

December 17, 2013

BSE Limited

National Stock Exchange of India Limited

Kind Attn. Corporate Relationship Department

Dear Sir,

Sub: Proceedings of the Board Meeting held on December 17, 2013

This is to inform you that the Board of Directors of the Company at its meeting held today i.e. on December 17, 2013:

- a. Approved a Scheme of Arrangement between the Company and Diligent Media Corporation Ltd (DMCL) for demerger of 'Media Business Undertaking' from DMCL (which includes event management operations and license for a non-news and current affairs television channel) and vesting into the Company, with effect from 31st March 2014 being the Appointed Date under the Scheme; and
- b. Took on record the recommendations of the Audit Committee and the Valuation report submitted by Independent Valuer M/s Sharp & Tannan, Chartered Accountants. The Board also approved, as recommended by the said valuers in the valuation report and confirmed by a fairness opinion of M/s. Axis Capital Ltd, a Category I Merchant Banker, the share exchange ratio of



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ZEE ENTERTAINMENT ENTERPRISES LIMITED

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

“1(One) Preference Share(s) of Re 1 each of the Company for every 4 (Four) Equity Shares of Rs. 10 each held in DMCL”

which shall result in issuance of 2.23 Crore Preference Shares of Re 1 each by the Company to shareholders of DMCL.

The aforesaid Scheme of Arrangement shall be subject to requisite approvals of the Shareholders / Creditors of respective companies, the Hon'ble High Court of Bombay and other statutory / regulatory authorities. A Press Release in this regard is attached for your information and records.

Yours truly

ZEE ENTERTAINMENT ENTERPRISES LIMITED



M Lakshminarayanan

Chief Compliance Officer & Company Secretary



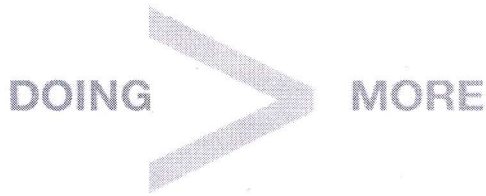
Encl. As above



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Press Release

Mumbai, December 17, 2013

In its meeting held today, the Board of Directors of Zee Entertainment Enterprises Limited ('ZEEL' or 'the Company') approved the Scheme of Arrangement between the Company and Diligent Media Corporation Limited ('DMCL') for the demerger of the Media Business Undertaking from DMCL and vesting into the Company. Media Business Undertaking comprises the media and entertainment business of DMCL including event management activities, TV channel license and TV reality show formats for game based shows. The said business will be demerged from DMCL and vest with the Company, by way of Scheme of Arrangement under the provisions of Section 391-394 of the Companies Act, 1956, subject to appropriate statutory and regulatory approvals.

ZEEL shall issue 2.23 crores redeemable, non-convertible preference shares of Re 1 each (i.e. one preference share of Re 1 each for every four equity shares of face value of Rs. 10/- each of DMCL) on vesting of Media Business Undertaking with it. The preference shares would have a tenure of three years and carry a coupon of 6% per annum.

The share swap has been based on the valuation report submitted by independent valuer M/s Sharp & Tannan, Chartered Accountants and the fairness opinion given by Axis Capital, Category 1 Merchant Bankers. The appointed date for the Scheme of Arrangement will be March 31, 2014 and the scheme is subject to necessary approvals from the shareholders, creditors and regulatory authorities including the stock exchanges and the Hon'ble Bombay High Court.

