,672.63
Television content	-	251.53
Total	2,741.09	1,924.16

Notes forming part of the Consolidated Financial Statements

16 Trade receivables (unsecured)

(₹ lakhs)

	2015	2014
Over six months		
- considered good	480.80	253.89
- considered doubtful	726.03	726.03
Others		
- considered good	1,129.82	1,032.33
- considered doubtful	-	-
Less: Provision for doubtful debts	2,336.65 726.03	2,012.25 726.03
Total	1,610.62	1,286.22

17 Cash and bank balances

(₹ lakhs)

	Non-Current		Current	
	2015	2014	2015	2014
Cash and cash equivalents				
Balances with banks in current accounts	-	-	920.70	1,645.61
Cash in hand	-	-	0.19	0.26
	-	-	920.89	1,645.87
Other bank balances				
Balances with banks -				
in deposits accounts*	-	-	370.93	50.27
in deposits accounts with banks maturity more than 12 months	767.65	369.61	268.42	-
Amount disclosed under the head "Other Assets" (Refer Note 13)	(767.65)	(369.61)	-	-
Total	-	-	1,560.24	1,696.14

* Includes pledged/Lien for Term Loan/debentures ₹/lakhs 325.12 (Previous year ₹/lakhs 407.71), Lien for Government authorities ₹/lakhs 0.89, (Previous year ₹/lakhs 0.49) Lien for others ₹/lakhs 117.99 (Previous year ₹/lakhs 6.99)

18 Revenue from operations

(₹ lakhs)

		2015	2014
Sales	- Educational goods and equipments	5,762.67	4,993.59
	- Television content	480.72	1,319.72
Services	- Education and Other Services		
	- Course Fees/Royalty	3,991.20	3,543.41
	- Franchisee Fees	1,863.73	1,609.14
	- Lease rental	620.08	214.38
	- Others	21.68	19.37
Other Operating Revenue		38.25	432.30
Total		12,778.33	12,131.91

Notes forming part of the Consolidated Financial Statements

19 Other Income

(₹ lakhs)

	2015	2014
Interest Income		
- from bank deposits	87.19	62.50
- from others	4.74	8.62
Dividend on Mutual funds	54.14	9.53
Gain on exchange difference (net)	-	180.44
Liabilities/Excess provision written back (net)	235.43	40.47
Profit on sale of fixed assets (net)	1.44	-
Sale of Scrap	0.56	-
Total	383.50	301.56

20 Operational cost

(₹ lakhs)

	2015	2014
a) Educational goods and equipments		
Opening	1,672.63	891.44
Add: Purchases *	3,755.86	3,054.36
	5,428.49	3,945.80
Less: Closing	2,741.09	1,672.63
	2,687.40	2,273.17
b) Television content		
Opening	251.53	148.53
Add: Commissioned/Acquisition	185.49	1,302.74
	437.02	1,451.27
Less: Closing	-	251.53
	437.02	1,199.74
c) Other Educational Operating Expenses		
	319.77	369.37
Total	3,444.19	3,842.28

* During the previous year, fixed assets (equipments) of ₹/lakhs 610.89 (written down value) have been converted into Stock in Trade.

21 Employee benefits expense

(₹ lakhs)

	2015	2014
Salaries and allowances	2,372.74	2,937.19
Contribution to provident and other funds	29.28	70.83
Training and recruitment cost	58.02	43.44
Staff welfare expenses	37.68	75.39
Total	2,497.72	3,126.85

Notes forming part of the Consolidated Financial Statements

22 Finance costs

	(₹ lakhs)	
	2015	2014
Interest expenses		
- Borrowings	1,494.87	906.76
- Others	10.83	6.95
Bank and other financial charges	14.73	61.10
Total	1,520.43	974.81

23 Depreciation and amortization expense

	(₹ lakhs)	
	2015	2014
Depreciation on tangible assets	463.17	293.83
Amortisation on intangible assets	471.37	441.85
Total	934.54	735.68

