PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF

ZEE ENTERTAINMENT ENTERPRISES LIMITED

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OFFER FOR BUYBACK OF EQUITY SHARES FROM OPEN MARKET THROUGH STOCK EXCHANGE(S)

This Public Announcement ("PA") is made pursuant to the provisions of Regulation 8 (1) read with Regulation 15 (c) of, and is in compliance with, the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 as amended from time to time ("**Buyback Regulations**") and contains the disclosures as specified in Schedule II to the Buyback Regulations.

1 THE BUYBACK

1.1 Zee Entertainment Enterprises Limited ("**the Company**") hereby announces the buyback ("**the Buyback**") of its fully paid-up equity shares of the face value of ₹1 each from the existing owners of equity shares of the Company other than promoters / persons who are in control of the Company as defined in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and amendments thereto and its associates (collectively referred to hereinafter as the "**Promoters**") from the open market using the electronic trading facilities of the National Stock Exchange of India Limited ("**NSE**") and the Bombay Stock Exchange Limited ("**BSE**") or any other stock exchange where the Company's shares are listed during the Buyback period (together "**the Stock Exchanges**"), in accordance with the provisions of Sections 77A, 77AA, 77B and all other applicable provisions, of the Companies Act, 1956 (the "**Act**") and the Buyback Regulations and Article 7B of the Articles of Association of the Company and subject to such other approval/s, permissions and sanctions as may be necessary from statutory authorities including but not limited to the Securities and Exchange Board of India ("**SEBI**"), Stock Exchanges, Reserve Bank of India ("**RBI**") as may be required and further subject to such conditions as may be prescribed or imposed by these authorities while granting such approval(s), permissions and sanctions which may be agreed to by the Board of Directors of the Company (the "**Board**"), at a price not exceeding ₹ 126/- per equity share ("**Maximum Buyback Price**") payable in cash, for an aggregate amount not exceeding ₹ 7000 million (the "**Maximum Buyback Size**"). The Maximum Buyback Size is within 25% of the aggregate of the Company's paid-up equity capital and free reserves as on March 31, 2010. The aggregate paid up equity share capital and free reserves of the Company as at March 31, 2010 was ₹ 28,183.3 million.

1.2 The actual number of Equity Shares to be bought back would depend upon the average price paid for the Equity Shares bought back and the amount deployed in the Buyback in accordance with the resolution passed by the Board of Directors of the Company on February 11, 2011 (the "Board Meeting").

1.3 As an illustration, at the Maximum Buyback Price of ₹ 126/- per equity share and for the Buyback Size not exceeding Rs. 7000 million, the maximum number of equity shares that can be bought back by the Company would be 55,555,555 equity shares ("**Maximum Offer Shares**"), representing 5.68% of the pre-Buyback outstanding fully paid up equity shares of the Company as on March 25, 2011, the date of the shareholder's approval through postal ballot, for the Buyback. However, the actual number of Equity Shares bought back would depend upon the average price paid for the Equity Shares bought back and the aggregate consideration paid for such Equity Shares bought back. Should the average purchase price be lower than Maximum Buyback Price, the number of equity shares that might be bought back would proportionately be more, assuming the Company is in a position to Buyback shares for an aggregate value of upto ₹ 7000 million. The maximum amount that will be utilized for the Buyback will not exceed 25% of the paid up equity share capital and free reserves of the Company as at March 31, 2010.

The Company proposes to buyback a minimum of 12,600,000 equity shares ("**Minimum Offer Shares**").

1.4 The maximum number of equity shares that the Company can buyback, as per Section 77A of the Act, in any financial year shall not exceed twenty-five percent of the total paid-up equity capital of the Company in that financial year.

1.5 The Maximum Buyback Price at which the Buyback will be carried out is ₹ 126/- per equity share. The Maximum Buyback Price has been arrived at after considering certain parameters such as the average price of the Equity Shares of the Company on the Stock Exchanges where the Equity Shares of the Company are listed, the Networth of the Company and the impact of the Buy-back on the Earning Per Share of the Company, in addition to book value, earnings trend in the recent past, the future growth and outlook for the industry and other relevant factors. The Maximum Buyback Price of ₹ 126/- is at a premium of 10.96% and 11.3% over the closing prices on the BSE (i.e. ₹113.55) and NSE (i.e. ₹ 113.20) respectively prevailing on the date of the Board meeting approving the Buyback i.e. February 11, 2011 **(**the **"Board Meeting")**. The Maximum Buyback Price offers a premium of 1.82% and 1.74 % over the closing prices of the equity shares on the BSE and NSE respectively prevailing on March 25, 2011, i.e. the date when shareholders have approved the Buyback through postal ballot. The closing price of the equity shares as on March 25, 2011 on BSE and NSE was ₹ 123.75 /- and ₹ 123.85/- respectively.

1.6 The amount required by the Company for the Buyback will be met out of the cash/bank balances, internal accruals and/or proceeds to be realized from treasury investments made by the Company. Though the Company does not propose raising any debt for effecting the Buyback, it may borrow funds in the ordinary course of its business.

