

June 8, 2017

BSE Limited
National Stock Exchange of India Limited

Kind Attn : Manager Corporate Relationship

Dear Sirs,

Sub : Disclosure of Material Information - Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

This is to inform you that, in line with the strategy to consolidate Digital Businesses, the Board of Directors of the Company at the meeting held today has approved acquisition of:

- i) Balance 49% equity stake in India Webportal Pvt Ltd, a 51% subsidiary of the Company, from its existing shareholders for INR equivalent of USD 30.7 million; and
- ii) 12.50% equity stake (on fully diluted basis) in Tagos Design Innovations Pvt Ltd., Bangalore for INR equivalent of USD 2.5 million.

Requisite details in respect of the above acquisitions, pursuant to Regulation 30 of Listing Regulations is as detailed herein.

i) Acquisition of balance stake in India Webportal Pvt Ltd (IWPL)

Name and brief background: India Webportal Private Limited (IWPL), a 51% subsidiary of the Company, incorporated on March 31, 2010 (CIN U72900MH2010PTC201526) is engaged *inter-alia* in the business of media content management including digitization, content aggregation, conversion, creation, distribution through webportals, communication facilities and providing digital infrastructure, application, facilities etc. IWPL distributes Media contents on digital platform thorough various websites including India.com, Bollywoodlife.com, Cricketcountry.com, Thehealthsite.com, BGR.in, Oncars.in etc.

The Shareholding Pattern of IWPL as on date is as mentioned herein:

Name of Shareholder	No of Shares	% of Holding
Zee Entertainment Enterprises Ltd	126,990,000	51%
MMC Investments Holding Company II Ltd	109,560,000	44%
Ashok Kurien	12,450,000	5%
Total	249,000,000	100%



||| VASUDHAIVA KUTUMBAKAM |||
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ZEE ENTERTAINMENT ENTERPRISES LIMITED

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www.zeetelevision.com | CIN : L92132MH1982PLC028767

Brief Financial details of IWPL during last 3 financial years are as detailed herein:

Particulars	(Rs in Million)		
	FY 14-15 (As per I-GAAP)	FY 15-16 (As per I-GAAP)	FY 16-17 (As per Ind-AS)
Turnover (Total Income)	411.6	716.9	647.2
Profit / (Loss) before tax	(88.6)	26.3	(137.9)

Objects, effects and other details of acquisition: IWPL acts as Digital arm of the Company and distributes Media content through webportals and has the potential to consolidate and scale-up the digital business. The Board of Directors have approved acquisition of the balance 49% Equity Stake in IWPL at an aggregate consideration of USD 30.70 Million (equivalent to INR 200 Crores) which is based on a Valuation report issued by an Independent Valuer M/s BDO India LLP, Chartered Accountants, recommending fair value of INR 16.36 per Equity Share of Re. 1 each. Upon completion of this acquisition, IWPL shall become a wholly-owned subsidiary of the Company.

Whether transaction is a related party transaction: Yes, to the extent of acquisition from Mr Ashok Kurien, Non-Executive Director of the Company.

Government/ regulatory approvals required: None

Indicative time-period of completion of acquisition: The acquisition along with execution of transaction documents is expected to be concluded within 30 days.

ii) Acquisition of 12.50% stake in Tagos Design Innovations Pvt. Ltd. (Tagos)

Name and brief background of Target entity: Tagos Design Innovations Pvt. Ltd., a Company registered under the Companies Act, 1956 on January 3, 2013 (CIN U74900KA2013PTC067512), is a Technology start-up which has developed an in-video discovery platform.

During last three financial year ended on March 31, 2014, March 31, 2015 and March 31, 2016, Tagos had earned nominal revenue of Rs. 7 Lakhs, Rs. 5.85 Lakhs and Rs. 12.54 Lakhs respectively and had incurred net loss of Rs. 9.92 Lakhs, Rs. 18.63 Lakhs and Rs. 45.83 Lakhs respectively.

Whether transaction is a related party Transaction: No

Objects, effects and details of acquisition: In line with the intent to expand digital platforms for the Media content, the Company has been investing in technology which has potential to supplement and scale-up Digital business of the Company. The in-video discovery platform developed by Tagos in synergy with the Company's OTT business has potential to scale up revenues of OTT business.



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The Company shall subscribe to 1 (one) Equity Share of Rs 10 each and 2,905 Preference Shares of Rs 10 each (convertible into equivalent number of Equity Shares) of Tagos at an aggregate consideration of USD 2.5 million (equivalent to INR 16.15 Crores). The investment on a fully diluted basis (post conversion) will be equivalent to 12.50% in the paid-up capital of Tagos.

Government of regulatory approvals required: None

Indicative time-period of acquisition: The acquisition of 12.50% stake and execution of transaction documents is expected to be concluded within 30 days.

Kindly acknowledge receipt

Yours truly,
For Zee Entertainment Enterprises Limited



M Lakshminarayanan
Chief Compliance Officer and Company Secretary



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