24 Other expenses

	(₹ lakhs)	
	2015	2014
Rent	305.96	332.46
Repairs and maintenance - others	318.36	333.82
Insurance	12.70	11.91
Rates and taxes	26.12	29.53
Electricity and water charges	28.78	31.77
Communication expenses	140.27	155.35
Printing and stationery	53.48	53.15
Travelling and conveyance expenses	565.26	645.38
Legal and professional charges	279.93	321.37
Payment to auditors (Refer note 30)	18.15	19.97
Miscellaneous expenses	108.01	107.11
Freight and packing charges	466.65	392.86
Directors sitting fees	5.80	7.20
Bad debts / advances written off	1.71	
Less :Provision for doubtful debts and advances written back	1.71	-
Provision for doubtful debts and advances	39.11	100.32
Loss on sale / discard of fixed assets (net)	-	33.73
Marketing, advertisement and publicity expenses	1,405.25	1,370.83
Loss on exchange difference (net)	0.69	-
Miscellaneous expenditure written off	1.06	0.91
Total	3,775.58	3,947.67

Notes forming part of the Consolidated Financial Statements

25 Operating Leases:

The Group has taken office, residential facilities and plant and machinery (including equipments) etc. under cancellable/non-cancellable lease agreements that are renewable on a periodic basis at the option of both the Lessor and the Lessee. The initial tenure of the lease generally is for 11 months to 60 months.

	(₹ lakhs)	2015	2014
Lease rental charges for the year		328.30	420.90
Future Lease rental obligation payable (under non-cancellable lease)			
Not later than one year		62.97	132.88
Later than one year but not later than five years		21.31	49.59

26 Managerial Remuneration

Remuneration paid or provided in accordance with Section 197 of the Companies Act, 2013 to Manager, included in Employee benefits expense is as under

	(₹ lakhs)	2015	2014
Salary and Allowances		36.14	32.22
Contribution to provident fund		1.79	1.78
Total		37.93	34.00

Note: Salary and Allowances include basic salary, house rent allowance, leave travel allowance and performance bonus but excluding leave encashment and gratuity provided on the basis of actuarial valuation.

27 Related Party Transactions

(i) Other Related parties with whom transactions have taken place during the year and balance outstanding as on the last day of the year.

Asian Satellite Broadcast Private Limited, Cyquator Media Services Private Limited, Essel Corporate Resources Private Limited, Essel Vision Productions Limited, Himgiri Zee University, Pan India Network Infravest Private Limited, TALEEM Research Foundation, Zee Entertainment Enterprises Limited, Diligent Media Corporation Limited, Pri-Media Services Private Limited, Pan India Infrastructures Private Limited, Zee Media Corporation Limited, Essel Infraprojects Limited, Direct Media Distribution Ventures Private Limited, Digital Satellite Holdings Private Limited.

Transactions with Related Parties	(₹ lakhs)	
	2015	2014
A) Transactions with Related Parties		
Short-term borrowings taken	3,865.00	13,082.00
Other Related Parties		
Asian Satellite Broadcast Private Limited	3,865.00	13,082.00
Repayment of Short-term borrowings	1,002.00	22,094.50
Other Related Parties		
Asian Satellite Broadcast Private Limited	1,002.00	22,094.50

Notes forming part of the Consolidated Financial Statements

(₹ lakhs)