2 PROPOSED TIME TABLE

Board meeting approving Buyback	Friday, February 11, 2011
Shareholders approving the Buyback through postal ballot	Friday, March 25, 2011
Date of Opening of Buyback	Wednesday, July 27, 2011
Acceptance of equity shares	Within 15 days of the relevant pay-out dates of the Stock Exchanges
Extinguishment of equity shares	Within 15 days of acceptance of equity shares as mentioned above provided further that the Company shall ensure that all equity shares bought back are extinguished within 7 days from the last date of completion of Buyback.
Last Date for the Buyback	Friday, March 23, 2012 (i.e. 12 months from the date of the resolution passed by the Shareholders approving the Buyback through postal ballot) or when the Company completes the Buyback to the extent of ₹ 7000 million, whichever is earlier, or at such earlier date as may be determined by the Board,in the event the Minimum Offer Shares have been purchased under the Buyback, even if the Maximum Buyback Size has not been reached, by giving appropriate notice of such date and completing all formalities in this regard as per relevant laws and regulations.

All payment obligations related to the Buyback shall be completed by the Last Date for the Buyback.

3 THE SPECIFIED DATE Not Applicable

4 AUTHORITY FOR THE BUYBACK

Pursuant to Article 7B of the Articles of Association of the Company and in accordance with the provisions of Sections 77A, 77AA, 77B and other applicable provisions of the Act, and the Buyback Regulations, the present Buyback from open market through the Stock Exchanges has been duly authorised by

- A resolution passed at the Board at its meeting held on February 11, 2011
- A special resolution passed by shareholders of the Company through postal ballot, the results whereof were declared on March 25, 2011.

5 CONTENTS OF THE EXPLANATORY STATEMENT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 ANNEXED TO THE POSTAL BALLOT NOTICE DATED FEBRUARY 16, 2011 CONTAINING THE SPECIAL RESOLUTION PASSED BY SHAREHOLDERS APPROVING THE BUYBACK

As required under Section 173(2) read with Section 77A and other applicable provisions of the Companies Act, 1956 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, read with Schedule I of the Buy-back regulations, this Explanatory Statement contains relevant and material information, as detailed herein, to enable the shareholders to consider and approve the proposed Special Resolution on Buyback of Company's Equity Shares:

1. The Board of Directors of the Company at the meeting held on February 11, 2011 had, subject to the approval of Members, approved the proposal for Buy-back of upto maximum of 244,519,033 fully paid Equity Shares of ₹ 1 each (equivalent to 25% of the paid up capital) at a price not exceeding ₹ 126 per Equity Share, subject further to the condition that the aggregate amount to be paid by the Company for the said buy-back (excluding brokerage & other charges, if any) shall not exceed ₹ 700 Crores i.e. within 25% of paid up capital & free reserves of the Company based on the Audited Financials as at March 31, 2010.

   Since the Company is currently in the process of seeking the approval of Hon'ble Bombay High Court to the Scheme of Amalgamation of ZES Holdings Ltd, Mauritius and Zee Multimedia Worldwide Limited, BVI (two wholly owned foreign subsidiaries of the Company) with the Company, the proposed Buy-back shall be implemented upon receipt of the approval of Hon'ble Bombay High Court for the said Scheme of Amalgamation.*

2. The Buy-back is proposed considering the availability of accumulated cash currently invested in treasury operations, the expected future cash-flows from business operations and funding requirements of the Company to fund its future expansion plans. The Buy-back is expected to
   - Reduce outstanding number of equity shares and consequently increase earning per share over a period of time and enhance long term value creation;
   - Effectively utilize cash-surplus and
   - Make the balance sheet leaner and more efficient to improve key ratios like Return on Networth, Return on Assets etc

3. The Buyback is proposed to be implemented by the Company from the Open Market purchases through the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

4. The aggregate paid-up Capital and free reserves of the Company as at March 31, 2010 is ₹ 2818.33 Crores and under the provisions of the Act, the funds deployed for buy-back shall not exceed 25% of paid-up capital and free reserves of the Company. Accordingly the maximum amount that can be utilized in the present buy-back is ₹ 704.58 Crores. The aggregate amount proposed to be expended for the buy-back is ₹ 700 Crores, which is within the maximum amount as aforesaid. Further under the Act, the number of Equity Shares that can be bought back during the financial year shall not exceed 25% of the Paid-up Equity Shares of the Company. Accordingly, the maximum number of Equity shares that can be bought back would not exceed 244,519,033 Equity Shares being 25% of 978,076,130 Equity Shares of ₹ 1 each as at December 31, 2010.

   The Buy-back is proposed to be funded from out of internal accruals and other sources permissible under applicable law and regulations. The funds required for the buy-back will be drawn out of the Securities Premium Account and/or Free Reserves of the Company.

5. The maximum buy-back price of ₹ 126/- per share, has been arrived at after considering various factors such as average price of the Equity Shares of the Company on the Stock Exchanges where the Equity Shares of the Company are listed, the Net worth of the Company and the impact of the Buy-back on the Earning Per Share of the Company.

   The actual reduction in outstanding number of shares would depend upon the price at which the equity shares of the Company are traded at the Stock Exchanges as well as the total number of shares bought back by the Company from the open market. However, assuming the shares are purchased at the maximum price of ₹ 126 and that the Company would be in position to successfully purchase shares for an amount of ₹ 700 Crores as may be approved by the Shareholders, the total number of shares that would be purchased at the maximum price in terms of the approval of the shareholders would be approximately 55,555,555 Equity Shares and the outstanding shares would be accordingly reduced to that extent.

