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www.zeelearn.com

19th March, 2021

BSE Limited
Corporate Relationship Department,
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Fort, Mumbai-400 001
Scrip Code: 533287

The National Stock Exchange of India Limited
Exchange Plaza, Plot No.C/1,
Block G, Bandra-Kurla Complex,
Bandra (East),
Mumbai-400 051
Symbol: ZEELEARN

Sir(s),

Sub: Intimation under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015- Press Release dated March 17, 2021 by Brickwork Ratings (BWR) for banking facilities of its 100% subsidiary Digital Ventures Private Limited (DVPL).

This is to inform you that BWR has released the attached Press Release, dated March 17, 2021, pertaining to the revision in ratings of the Bank loan facilities of DVPL which is a material wholly owned subsidiary of Zee Learn Limited. The Press Release issued on March 17, 2021 (received on March 18, 2021) is attached herewith.

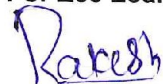
BWR has revised the ratings from "BWR BB (Credit Watch with negative implications)" to "BWR B+ (Outlook: Negative) Issuer Not Cooperating" for bank loan facilities of DVPL.

Please also note that DVPL has applied for restructuring of its loans with its banks.

Kindly take the same on record.

Regards,

For Zee Learn Limited.



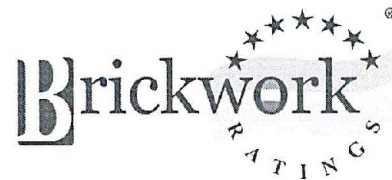
Rakesh Agarwal

Chief Financial Officer & Compliance Officer



THINK EDUCATION. THINK ZEE LEARN.





Rating Rationale

Digital Venture Pvt. Ltd.

17 March 2021

Brickwork Ratings downgrades the ratings for the Bank Loan Facilities of ₹. 109.37 Crores of Digital Venture Pvt. Ltd and places the rating under negative outlook and Issuer did not cooperate; based on best available information.

Particulars

Facility	Amount (₹ Crs)		Tenure	Rating*	
	Previous	Present@		Previous (Nov, 2020)	Present
Fund-based	109.37	109.37	Long Term	BWR BB Credit watch with Negative Implications	BWR B+ Negative Issuer Not Cooperating# Downgrade
Total	109.37	109.37	INR One Hundred and nine Crores and Thirty Seven Lakhs Only		

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

Complete details of Bank facilities is provided in Annexure-I

#Issuer did not cooperate; based on best available information

@the outstanding amount as on date is R.106.87crs as per the company

RATING ACTION / OUTLOOK

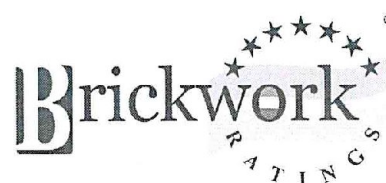
Brickwork Ratings (BWR) has downgraded the rating of Digital Ventures Private Limited to BWR B+ Negative and placed the rating under issuer not cooperating category.

The rating downgrade is on account of the uncertainties regarding the one time restructuring (OTR) status and non cooperation by the company in providing the details/date of invocation of restructuring and the status of the same with the lending bank.

The company has informed that it has requested the lending bank for OTR under RBI COVID scheme. BWR had followed up with the lending bank as well as the company to provide the OTR invocation date through various mails dated Jan 22, Feb 10, Feb 15, Feb 22, Feb 26, March 9, March 12, March 15 and telephone calls. However, the same has not been received by BWR reflecting uncertainties regarding status of the loan restructuring.

The rating takes comfort from the past stable performance of the company, and favourable demand supply factors for quality school education in the country in future. The rating is however, constrained by the increasing competition in the business of school education, inherent regulatory risk associated with the education business and inadequate cash flows resulting in seeking One Time Restructuring.

The rating has been placed on a negative outlook on account of uncertainties about restructuring in absence of receiving the date of invocation and other updates, the company's revenues and



liquidity owing to disruption of business activities under COVID pandemic, and uncertainties regarding payment of the dues in near term.

LIMITATIONS OF THE RATING

The lenders may note to exercise due caution while using the above ratings which mentions "Issuer Not Cooperating" since the ratings lack any projections or a forward looking component as it is arrived based on the best available information on the company without any management/banker's interaction.

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

ANALYTICAL APPROACH AND APPLICABLE RATING CRITERIA

BWR has essentially relied upon audited financials upto FY 2020 and publicly available information and information/clarification provided by the company's management of DVPL.

LIQUIDITY POSITION: Poor

The liquidity profile is expected to be poor as the company is said to have requested for restructuring.