	2015	2014
Interest expense	83.74	-
Other Related Parties		
Asian Satellite Broadcast Private Limited	83.74	-
Deposits given repaid	900.00	-
Other Related Parties		
Himgiri Zee University	900.00	-
Advances received	288.26	1,098.47
Essel Infraprojects Limited	288.26	1,098.47
Purchase of fixed assets including capital work-in-progress	3,409.01	11,349.87
Pan India Infrastructure Private Limited	3,309.01	11,349.87
Taleem Research Foundation	100.00	-
Capital advances given	6,209.13	6,952.97
Pan India Infrastructure Private Limited	6,209.13	6,952.97
Capital advances given repaid	3,101.95	2,979.00
Pan India Infrastructure Private Limited	3,101.95	2,979.00
Sales and services	1,026.35	2,037.29
Other Related Parties		
Zee Entertainment Enterprises Limited	553.16	2,037.29
Himgiri Zee University	23.15	-
Taleem Research Foundation	450.04	-
Sale of fixed assets	113.70	7.54
Other Related Parties		
Cyquator Media Services Private Limited	-	5.50
Essel Vision Productions Limited	-	2.04
Zee Entertainment Enterprises Limited	113.70	-
Purchase of material	50.16	-
Other Related Parties		
Pri-Media Services Private Limited	50.16	-
Purchase of services	45.33	350.36
Other Related Parties		
Pan India Network Infravest Private Limited	22.24	21.97
Cyquator Media Services Private Limited	-	2.84
Zee Entertainment Enterprises Limited	19.17	34.54
Essel Corporate Resources Private Limited	-	52.22
Essel Vision Productions Limited	-	225.15
Diligent Media Corporation Limited.	2.17	13.07
Taleem Research Foundation	1.75	0.57
Reimbursement of expenses	10.62	-
Other Related Parties		
Taleem Research Foundation	10.62	-

Notes forming part of the Consolidated Financial Statements

(₹ lakhs)

	2015	2014
B) Balances outstanding as at 31 March		
Short-term borrowings	2,936.91	-
Other Related Parties		
Asian Satellite Broadcast Private Limited	2,936.91	-
Advances and deposits given	5,320.62	6,538.36
Other Related Parties		
Taleem Research Foundation	-	115.91
Himgiri Zee University	-	900.00
Pan India Infrastructure Private Limited	5,320.62	5,522.45
Trade receivables	487.35	550.74
Other Related Parties		
Zee Entertainment Enterprises Limited	9.97	542.20
Himgiri Zee University	11.43	8.54
Taleem Research Foundation	465.95	-
Other receivables	10.62	9.09
Taleem Research Foundation	10.62	1.55
Cyquator Media Services Private Limited	-	5.50
Essel Vision Productions Limited	-	2.04
Advances received	1,207.55	919.29
Essel Infraprojects Limited	1,207.55	919.29
Trade payables	37.45	49.43
Other Related Parties		
Essel Vision Productions Limited	-	49.43
Pri-Media Services Private Limited	37.45	-
Creditors for expenses	8.47	131.10
Other Related Parties		
Pan India Network Infravest Private Limited	1.91	10.11
Cyquator Media Services Private Limited	-	0.37
Diligent Media Corporation Limited	0.40	-
Essel Corporate Resources Private Limited	-	96.36
Zee Media Corporation Limited	-	0.51
Zee Entertainment Enterprises Limited	6.16	23.75
Guarantees given	26,788.00	36,139.00
Subsidiary Company		
Digital Ventures Private Limited	26,788.00	36,139.00
Guarantees received		
Other Related Parties		
Zee Entertainment Enterprises Limited	5,409.10	174.80
Jointly Corporate Guarantee given by Direct Media Distribution Ventures Private Limited and Digital Satellite Holdings Private Limited	109.10	174.80
	5,300.00	-

Details of remuneration to director are disclosed in Note 26.

Notes forming part of the Consolidated Financial Statements

28 (i) Contingent Liabilities not provided for

(₹ lakhs)

	2015	2014
a) Claims against the Company not acknowledged as debts	123.80	54.27
b) Disputed Direct Tax	904.47	794.69
c) Disputed Indirect Taxes	402.76	304.07

(ii) The Holding Company had entered into warehousing arrangement for its inventories of educational goods and equipments with a service provider. During the year, there was a dispute with the service provider and Holding Company has issued termination letter giving three months notice as per terms of the contract. However, the service provider stopped rendering the services during the notice period and refused to give the inventory of the Holding Company. On approaching the court, the Holding Company obtained the custody of the inventory and filed a claim for damages of ₹/lakhs 600.00/- with interest against the service provider, which is under arbitration.