   The Buy-back is proposed to be completed within the maximum period of twelve months from the date of passing of the said Special Resolution. Subject to the maximum price of ₹ 126/- per Equity Share for buy-back and maximum validity period of twelve months, the time frame and the price will be determined by the Board.

6. The aggregate shareholding of the Promoters of the Company, comprising of Individuals, Bodies Corporate and Limited Liability Partnerships (LLPs), as on the date of Board Meeting i.e. February 11, 2011, comprises of 418,472,440 Equity Shares equivalent to 42.79% of paid-up Share Capital of the Company.

   Particulars of shareholding of the Promoters as at February 11, 2011 is as detailed herein:

Name of Promoters	No of Shares	% of Shareholding
Laxmi Goel	3843758	0.39%
Sushila Goel	1360000	0.14%
Ashok Kurien, Director and Promoter	4472710	0.46%
Ambience Business Services Pvt Ltd	4983064	0.51%
Ganjam Trading Company Pvt Ltd	19777864	2.02%
Churu Trading Company Pvt Ltd	47920814	4.90%
Essel Infraprojects Ltd	14018290	1.43%
Briggs Trading Company Pvt Ltd	1172358	0.12%
Prajatma Trading Company Pvt Ltd	17908984	1.83%
Premier Finance & Trading Co Ltd	101589186	10.39%
Veena Investment Pvt Ltd	28738218	2.94%
Asian Satellite Broadcast Pvt Ltd	420090	0.04%
Delgrada Limited, Mauritius	102888286	10.52%
Lazarus Investments Ltd, Mauritius	23000000	2.35%
Essel Holdings Ltd, Mauritius	46378518	4.74%
Jayneer Enterprises LLP	100	0.00%
Churu Enterprises LLP	100	0.00%
Prajatma Enterprises LLP	100	0.00%
Total	**418472440**	**42.79%**

   During the last six months ending on February 11, 2011 i.e. the date of the Board Meeting at which the buyback proposal was approved,

   a) except certain *inter-se* transfer of shares of the Company amongst the Promoters
      (i) in pursuance of Scheme(s) of Arrangement(s) and
      (ii) Equity Shares aggregating to 150 shares bought by the LLPs *inter-se* Promoters at ₹ 302.15 per share, no other Equity Shares of the Company were either purchased or sold by the Promoters;

   b) none of the Directors of Promoter Group have either purchased or sold Equity Shares of the Company.

7. The Promoters will not participate in the Buy-back.

8. In compliance with the provisions of the Companies Act, 1956:

   a) the ratio of the debt owned by the Company would not be more than twice the Share Capital and Free Reserves after the buy-back;

   b) the Company will not issue any fresh Equity Shares within a period of six months after the completion of buy-back except by way of bonus shares or in discharge of subsisting obligations such as conversion of convertible instruments, stock options etc.

9. The Company confirms that there are no defaults subsisting in the repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks.

10. The Board of Directors hereby confirms that it has made full inquiry into the affairs and prospects of the Company and that they have formed the opinion -

    (a) that, immediately following the date on which the results of the Postal Ballot are declared there will be no grounds on which the company could be found unable to pay its debts;

    (b) that, as regards the prospects for the year immediately following the date on which the results of the Postal Ballot are declared, having regard to their intentions with respect to the management of the company's business during that year and to the amount and character of the financial resources which will in their view be available to the company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date; and

    (c) that in forming their opinion for the above purposes, the Board has taken into account the liabilities as if the company were being wound up under the provisions of the Companies Act, 1956

11. The Company shall transfer from its Free Reserves a sum equal to the nominal value of the equity shares purchased through the Buy-back to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent Audited Financials.

12. The report dated February 11, 2011 received from M/s. MGB & Co., Chartered Accountants, the Statutory Auditors of the Company addressed to the Board of Directors of the Company is reproduced below:

    'In connection with the proposed buy-back of equity shares approved by the Board of Directors of Zee Entertainment Enterprises Limited (hereinafter referred to as 'the Company') at their meeting held on February 11, 2011, in pursuance of the Companies Act, 1956 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 and based on the information and explanations given to us, we M/s. MGB & Co., Chartered Accountants, Statutory Auditors of the Company report that:

    a) we have enquired into the state of affairs of the Company in relation to its Audited financials as at March 31, 2010, which were taken on record by the Board of Directors of the Company at their meeting held on September 23, 2010 and adopted at the Annual General Meeting held on October 29, 2010.

    b) the Capital payment (including premium) of amount not exceeding ₹ 700 Crores towards the proposed buy-back of equity shares is properly determined in accordance with Section 77A(2)(c) of the Companies Act, 1956 and is within the permissible amount of 25% of the Paid up Equity Capital and Free Reserves of the Company as computed below. The amounts of Share Capital and Free Reserves have been extracted from the Audited Financial statements of the Company for the year ended on March 31, 2010:

(₹ in Crores)

Particulars	As at March 31, 2010
Subscribed and Paid-up Share Capital (including Share Suspense account)	48.90
Free Reserves:	
Securities Premium Account	1154.54
General Reserve	503.71
Profits and Loss Account	1111.18
Total	**2818.33**
Maximum amount permissible for Buy-back i.e. 25% of the total paid-up Capital and free reserves	**704.58**

    c) The Board of Directors of the Company at their meeting held on February 11, 2011, have formed their opinion as specified in clause (x) of the Schedule I of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 on reasonable grounds, that the Company will not, having regard to its state of affairs, be rendered insolvent within in a period of one year from the date of declaration of results of Postal Ballot.

    d) This report has been issued at the request of the Company in connection with the proposed buy-back and may not be used for any other purpose.'

