

July 24, 2017

To,
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai 400 001
BSE Scrip Code: 505537

To,
Listing Department
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E) , Mumbai – 400 051
NSE Scrip Code : ZEEL

Dear Sirs,

UNDERTAKING

Sub: Non-applicability of approval requirements by Public Shareholders prescribed in Circular No. CFD/DIL3/CIR/2017/21 dated 10th March 2017 (“SEBI Circular”) - Composite Scheme of Arrangement and Amalgamation between Zee Digital Convergence Limited (‘ZDCL’); India Webportal Private Limited (‘IWPL’); Zee Unimedia Limited (‘ZUL’); and Sarthak Entertainment Private Limited (‘SEPL’); and Zee Entertainment Enterprises Limited (‘ZEEL’); and their respective Shareholders (hereinafter referred to as “**Scheme**”)

The Composite Scheme of Arrangement and Amalgamation approved by the Board of ZEEL on July 24, 2017 *inter alia* provides for (a) demerger of Demerged Undertaking(s) from each of ZDCL, IWPL and ZUL as defined in the Scheme, vesting with the Company; and (b) amalgamation of SEPL with the Company, along with all assets, liabilities and employees relating to such Demerged Undertaking(s) and SEPL, as a going concern without payment of any consideration by the Company, as the Scheme only involves consolidation of business of wholly owned subsidiaries of the Company with the Company.

In connection with the said Scheme, we hereby state and confirm that the conditions prescribed in para 9(a) of Annexure I of the SEBI Circular (in relation to voting by public shareholders through the postal ballot and e-voting) are not applicable on the following grounds:

- i. No shares are proposed to be issued by the Company under the Scheme in consideration of consolidation of the wholly owned subsidiaries of the Company with the Company by way of demerger / amalgamation.;
- ii. The Scheme involves Company and its wholly owned subsidiaries and does not involve any other entity involving Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/ (s) of Promoter / Promoter Group of the Company;
- iii. The Scheme does not provide for Merger of any subsidiary entity which was acquired by the Company directly or indirectly from any shareholder being Promoter / Promoter Group or associate / subsidiary / related party of any Promoter / Promoter group of the Company;



|| VASUDHAIVA KUTUMBAKAM ||
THE WORLD IS MY FAMILY

ZEE ENTERTAINMENT ENTERPRISES LIMITED

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www.zee-television.com | CIN : L92132MH1982PLC028767

- iv. The Scheme does not involve merger of any unlisted entity with the Company resulting in reduction of public shareholding in the Company; and
- v. The Scheme does not involve transfer of any undertaking of the Company.

Accordingly, we submit that the following requirements prescribed in the said para 9(a) read with sub-para 9(b) of para I(A) of Annexure I of SEBI Circular are not applicable in relation to the said Scheme:

- i. Requirement for voting by public shareholders through postal ballot and e-voting, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution; and
- ii. Inclusion of a condition in the Scheme providing that the Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.

For **Zee Entertainment Enterprises Limited**



M Lakshminarayanan
Chief Compliance Officer & Company Secretary



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Haskins & Sells LLP**

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The Board of Directors of
Zee Entertainment Enterprises Limited
18th floor A - Wing Marathon Futurex,
N. M. Joshi Marg Lower Parel,
Mumbai – 400013.

Independent Auditor's Certificate certifying non-applicability of Paragraph I(A)(9)(a) of Annexure I to SEBI Circular number CFD/DIL3/CIR/2017/21 dated March 10, 2017

1. This certificate is issued in accordance with the terms of our engagement letter dated July 14, 2017.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Regn. No. 117366W/W-100018), the Statutory Auditors of Zee Entertainment Enterprises Limited ("the Company"), have examined the draft Composite Scheme of Arrangement and Amalgamation between Zee Digital Convergence Limited ("ZDCL" or "First Demerged Company") and India Webportal Private Limited ("IWPL" or "Second Demerged Company") and Zee Unimedia Limited ("ZUL" or "Third Demerged Company") and Sarthak Entertainment Private Limited ("SEPL" or "Transferor Company") and Zee Entertainment Enterprises Limited ("ZEEL" or "Resulting Company" or "Transferee Company") and their respective Shareholders (Scheme) in respect of applicability of Paragraph I(A)(9) of Annexure I to SEBI Circular number CFD/DIL3/CIR/2017/21 dated March 10, 2017.

Management's responsibility

3. The responsibility for the preparation of the Scheme and its compliance Paragraph I(A)(9) of Annexure I to SEBI Circular number CFD/DIL3/CIR/2017/21 dated March 10, 2017, is that of the Board of Directors of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

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Deloitte Haskins & Sells LLP

Auditor's responsibility

4. Our responsibility is only to examine requirements of Paragraph I(A)(9) of Annexure I to SEBI Circular number CFD/DIL3/CIR/2017/21 dated March 10, 2017 and state whether requirements of Paragraph I(A)(9)(a) are applicable to the scheme. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.
5. We carried out our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India (ICAI) and Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by (ICAI).
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements. Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid Scheme.

Opinion

7. Based on our examination, the undertaking provided by the Board of Directors and according to the information and explanations given to us, we are of the opinion that the conditions prescribed in Paragraph I(A)(9)(a) of Annexure I of the SEBI Circular number CFD/DIL3/CIR/2017/21 dated March 10, 2017 is not applicable on the following grounds:
 - i. No shares are proposed to be issued by the Company under the Scheme in consideration of consolidation of the wholly owned subsidiaries of the Company with the Company by way of demerger / amalgamation;
 - ii. The Scheme involves Company and its wholly owned subsidiaries and does not involve any other entity involving Promoter/ Promoter Group, Related Parties of Promoter/ Promoter Group, Associates of Promoter/ Promoter Group, Subsidiary/ (s) of Promoter / Promoter Group of the Company;
 - iii. The Scheme does not provide for Merger of any subsidiary entity which was acquired by the Company directly or indirectly from any shareholder being Promoter / Promoter Group or associate / subsidiary / related party of any Promoter / Promoter group of the Company;
 - iv. The Scheme does not involve merger of any unlisted entity with the Company resulting in reduction of public shareholding in the Company; and
 - v. The Scheme does not involve transfer of any undertaking of the Company.

WTS

Deloitte Haskins & Sells LLP

Restriction on use

8. This certificate is issued at the request of the Company for submission to Securities and Exchange Board of India, the stock exchanges in India where the equity shares of the Company are listed and other regulatory authorities. This Certificate should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Regn. No 117366W/ W-100018



Mohammed Bengali
Partner
Membership No. 105828

MUMBAI, July 24, 2017