29 Capital and other commitments/undertakings

- a) Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) is ₹/lakhs 1299.42 (Previous year ₹/lakhs 919.83)
- b) Future lease rental obligation payable for land taken on lease ₹/lakhs 1,084.90 (Previous year ₹/lakhs 1,042.68).

30 Payments to Auditors

For Standalone

(₹ lakhs)

	2015	2014
Audit fees (including Limited review)	12.00	11.00
Tax audit fees	2.00	2.00
Tax representation	-	1.02
Certification and others	0.40	1.53
Total	14.40	15.55

(₹ lakhs)

For Subsidiary

2015

2014

Audit fees	3.75	4.42
Total	3.75	4.42

31 Foreign Exchange

Foreign exchange exposures that are not hedged by derivative instruments as at 31 March, 2015 are as under:

(₹ lakhs)

	2015	2014
Receivables	34.05	8.57
Payables	-	23.50

Notes forming part of the Consolidated Financial Statements

32 Earnings per share (EPS)

	2015	2014
a. Profit/ (Loss) after Tax (₹/lakhs)	989.37	(193.82)
b. Weighted Average number of equity shares for Basic EPS (in numbers)	319,648,477	311,538,034
c. Weighted Average number of equity shares for Diluted EPS (in numbers)	320,192,290	311,922,794
d. Nominal value of equity shares (₹)	1	1
e. Basic EPS (₹)	0.31	(0.06)
f. Diluted EPS (₹)	0.31	(0.06)

33 Segment Reporting

The Group follows AS 17 "Segment Reporting" relating to the reporting of financial and descriptive information above their operating segments in financial statements:

The Group's reportable operating segments have been determined in accordance with the business operations, which is organised based on the operating business segments as described below. The geographical segment is not relevant as exports are insignificant.

- 1 "Educational" which principally provides learning solutions and delivers training.
- 2 "Construction and Leasing" which principally consists of constructing and leasing of properties for commercial use

There being no business outside India, the entire business is considered as a single geographic segment.

Primary Segment Disclosure - Business segment for the year ended 31 March 2015

(₹ lakhs)

Particulars	Educational	Construction and Leasing	Unallocable	Eliminations	Total
Segment revenue					
External revenue	12,158.25	620.08	-	-	12,778.33
Inter segment revenue	-	-	-	-	-
Total Segment revenue	12,158.25	620.08	-	-	12,778.33
Segment results					
Less : Finance costs	2,190.32	173.42	-	-	2,363.74
Add : Interest and dividend income					1,520.43
Profit before tax					989.37
Less : Provision for tax					-
- Current tax					4.45
- MAT credit entitlement					(4.45)
Profit after tax					989.37

Notes forming part of the Consolidated Financial Statements

Other Segment Information:

(₹ lakhs)

Particulars	Educational	Construction and Leasing	Unallocable	Eliminations	Total
Segment assets	40,678.33	60,360.28	-	(33,385.72)	67,652.90
Unallocated corporate assets	-	-	642.79	-	642.79
Total Assets	40,678.33	60,360.28	642.79	(33,385.72)	68,295.69
Segment liabilities	6,047.87	2,268.62	-	(163.00)	8,153.49
Unallocated corporate liabilities	-	-	49,804.78	(13,049.72)	36,755.06
Total Liabilities	6,047.87	2,268.62	49,804.78	(13,212.72)	44,908.55
Capital expenditure	384.49	7,227.83	-	-	7,612.32
Depreciation	680.21	254.33	-	-	934.54

Primary Segment Disclosure - Business segment for the year ended 31 March 2014

(₹ lakhs)

Particulars	Educational	Construction and Leasing	Unallocable	Eliminations	Total
Segment revenue					
External revenue	11,917.54	214.37	-	-	12,131.91
Inter segment revenue	-	-	-	-	-
Total Segment revenue	11,917.54	214.37	-	-	12,131.91
Segment results					
Less : Finance costs	616.54	83.81	-	-	700.35
Add : Interest and dividend income					974.81
Profit/(loss) before tax					80.64
Less : Provision for tax					(193.82)
- Current tax					-
Profit/(loss) after tax					(193.82)