**The Hon'ble Bombay High Court has vide its Order passed on June 10, 2011 approved the Scheme of Amalgamation for amalgamation of ZES Holdings Ltd, Mauritius and Zee Multimedia Worldwide Ltd, BVI(two wholly owned overseas subsidiaries of the Company) with the Company with effect from the Appointed Date i.e. February 01, 2011. Further the aforesaid Scheme of Amalgamation has become effective on June 20, 2011, upon filing of the said order of Hon'ble Bombay High Court with the Registrar of Companies, Maharashtra, Mumbai and other compliances in overseas jurisdictions.*

6. NECESSITY FOR BUYBACK

The Buy-back of Equity Shares is proposed considering the availability of accumulated cash currently invested in treasury operations, the expected future cash-flows from business operations and funding requirements of the Company to fund its future expansion plans. The Buy-back is expected to

- Reduce outstanding number of equity shares and consequently increase earning per share over a period of time and enhance long term value creation;
- Effectively utilize cash-surplus and
- Make the balance sheet leaner and more efficient to improve key ratios like Return on Networth, Return on Assets etc

7. PROCESS AND METHODOLOGY FOR BUYBACK PROGRAMME

7.1. The Buyback is open to all equity shareholders/beneficial owners, both registered and unregistered, holding equity shares either in physical and/or electronic form except the Promoters as indicated in this Public Announcement.

7.2 As per the Buyback Regulations, a company intending to purchase its equity shares from the open market shall do so on stock exchanges having nation-wide trading terminals. Accordingly the Company proposes to effect the Buyback from the open market through Stock Exchanges with nation wide trading terminals i.e. through BSE and NSE or any other Stock Exchanges where the Company's shares are listed during the Buyback period.

7.3 For the Buyback, the Company has appointed the following broker (the "**Appointed Broker**") through whom the purchases and settlement on account of the buyback of equity shares would be made:

For Demat and Physical Shareholders:

- Enam Securities Direct Private Limited: 201, Laxmi Towers, 'A' Wing, Bandra Kurla Complex, Bandra East, Mumbai 400 051

7.4 The Buyback of equity shares will be made only through the order matching mechanism except "all or none" order matching system.

The Company may, from time to time, but not earlier than the Date of Opening of Buyback place "buy" orders on BSE and/ or NSE to buyback equity shares through the Appointed Broker, in such quantity and at such prices, not exceeding the Maximum Buyback Price of ₹ 126/- per share, as it may deem fit, depending upon the prevailing quotations of equity shares in the Stock Exchanges. Intimation about the Company's presence on BSE and/ or NSE to buyback its equity shares will be made available to the said respective Stock Exchanges.

When the Company has placed an order for Buyback of equity shares, the identity of the Company as a purchaser shall appear on the electronic screen and shall be available to the market participants of the Stock Exchanges.

7.5 Shareholders/beneficial owners, who desire to sell their equity shares under the Buyback, would have to do so through a stock broker, who is a member of either BSE and/or NSE, by indicating to their broker details of the equity shares they intend to sell whenever the Company has placed a "buy" order for buyback of equity shares. The trade would be executed at the price at which the order matches and that price would be the price for that seller. The execution of the order, issuance of contract note, delivery of stock to the member and receipt of payment from the member would be carried out in accordance with the SEBI requirements.

It may be noted that all equity shares bought back by the Company may not be at a uniform price. Orders for buying back the equity shares will be placed by the Company at least once a week, in such quantity and at such prices and at such tranches, as it may deem fit, depending upon the prevailing quotations of equity shares on the Stock Exchanges so long as the market price is lower than the Maximum Buyback Price. Such buyback orders shall be placed both in normal and physical segments. The Company shall intimate the Stock Exchanges as well as the public through its release in the newspapers regarding quantity of equity shares purchased and amount utilized for the Buyback as prescribed by the Buyback Regulations.

7.6 Equity shares of the Company are traded in the compulsory demat mode. Shareholders holding equity shares in physical form can sell their equity shares in the odd lot trading segment of the Stock Exchanges. The Company will place buy orders on both normal and odd lot segments.

7.7 Subject to the Company purchasing Minimum Offer Shares, nothing contained herein shall create any obligation on the part of the Company or the Board to buyback any equity shares (other than Minimum Offer Shares) or confer any right on the part of shareholder to offer any equity shares for Buyback, even if the Buyback Size i.e. ₹ 7000 million has not been reached, and / or impair any power of the Company or the Board to terminate any process in relation to the Buyback, if so permissible by law.

8. METHOD OF SETTLEMENT

8.1 The Company will pay the consideration to the Appointed Broker on every settlement date as applicable to the respective Stock Exchanges in respect of equity shares bought back.