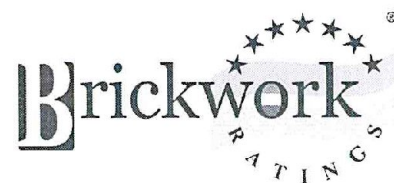
COMPANY PROFILE

Digital Ventures Private Limited (DVPL) is a wholly owned subsidiary of ZLL. DVPL has raised funds from banks to construct buildings and provide infrastructure, which is required for running schools. Currently, DVPL is executing school projects at Bandra Kurla Complex (BKC, Mumbai), Goa, Bhatinda, Karnal, Patiala and Nagpur. DVPL owns the infrastructure assets, which are leased to schools run by various trusts belonging to promoters.

KEY FINANCIAL INDICATORS (in INR Crs)

FINANCIAL INDICATORS - Digital Ventures Private Limited

Key Parameters	Units	2019	2020
Result Type		Audited	Audited
Operating Revenue	Amount in cr	33.81	35.04
EBITDA	Amount in cr	27.97	32.80
PAT	Amount in cr	1.90	2.02
Tangible Net worth/TNW	Amount in cr	223.17	227.50
Total Debt/Tangible Net worth	Ratio	0.93	1.10



KEY COVENANTS OF THE INSTRUMENT/FACILITY RATED: NA

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: NA

RATING HISTORY for last three years (including suspension and withdrawals)

Instrument / Facilities	Current Rating		Rating History																
	Type	Amount (Rs in Cr)	Rating	2020	2019	3rd Oct 2018	17th July 2017												
Term Loan (TL)	Long Term	109.37	BWR B+ Negative Issuer not cooperating # Downgrade	2nd April 2020 <table><tr><td>TL</td><td>109.37</td><td>BWR A- (CE) Credit Watch with Negative Implications</td></tr></table>	TL	109.37	BWR A- (CE) Credit Watch with Negative Implications	1st Feb 2019 <table><tr><td>TL</td><td>121.56</td><td>BWR A- (SO) Credit Watch with Developing Implications</td></tr></table>	TL	121.56	BWR A- (SO) Credit Watch with Developing Implications	<table><tr><td>TL</td><td>121.56</td><td>BWR A- (SO) Stable</td></tr></table>	TL	121.56	BWR A- (SO) Stable	<table><tr><td>TL</td><td>125</td><td>BWR A- (SO) Stable</td></tr></table>	TL	125	BWR A- (SO) Stable
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TL	121.56	BWR A- (SO) Stable																	
TL	125	BWR A- (SO) Stable																	
		20th July 2020 <table><tr><td>TL</td><td>109.37</td><td>BWR BBB- (CE) Credit Watch with Negative Implications</td></tr></table>	TL	109.37	BWR BBB- (CE) Credit Watch with Negative Implications	14th Sep 2019 <table><tr><td>TL</td><td>121.56</td><td>BWR A- (CE) Credit Watch with Developing Implications</td></tr></table>	TL	121.56	BWR A- (CE) Credit Watch with Developing Implications										
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Total		109.37@	Rupees One Hundred and Nine crores Thirty Seven lakh Only																

#Issuer did not cooperate; based on best available information

@the outstanding amount as on date is R.106.87crs as per the company



COMPLEXITY LEVELS OF THE INSTRUMENTS-Simple

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- General Criteria
- Approach to Financial Ratios
- Service Sector
- Issuer not cooperating

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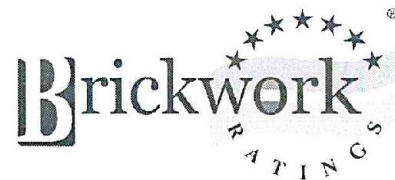
Digital Ventures Private Limited

ANNEXURE I Details of Bank Facilities rated by BWR

Sl. No.	Name of the Bank	Type of Facilities	Long Term (₹ Cr)	Short Term (₹ Cr)	Total (₹ Cr)
1	Bank 1	Term Loan	87.50	-	87.50
2	Bank 2	Term Loan	21.87	-	21.87
TOTAL					109.37@

Total Rupees One Hundred and Nine Crores Thirty Seven Lakh only.

@the outstanding amount as on date is R.106.87crs as per the company



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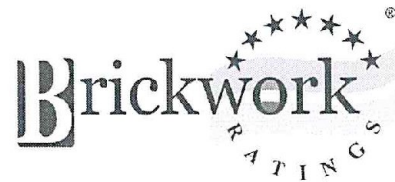
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