

November 23, 2016

BSE Limited  
National Stock Exchange of India Limited

**Kind Attn. Corporate Relationship Department**

Dear Sirs,

**Acquisition of General Entertainment Television Broadcasting Undertakings from Anil Ambani led Reliance Group - Proceedings of Board Meeting of the Company held on November 23, 2016**

This is to inform you that the Board of Directors of the Company at the meeting held today has approved acquisition of **“General Entertainment Television Broadcasting Undertakings”** from Reliance Big Broadcasting Private Limited (“Transferor Company 1” or “RBB”), Big Magic Limited (“Transferor Company 2” or “Big Magic”) and Azalia Broadcast Private Limited (“Transferor Company 3” or “Azalia”) – all of these entities forming part of Anil Ambani led Reliance Group.

The proposed acquisition shall be way of Demerger of Undertakings to the Company through a Court approved Composite Scheme of Arrangement drawn under Section 391 to 394 of the Companies Act 1956 (and relevant provisions of Companies Act 2013) between the Company and the entities of Anil Ambani led Reliance Group and their respective shareholders and creditors and shall be subject to requisite statutory and regulatory approvals. The Appointed Date of the Composite Scheme of Arrangement will be the closing of business hours on March 31, 2017.

The consideration payable by the Company for the proposed acquisition shall be by way of taking over off debt of the demerged undertakings aggregating approximately to **Rs 295 Crores** and issuance of Unlisted Preference Shares aggregating to **Rs 3.95 Crores** to the shareholders of Transferor companies.

Requisite information pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 along with the Press Release issued in this regard is enclosed herewith.

Kindly acknowledge receipt.

Yours truly,  
**ZEE ENTERTAINMENT ENTERPRISES LIMITED**

  
**M Lakshminarayanan**  
**Chief Compliance Officer & Company Secretary**



Encl: As above

||| VASUDHAIVA KUTUMBAKAM |||  
THE WORLD IS MY FAMILY

**ZEE ENTERTAINMENT ENTERPRISES LIMITED**

Regd. Office : 18th Floor, A Wing, Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai 400 013. India.

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www.zeetelevision.com | CIN : L92132MH1982PLC028767

**Disclosure of events and information pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 September 9, 2015**

**a. Names of entity(ies) forming part of the Composite Scheme of Arrangement, details in brief such as size, turnover etc.:**

The proposed Scheme of Arrangement between Zee Entertainment Enterprises Limited, Reliance Big Broadcasting Private Limited, Big Magic Limited, Azalia Broadcast Private Limited and their respective shareholders and creditors ("**Scheme**") which shall be effective from the close of business hours on March 31, 2017 *inter alia* provides for:

- I. Demerger of Business Undertaking comprising of the General Entertainment Television Broadcasting division ("**Demerged Undertaking 1**") of Reliance Big Broadcasting Private Limited ("**Transferor Company 1**" or "**RBB**") as a going concern and vesting with Zee Entertainment Enterprises Limited ("**Resulting Company**");
- II. Demerger of Business Undertaking comprising of the General Entertainment Television Broadcasting division ("**Demerged Undertaking 2**") of Big Magic Limited ("**Transferor Company 2**" or "**Big Magic**") as a going concern and vesting with Zee Entertainment Enterprises Limited ("**Resulting Company**"); and
- III. Demerger of Business Undertaking comprising of the General Entertainment Television Broadcasting division ("**Demerged Undertaking 3**") of Azalia Broadcast Private Limited ("**Transferor Company 3**" or "**Azalia**") as a going concern and vesting with Zee Entertainment Enterprises Limited ("**Resulting Company**");

**Brief details of the Target entities, forming part of the Composite Scheme of Arrangement, as on 31<sup>st</sup> March, 2016 are as follows:**

(Rs. in Crores)

<b>Name of the Companies</b>	<b>Turnover</b>	<b>Paid-up Capital</b>	<b>Reserves &amp; Surplus</b>
RBB	61.17	31.21	(16.69)
Big Magic	58.94	0.05	(602.18)
Azalia	0.06	64.14	(66.83)



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**b. Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length".**

No, the transaction would not fall within the ambit of related party transaction(s) since no Promoter/ promoter group/ group companies is /are involved in the Scheme

**c. Area of business of the entities:**

**RBB** – It is engaged into General Entertainment Television Broadcasting business and has 5 TV channel licenses (2 operational – Big Magic and Big Ganga and 3 non-operational – Big Magic Punjab, Big Gaurav and Big Magic HD)

**Big Magic-** It is engaged into managing distribution and advertisement rights for RBB of Big Magic and Big Ganga, two General Entertainment Television Channels.