8.2 The shareholders/beneficial owners holding equity shares in the demat form would be required to transfer the number of equity shares sold by them by tendering the delivery instruction to their respective depository participant ("DP") for debiting their beneficiary account maintained with the DP and crediting the same to the pool account of the broker through whom the trade was executed. The shareholders holding equity shares in physical form may present the share certificates along with valid transfer deeds to their respective brokers through whom the trade was executed.

8.3 The Company has opened a Depository Account styled "ZEE ENTERTAINMENT ENTERPRISES LIMITED - BUYBACK OF EQUITY SHARES ACCOUNT" with Enam Securities Direct Private Limited with DP ID 12049200 and Client ID 1204920000129769. Equity shares bought back in the demat form would be transferred into the aforesaid account by the Appointed Broker on receipt of equity shares from the clearing and settlement mechanism of BSE and NSE. The ISIN of the Company is INE256A01028

8.4 These equity shares shall be extinguished and destroyed in the manner specified in Securities and Exchange Board of India (Depository and Participants) Regulations, 1996 and its bye-laws and in the manner specified in the Buyback Regulations.

8.5 In respect of equity shares bought back in the physical form, the equity shares would be extinguished and the physical certificates will be destroyed in the manner specified in Buyback Regulations within 15 days of acceptance of such shares.

8.6 The Company will extinguish the equity shares bought back from time to time within 15 days of acceptance of such equity shares provided further that the Company shall ensure that all equity shares bought back are extinguished within 7 days from the last date of completion of Buyback.

9. MAXIMUM AMOUNT TO BE INVESTED UNDER THE BUYBACK

The maximum amount which the Company would deploy for the Buyback is ₹ 7000 million.

10. THE MINIMUM AND MAXIMUM NUMBER OF EQUITY SHARES PROPOSED TO BE BOUGHT BACK, SOURCES OF FUNDS AND COST OF FINANCING

10.1 Subject to the provisions contained in the resolution passed by the shareholders of the Company through Postal Ballot on March 25, 2011 authorizing the Buyback at the Maximum Buyback Price of ₹ 126 per equity share, for the Buyback Size not exceeding ₹ 7000 million the maximum number of equity shares that can be bought back would be 244,519,033 equity shares, representing 25% of the pre-Buyback outstanding fully paid up equity shares of the Company as on date of the shareholder's approval. Should the average purchase price be lower than Maximum Buyback Price, the number of equity shares that might be bought back would be more, assuming Buyback for the complete amount of ₹ 7000 million. The maximum amount that will be utilized for the Buyback will not exceed 25% of the paid up equity share capital and free reserves of the company as on March 31, 2010.

The Company proposes to buyback a minimum of 12,600,000 equity shares.

10.2 The Buy-back is proposed to be funded from out of internal accruals and other sources permissible under applicable law and regulations. The funds required for the buy-back will be drawn out of the Securities Premium Account and/or Free Reserves of the Company. Though the Company does not propose raising debt for effecting the Buyback, it may borrow funds in the ordinary course of its business.

11. BRIEF INFORMATION ABOUT THE COMPANY

The Company was incorporated on 25th November 1982 under the Companies Act, 1956 in the name of 'Empire Holdings Limited' and obtained certificate of commencement of business on 5th January 1983. The name of the company was subsequently changed to "Zee Telefilms Limited" with effect from 8th September 1992 and further changed to its present name i.e. 'Zee Entertainment Enterprises Limited' with effect from 10th January 2007. The registered office of the Company is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai-400 018.

Zee Entertainment Enterprises Limited (ZEE) is India's largest vertically integrated media and entertainment Company engaged primarily in broadcasting and content development, production and its delivery via satellite. The Company has 25 channels that serves widest array of content choices in India. ZEE was the first Company to launch a satellite channel in India and from being a single channel for a single geography today operates multiple channels across multiple geographies in different languages and genres. The Company's programming reaching out to over 500 million viewers across 167 countries. ZEE's channels include Zee TV (Hindi General Entertainment), Zee Cinema (Hindi Movies), Ten Action+, Ten Sports (sports) Ten Cricket, Zee Café (English Entertainment), Zee Studio (English Movies), Zee Trendz (Fashion & Life Style), Zing (Music and Lifestyle), ETC Music (Hindi Music), ETC Punjabi (Regional language), Zee Classic (Old Hindi movies), Khana Khazana (Food), Zee Action (Action-based Hindi movies), Zee Premier (New Hindi movies), Zee Jagran (Alternative Lifestyle), Zee Salaam, Zee Smile (Niche Hindi General Entertainment) 9X and the Regional Language General Entertainment Channels viz Zee Marathi, Zee Bangla, Zee Kannada, Zee Telugu, Zee Talkies and Zee Tamizh .

The Company is listed on NSE and BSE.