Other Segment Information:

(₹ lakhs)

Particulars	Educational	Construction and Leasing	Unallocable	Eliminations	Total
Segment assets	38,576.40	51,986.86	-	(30,345.05)	60,218.21
Unallocated corporate assets	-	-	739.52	-	739.52
Total Assets	38,576.40	51,986.86	739.52	(30,345.05)	60,957.73
Segment liabilities	5,940.14	1,530.38	-	(23.29)	7,447.23
Unallocated corporate liabilities	-	-	41,346.73	(10,148.76)	31,197.97
Total Liabilities	5,940.14	1,530.38	41,346.73	(10,172.04)	38,645.21
Capital expenditure	(8,790.04)	19,669.95	-	-	10,879.91
Depreciation	664.16	71.52	-	-	735.68

Notes forming part of the Consolidated Financial Statements

34 Educational Infrastructure Projects under execution

The Group through its subsidiary has taken lands at four locations on lease and has acquired land at one location for the purposes of setting up of educational infrastructures. The Group has also acquired development rights to develop a piece and parcel of land, from TALEEM Research Foundation at Mumbai, to build educational infrastructure. This development right is acquired for 30 years w.e.f 1 January, 2010 against a lump sum development fee of ₹/lakhs 10,500. The civil work for construction of all these educational infrastructures is in progress and are at different stages of construction.

35 Additional Information as required by Schedule III of the Companies Act 2013

(₹ lakhs)

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in Profit or loss	
	% of consolidated net assets	Amount	% of consolidated Profit	Amount
I Parent - Zee Learn Limited	100.24%	23,444.08	97%	962.26
II Subsidiary - Digital Ventures Private Limited	86.01%	20,116.07	3%	27.11

Note: Net assets / Share of Profit of subsidiary are considered based on the respective audited standalone financial statements without considering eliminations / consolidation adjustments.

36 Prior year Comparatives

Previous years figures have been regrouped, rearranged or recasted wherever necessary to conform to this year's classification. Figures in brackets pertain to previous year.

Consolidated Cash Flow Statement for the year ended 31 March, 2015

(₹ lakhs)

	2015	2014
A. Cash flow from operating activities		
Profit/ (Loss) before tax	989.37	(193.82)
Adjustments for:		
Depreciation and amortisation expense	934.54	735.68
Interest income	(91.94)	(62.50)
Interest expense	1,505.71	913.70
Provision for doubtful debts (net)	39.11	100.32
(Profit)/ Loss on sale / discard of fixed assets (net)	(1.44)	33.73
Operating profit before working capital changes	3,375.35	1,527.11
Adjustments for:		
Decrease / (Increase) in trade and other receivables	503.30	3,350.36
Decrease / (Increase) in Inventories	(816.94)	(273.30)
Increase / (Decrease) in Trade and other payables	612.64	1,037.62
Cash generated from operations	3,674.35	5,641.79
Direct taxes paid	(386.35)	(122.70)
Net cash from/(used in) operating activities (A)	3,288.00	5,519.09
B. Cash flow from investing activities		
Purchase of fixed assets including Capital work-in-progress	(7,612.32)	(10,879.91)
Sale of fixed assets	108.90	16.81
Interest received	58.66	58.62
Investments in bank deposits	(320.66)	(171.78)
Investments in bank deposits (having original maturity of more than 12 months)	(666.45)	-
Purchase of Investments in mutual funds	(6,698.64)	(1,626.37)
Sale of Investments in mutual funds	6,785.45	1,162.43
Net cash from/(used in) investing activities (B)	(8,345.06)	(11,440.18)

Consolidated Cash Flow Statement for the year ended 31 March, 2015

(₹ lakhs)