**Azalia-** It is engaged into General Entertainment Television Broadcasting business and has 1 (One) television channel license (Big Thrill)

**d. Objects and effects of acquisition - Rationale for the Composite Scheme of Arrangement**

The proposed acquisition shall enable the Company in enhancing its product portfolio mix in domestic markets, more specifically in the regional television markets and to gain upfront entry in to the comedy and other genres of general entertainment.

**e. Share Exchange ratio:**

Zee Entertainment Enterprises Ltd., the Resulting Company under the Scheme will issue Unlisted Cumulative Redeemable Non-Convertible Preference Shares of Rs 10/- each (carrying 6% Dividend) to Equity/ Preference Shareholders of Transferor companies as under:

<b>Sr. No</b>	<b>Entity</b>	<b>Number of Preference shares of Rs 10 each</b>
1	RBB	9,33,955
2	Big Magic	17,44,717
3	Azalia	12,70,433
<b>Total</b>		<b>39,49,105</b>

**Additionally, the Company shall take over the liability of debts vested with the Company upon such Demerger, expected to be in the region of around Rs 295 Crores**



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**f. Brief details of any governmental or regulatory approvals required for the acquisition**

The Composite Scheme of arrangement shall be subject to *inter-alia* approval from (including but not limited to) both the Equity and Preference Shareholders of the Company, SEBI / Stock Exchanges, Regional Director of Ministry of Corporate Affairs, the Jurisdictional High Court at Mumbai, Ministry of Information & Broadcasting and any other authority as may be required.

**g. Indicative time period for completion of acquisition**

The indicative time period for completion of acquisition would be approx. 8 months viz: by July 31, 2017.

**h. Cost of acquisition or the price at which the shares are acquired:**

Cost of Acquisition shall be taking over of debt of Demerged Undertakings and issue of Unlisted Preference shares as per point (e) above.

**i. Percentage of shareholding / control acquired and /or number of shares acquired:**

Entire General Entertainment Television Broadcasting business of the demerged entities shall be acquired by ZEEL

**j. Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information:**

Particulars	RBB	Big Magic	ABPL
Date of incorporation	27/03/2006	19/04/2011	17/10/2007
<b>Revenue from Operations for the year ended (Rs in Crs)</b>			
March 31, 2016	61.17	58.94	0.06
March 31, 2015	32.98	41.61	1.21
March 31, 2014	12.18	24.73	2.18





**Press Release  
For Immediate Publication**

## **Zee Entertainment Enterprises Limited to acquire the General Entertainment TV Channels from Anil Ambani led Reliance Group Entities**

**Mumbai, November 23, 2016** – The Board of Directors of **Zee Entertainment Enterprises Limited (“ZEEL”)** (BSE: 505537, NSE: ZEEL.EQ) today approved the acquisition of the **General Entertainment Broadcasting Business Undertaking** of Reliance Big Broadcasting Private Limited, Big Magic Limited & Azalia Broadcast Private Limited, all part of **Anil Ambani led Reliance Group Entities** through a scheme of demerger and execution of definitive agreements in relation to such proposed acquisition (the “Proposed Transaction”).

The TV Broadcasting business of Reliance Group Entities currently comprises two operational general entertainment channels (“BIG Magic” and “BIG Ganga”) and 4 other TV licenses.

BIG Magic is a Comedy channel catering to Hindi Speaking Markets. BIG Ganga is a leading Bhojpuri entertainment channel catering to audiences in Bihar, Jharkhand and Purvanchal. The channels are available on all major MSOs and DTH operators.

The General Entertainment TV Broadcasting business undertaking along with its assets, liabilities, licenses, trademarks etc. shall get demerged from “BIG Magic Ltd”, “Reliance Big Broadcasting Private Ltd” and “Azalia Broadcast Private Ltd” into ZEEL through a court-approved scheme.