12. BRIEF FINANCIAL INFORMATION OF THE COMPANY

The brief standalone audited financial information of the Company for the last three financial years ended March 31, as certified by MGB & Co., Chartered Accountant, Statutory Auditors of the company, vide the letter dated June 24, 2011 is detailed below,

(₹ in million)

Particulars	Year Ended		
	31.03.2011 (Audited)#	31.03.2010 (Audited)	31.03.2009 (Audited)
Income from operations	21,699	12,787	12,102
Other Income	643	1,062	1,051
Total Income	22,342	13,849	13,153
Earnings before Finance Charges, Depreciation and Tax	8,478	6,373	4,660
Profit after Tax	5,764	5,588	3,097
Equity Dividend (including dividend tax)	2,274	2,270	1,013
Subscribed Equity Share Capital	978	489	434
Reserves & Surplus	28,058	27,764	22,996
Net Worth (Excluding Revaluation & Capital Reserves)	29,036	28,183	23,360

Key Ratios	Year Ended		
	31.03.2011 (Audited)#	31.03.2010 (Audited)	31.03.2009 (Audited)
Basic Earnings per Share (₹)	5.71	12.51	7.14
Diluted Earnings per Share (₹)	5.89	12.51	7.13
Book value per Share (₹)	29.69	57.63	53.82
Return on Net Worth	19.85%	19.83%	13.26%
Debt-Equity Ratio	0.04%	4.22%	7.32%

The Key ratios have been computed as below:

Key Ratios	
Basic Earnings per Share (₹)	NPAT / Number of Equity Shares
Diluted Earnings per Share (₹)	NPAT / (Number of Equity Shares + Convertible Securities)
Book value per Share (₹)	Networth / Number of Equity Shares
Return on Net Worth	NPAT / Networth
Debt-Equity Ratio	Debt / Networth

 # Please note that the financials for the year March 2011 are subject to shareholders' approval.

13. ESCROW ACCOUNT Not Applicable

14. LISTING DETAILS AND STOCK MARKET DATA

14.1 The Company's equity shares are listed on the BSE and NSE.

14.2 The high, low and average market prices for last three years and the monthly high, low and average market prices for the six months preceding this public announcement and the corresponding volumes on BSE and NSE where equity shares of the Company are traded are as follows:

BSE

Period	High (₹)	Date of High	No. of equity shares traded on that day	Low (₹)	Date of Low	No. of equity shares traded on that day	Average price (₹) #	Total Volume traded in that period
Preceding three financial years								
April-08 to March-09	257	03-Apr-08	182830	88.1	12-Mar-09	591769	171.69	88335498
April-09 to March-10	292.7	19-Jan-10	548264	104.65	01-Apr-09	1268641	216.76	84864661
April-10 to March-11	326	20-Jul-10	611606	106	18-Jan-11	776711	230.79	60036799
Preceding six months								
January 2011	147	03-Jan-11	79670	106	18-Jan-11	776711	124.97	8098069
February 2011	120.25	18-Feb-11	598128	107.3	10-Feb-11	204799	115.91	7801266
March 2011	128.55	08-Mar-11	420875	116.65	15-Mar-11	70454	122.04	3518155
April 2011	139.75	29-Apr-11	210965	117.8	19-Apr-11	3766771	128.89	6557428
May 2011	143.15	26-May-11	348852	127.7	17-May-11	57724	133.71	3151168
June 2011	145.85	09-Jun-11	59894	131.35	20-Jun-11	60721	139.09	2467237

Source: www.bseindia.com

Arithmetic average of the closing prices during that period

NSE

Period	High (₹)	Date of High	No. of equity shares traded on that day	Low (₹)	Date of Low	No. of equity shares traded on that day	Average price (₹) #	Total Volume traded in that period
Preceding three financial years								
April-08 to March-09	254.9	02-Apr-08	641539	88	12-Mar-09	2483139	171.71	363143222
April-09 to March-10	303.1	27-Jan-10	1188911	104.5	01-Apr-09	2217498	216.84	363541078
April-10 to March-11	328.65	25-Aug-10	772945	105.8	18-Jan-11	10150809	230.94	468249222
Preceding six months								
January 2011	148.85	03-Jan-11	1200625	105.8	18-Jan-11	10150809	124.93	77008491
February 2011	120.4	18-Feb-11	2844424	107.5	10-Feb-11	2801816	116.09	36479907
March 2011	127.85	07-Mar-11	6417430	116.3	15-Mar-11	1649128	122.14	32477508
April 2011	139.8	29-Apr-11	2922067	117.9	19-Apr-11	15644592	129.10	48739998
May 2011	143.2	26-May-11	4914276	127.75	17-May-11	1245674	133.83	37524827
June 2011	145.7	07-Jun-11	1900712	124.55	21-Jun-11	856532	139.16	34875690

Source: www.nseindia.com

Arithmetic average of the closing prices during that period

Stock Market Data for the period marked by changes in capital structure
BSE

Period	High (₹)	Date of High	No. of equity shares traded on that day	Low (₹)	Date of Low	No. of equity shares traded on that day	Average price (₹) #	Total Volume traded in that period
Issuance of Bonus shares in the ratio of 1:1 was recognized on the Stock Exchange on November 11, 2010								
11-Nov-2010 to 30 Nov 2010	150	11-Nov-10	108995	132.65	16-Nov-10	65358	142.82	1604072
December 2010	152.5	03-Dec-10	185370	134.5	27-Dec-10	101809	144.35	2816585
January 2011	147	03-Jan-11	79670	106	18-Jan-11	776711	124.97	8098069
February 2011	120.25	18-Feb-11	598128	107.3	10-Feb-11	204799	115.91	7801266
March 2011	128.55	08-Mar-11	420875	116.65	15-Mar-11	70454	122.04	3518155