	2015	2014
C. Cash flow from financing activities		
Proceeds from issue of share capital including securities premium	128.99	10,559.81
Proceeds from intercorporate deposits	2,936.91	-
Repayment of intercorporate deposits	-	(9,012.50)
Proceeds from long-term borrowings	14,400.00	6,726.13
Proceeds from short-term borrowings	444.27	-
Repayment of long-term borrowings	(11,778.98)	(1,250.00)
Interest paid	(1,799.10)	(673.10)
Net cash from/(used in) financing activities (C)	4,332.09	6,350.34
Net changes in cash and cash equivalents (A+B+C)	(724.98)	429.25
Cash and cash equivalents at the beginning of the year	1,645.87	1,216.62
Cash and cash equivalents at the end of the year	920.89	1,645.87
Add : Earmarked balances with banks	639.35	50.27
Cash and bank balances at the end of the year	1,560.24	1,696.14

Note: Previous year figures are regrouped/ reclassified wherever necessary.

As per our attached report of even date

For and on behalf of the Board

For MGB & Co. LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

Subodh Kumar
Chairman

Surjit Banga
Director

Sanjay Kothari

Partner

Membership Number 048215

Umesh Pradhan
Chief Financial Officer

Samir Raval
Company Secretary

Place: Mumbai

Date : 27 May, 2015

NOTES

NOTES

NOTES



ZEE LEARN LIMITED

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

Tel: +91-22-2483 1234 • Fax: +91-22-2495 5974

CIN: L80301MH2010PLC198405 | Website: www.zeelearn.com

ATTENDANCE SLIP

5th Annual General Meeting | August 28, 2015 AT 11:00 A.M

Name of Member(s): _____

Registered Address : _____

Email ID : _____

Folio No./ DP ID-client ID : _____ No. of Shares: _____

I/We certify that I/We am/are the registered Member(s)/Proxy for the registered Member(s) of the Company.

I/We hereby record my/our presence at the 5th Annual General Meeting of the Company at "The Hall of Culture", Nehru Centre, Dr Annie Besant Road, Worli, Mumbai 400 018 Friday, August 28, 2015 at 11.00 a.m.

Member's/Proxy's Signature

Note: Please complete this slip and hand it over at the entrance of the Meeting venue





ZEE LEARN LIMITED

Regd. Office: Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai - 400 018
Tel: +91-22-2483 1234 • Fax: +91-22-2495 5974

CIN: L80301MH2010PLC198405 | Website: www.zeelearn.com

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

5th Annual General Meeting

Name of the member(s): _____

Registered Address: _____

E-mail ID: _____ Folio No./ Client ID : _____

I/We, being the Member(s) holding _____ shares of Zee Learn Limited, hereby appoint.

1. Name: _____ E-mail ID: _____

Address: _____ Signature: _____ or failing him.

2. Name: _____ E-mail ID: _____

Address: _____ Signature: _____ or failing him.

3. Name: _____ E-mail ID: _____

Address: _____ Signature: _____ or failing him.

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 5th Annual General Meeting of the Company, to be held on Friday, August 28, 2015 at 11:00 a.m. at the "The Hall of Culture", Nehru Centre, Dr Annie Besant Road, Worli, Mumbai 400 018 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	For	Against
1. Adoption of Audited Financial Statements of the Company on a standalone and consolidated basis for the financial year ended March 31, 2015 including the Balance sheet, Statement of Profit & Loss and the Reports of the Auditors and Directors thereon.		
2. Re-appointment Mr. Subodh Kumar as a Director of the Company.		
3. Appointment of Auditors.		
4. Ratification of remuneration of M/s. V.V. & Associates, Cost Auditors of the Company for the financial year 2015-16.		

Signed this _____ day of _____ 2015.

Signature of Member (s) : _____ Signature of Proxy holder(s) : _____

Note:

This form in order to be effective should be duly completed and deposited at the Registered Office of the Company, Continental Building, 135, Dr Annie Besant Road, Worli, Mumbai - 400018, not less than 48 hours before the commencement of the Meeting.





Zee Learn Limited

Registered Office
Continental Building, 135, Dr. Annie Besant Road,
Worli, Mumbai 400018

Corporate Office
Fun Republic, 6th Floor, Link Road,
Andheri (W), Mumbai - 400 053

www.zeelearn.com