**Mr. Punit Goenka, MD & CEO, ZEEL** said, *“We are pleased to announce this acquisition which further adds to our expanding universe of general entertainment channels. BIG Magic gives us access to comedy genre enhancing our customer offerings. BIG Ganga, a leading Bhojpuri channel syncs with our strategy of expanding into the regional markets which offers attractive growth potential. I am confident that these two channels will make the ZEE Network channels more enriching for the audience and for the Company.”*

**Mr. Sam Ghosh, ED and Group CEO, Reliance Capital** said, *“We are happy to divest 100 per cent of our general entertainment TV business to Zee Entertainment. This transaction is part of our strategy to reduce exposure in non-core businesses and work towards further reducing debt under Reliance Capital.”*



The proposed transaction remains subject to approval of the shareholders and requisite regulatory approvals including stock exchanges, Ministry of Information & Broadcasting, Hon'ble High Court at Bombay. The transaction is expected to close in the second half of CY2017.

Acquisory Consulting LLP and KPMG are acting as financial / tax advisors to ZEEL and the fairness opinion has been provided by IDBI Capital Markets. Luthra & Luthra Law Offices is acting as the legal advisor. EY and Phoenix Legal are acting as financial and legal advisors to Reliance Broadcast Network Limited respectively.

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#### **Notes to Editors:**

#### **About Zee Entertainment Enterprises Limited (ZEEL) - @ZEECorporate**

Zee Entertainment Enterprises Limited is one of India's leading television media and entertainment companies. It is amongst the largest producers and aggregators of Hindi programming in the world, with an extensive library housing over 222,000 hours of television content. With rights to more than 3,818 movie titles from foremost studios and of iconic film stars, ZEE houses the world's largest Hindi film library. Through its strong presence worldwide, ZEE entertains over 1 billion viewers across 171 countries.

Pioneer of television entertainment industry in India, ZEE's well-known brands include Zee TV, &tv, Zee Cinema, Zee Action, Zee Classic, &pictures, Zee Anmol, Zee Anmol Cinema, Zee Cafe, Zee Studio, Zee Salaam, Zing, ETC Bollywood, Zee Q, Zindagi, Ten 1, Ten 2 and Ten 3. The company also has a strong offering in the regional language domain with channels such as Zee Marathi, Zee Talkies, Zee Yuva, Zee Bangla, Zee Bangla Cinema, Zee Telugu, Zee Cinemalu, Zee Kannada, Zee Tamil and Sarthak TV. The company's HD offerings include Zee TV HD, Zee Cinema HD, &tv HD, Zee Studio HD, Zee Café HD, &pictures HD, Zee Talkies HD, Zee Marathi HD, Zee Bangla HD, Ten 1 HD and Ten Golf HD.

ZEE and its affiliate companies have leading presence across the media value chain including television broadcasting, cable distribution, direct-to-home satellite services, digital media and print media amongst others. ZEEL also operates multiple digital offerings like dittoTV, OZEE, and [india.com](http://india.com). More information about ZEE and its businesses is available on [www.zee television.com](http://www.zee television.com)

#### **About Reliance's General Entertainment TV Broadcasting Business**

The General Entertainment television thrives on an eclectic mix of shows with original content, quirky humor, strong messaging and a deep understanding of the target audience, both on a national and regional level.

BIG Magic, India's light-hearted family entertainment channel, leads its pack with shows that are based on original content, mashed with a series of comical satires.



The channel prides itself on being a complete family entertainment package with its wide range of offerings - from hilarious sitcoms, side splitting historical and mythological comedies, laugh out loud weekend specials, stand up acts, festive specials, animated movies and blockbuster comedy films.

Its viewers are offered a daily dose of entertainment through various show formats, with unique characters who are quirky and funny.

BIG Ganga, the No.1 regional entertainment channel in Bihar & Jharkhand, offers its viewers the best mix of light entertainment. The channel stands out for its shows having local insights and festive specials, thus forming a strong connect with the audience.

More information is available on: [www.reliancebroadcast.com](http://www.reliancebroadcast.com)

### **About Reliance Capital**

Reliance Capital, a part of the Reliance Group, is one of India's leading private sector financial services companies. It ranks amongst the top private sector financial services and banking groups, in terms of net worth. The Company is a constituent of CNX Midcap 50 and MSCI Global Small Cap Index.

Reliance Group is amongst India's leading business houses with over 250 million customers. The Group has a strong presence across a wide array of high growth consumer-facing businesses of financial services, telecom, energy, power, infrastructure, and Defence.

Reliance Capital has interests in asset management and mutual funds; life and general insurance; commercial and home finance; stock broking; wealth management services; distribution of financial products; asset reconstruction; proprietary investments and other activities in financial services.

More information is available on: [www.reliancecapital.co.in](http://www.reliancecapital.co.in)

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