Source: www.bseindia.com

Arithmetic average of the closing prices during that period

NSE

Period	High (₹)	Date of High	No. of equity shares traded on that day	Low (₹)	Date of Low	No. of equity shares traded on that day	Average price (₹) #	Total Volume traded in that period
Issuance of Bonus shares in the ratio of 1:1 was recognized on the Stock Exchange on November 11, 2010								
11-Nov-2010 to 30 Nov 2010	155	11-Nov-10	1505021	132.5	16-Nov-10	4010600	143.02	28421681
December 2010	152.45	03-Dec-10	2230874	134.55	27-Dec-10	819528	144.45	31951521
January 2011	148.85	03-Jan-11	1200625	105.8	18-Jan-11	10150809	124.93	77008491
February 2011	120.4	18-Feb-11	2844424	107.5	10-Feb-11	2801816	116.09	36479907
March 2011	127.85	07-Mar-11	6417430	116.3	15-Mar-11	1649128	122.14	32477508

Source: www.nseindia.com

Arithmetic average of the closing prices during that period

The proposal for buy back of equity shares was approved by the Board on February 11, 2011 and by a special resolution passed by shareholders of the Company through postal ballot, the results whereof were declared on March 25, 2011. The closing market price of the equity shares of the Company on February 14, 2011 i.e. working day immediately after the date of the resolution of the Board approving the Buyback was ₹ 115.85 per share on the BSE and ₹ 116.25 per share on NSE. (Source: www.bseindia.com and www.nseindia.com)

15. PRESENT CAPITAL STRUCTURE AND SHARE HOLDING PATTERN

15.1 The share capital of the Company as on date of this Public Announcement is as follows:

(₹ in million)

Authorized	
1,399,200,000 Equity Shares of ₹ 1each	1399.20
Issued, and Subscribed	
978,142,930 Equity Shares of ₹1 each fully paid up	978.14
Paid up	
978,142,930 Equity Shares of ₹1 each fully paid up	978.14

In March 2011, the Company's Issued Subscribed and paid up capital was 978,076,130 Equity Shares of ₹ 1 each. Pursuant to issuance of 66,800 Equity Shares under the Company's Employee Stock Option Scheme Issued Subscribed and Paid up share capital of the Company has increased to 978,142,930 Equity Shares of ₹1 each.

15.2 The equity shareholding pattern of the Company as on July 08, 2011, and after the proposed Buyback is as given below:

Name of the shareholder	No. of equity shares	Shares as a % of total number of equity shares	No. of equity shares post buy back*	Shares as a % of total number of equity shares post buyback
Promoters				
Individuals	5,203,758	0.53	5,203,758	0.53
Directors	4,472,710	0.46	4,472,710	0.46
Domestic Companies	236,529,168	24.18	236,529,168	24.18
Foreign: #				
Bodies Corporate	172,266,804	17.61	172,266,804	17.61
Sub Total	418,472,440	42.78	418,472,440	45.36
Public Shareholding				
Institutions				
Mutual Funds & UTI	77,520,955	7.93	504,114,935	54.64
Financial Institutions/ Banks	311,762	0.03		
Insurance Companies	59,773,486	6.11		
Foreign Institutional Investors	342,100,263	34.97		
Non-Institutions				
Bodies Corporates	49,500,192	5.06		
Non residents	2,865,619	0.29		
Trusts	68,624	0.01		
Individuals	27,399,047	2.80		
Directors				
Directors of Promoter	0	0.00		
Overseas Corporate Body	33,182	0.00		
Foreign Bodies/ Entities	97,360	0.01		
Sub Total	559,670,490	57.22	504,114,935	54.64
Total	978,142,930	100.00	922,587,375	100.00

* The actual number of equity shares to be bought back would depend upon the average price paid for the equity shares bought back and the amount deployed in the Buyback. As an illustration, at the proposed maximum price of ₹ 126/- per equity share and for a deployed amount of ₹ 7000 million, the number of equity shares to be bought back would be approximately 55,555,555 equity shares. Should the average purchase price be lower than ₹ 126/- the number of equity shares bought back would be proportionately more, assuming the same deployment of ₹ 7000 million. Please note that the shareholding pattern post the Buyback may differ depending upon the actual number of Equity Shares bought back under the Buyback from different categories of shareholder.

15.3 As on the date of this Public Announcement, there are no partly paid up equity shares and calls in arrears in the Company. There are no convertible debentures or preference shares or any other convertible instruments outstanding except for 7,503,600 Stock Options issued and outstanding for exercise which are convertible into equivalent number of equity shares under the Company's ESOP Scheme. The Company shall not issue and allot any equity shares including by way of bonus pursuant to the provisions of the Act, or convert any outstanding warrants or outstanding instruments or stock options into equity shares, till the date of closure of the proposed Buyback.

In accordance with the regulatory provisions, the equity shares bought back by the Company will compulsorily be extinguished and destroyed and will not be held for re-issue at a later date.

As per the provisions of Section 77A (8) of the Act, the Company will not issue fresh equity shares within a period of six months after the completion of the Buyback except that it may by way of bonus shares or shares issued in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares.

Contd...

15.4 The aggregate shareholding of the Promoter and Directors of Promoters as on July 08, 2011 hereof is 418,472,440 equity shares constituting 42.78% of the issued, subscribed and paid up equity capital of the Company. Brief details are as under:

Particulars	**No. of Equity Shares held**	**% of total fully paid up equity shares**
Promoters		
Ashok Mathai Kurien	4,472,710	0.46%
Ambience Business Services Pvt Ltd	4,983,064	0.51%
Ganjam Trading Co. Pvt. Ltd.	19,991,752	2.04%
Churu Trading Co. Pvt. Ltd.	47,920,814	4.90%
Essel Infraprojects Limited	14,018,290	1.43%
Laxmi Goel	3,843,758	0.39%
Sushila Goel	1,360,000	0.14%
Briggs Trading Co. Pvt. Ltd.	958,470	0.10%
Prajatma Trading Co. Pvt. Ltd.	17,908,984	1.83%
Premier Finance & Trading Co. Pvt. Ltd.	101,589,186	10.39%
Veena Investment Pvt. Ltd.	28,738,218	2.94%
Delgrada Limited	102,888,286	10.52%
Lazarus Investments Limited	23,000,000	2.35%
Essel Holding Limited	46,378,518	4.74%
Asian Satelite Broadcast Pvt Ltd	420,090	0.04%
Jayneer Enterprises LLP	100	0.00%
Churu Enterprises LLP	100	0.00%
Prajatma Enterprises LLP	100	0.00%
Directors of Promotors	0	0.00%
Total	**418,472,440**	**42.78%**

15.5 Except for certain shares transferred and vested inter se between the Promoters, pursuant to the Scheme of Arrangement(s) and those detailed herein the Promoters and directors of Promoters and associates of Promoters, have neither purchased nor sold any equity shares during the period of twelve months preceding the date of Public Announcement.

Name of the Entity	**Date of Purchase /Sale**	**Quantity Purchased**	**Quantity Sold**	**Price of Purchase/ Sale per Share**
Churu Enterprises LLP	30.09.2010	50	NIL	₹ 302.15
Jayneer Enterprises LLP	30.09.2010	50	NIL	₹ 302.15
Prajatma Trading Company Private Limited	30.09.2010	NIL	150	₹ 300.20
Prajatma Enterprises LLP	30.09.2010	50	NIL	₹ 302.15
Ganjam Trading Co Pvt Ltd	08.06.2011	213,888	Nil	₹ 0.94
Briggs Trading Co Pvt Ltd	08.06.2011	213,888	Nil	₹ 0.94

15.6 The Promoter and associates of Promoters will not participate in the buy-back.

15.7 The Directors of the Company do not intend to participate in the Buy-back.

15.8 None of the directors of the corporate Promoter are holding any shares of the Company.

15.9 As per Regulation 15 (b) of the Buyback Regulations, the Buyback of equity shares shall not be made from the Promoters.

16. MANAGEMENT DISCUSSION AND ANALYSIS ON LIKELY IMPACT OF BUYBACK ON THE COMPANY

16.1 This Buyback is likely to cause a reduction in the other income - Dividend on current non-trade investments / interest on deposits that the Company could have otherwise earned on the funds deployed either in Mutual funds or deposits.

16.2 The Buyback will optimise returns to the shareholders and enhance overall shareholder value.

The Company will not purchase any equity shares from the Promoters. The holding of the Promoters as a result of the Buyback would stand increased to 45.36% from 42.78% of the total equity capital assuming that the entire amount of ₹ 7000 million is utilized for the Buyback at the Maximum Buyback Price and also assuming that the number of equity shares held by such persons do not undergo a change. Such an increase in the percentage holding of the Promoters will be incidental in nature and falls within the limits prescribed under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

16.3 The Buyback of equity shares will not result in a change in control of the Company or otherwise affect the existing management structure of the Company.

16.4 Consequent to the Buyback and based on the number of equity shares bought back from the non-resident shareholders, Non-resident Indian (NRI) shareholders, foreign institutional investors, Indian financial institutions, banks, mutual funds and the public including other bodies corporate, the shareholding pattern of the Company would undergo a consequential change.

16.5 The debt-equity ratio post the Buyback will be below the maximum allowable limit of 2:1 set by the Act.

16.6 The Promoters shall not deal in the equity shares of the Company in the Stock Exchanges during the period for which the Buyback offer is open except to the extent of *inter-se* transfer if any between the Promoters and/or Promoter Group as may be permitted.

16.7 The Company shall not withdraw the offer of Buyback after the Public Announcement is made.

17. STATUTORY APPROVALS

17.1 The Buyback has been authorized by a Board resolution dated February 11, 2011 and a Special Resolution passed by shareholders of the Company through postal ballot, the results whereof was declared on March 25, 2011.

17.2 The Company shall obtain such other approvals as may be prescribed or applicable from time to time.

17.3 The Buyback of equity shares from Non-resident Indians (NRIs), Overseas Corporate Bodies (OCBs) and Foreign Institutional Investors (FIIs), shall be subject to such approvals as may be required, if applicable, including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder.

18. COLLECTION AND BIDDING CENTRES: Not Applicable

19. COMPLIANCE OFFICER & INVESTORS SERVICE CENTRE

In case of any query, clarification or for redressal of grievances, a shareholder may contact at the following address, from Monday to Friday between 10 a.m. to 5 p.m:

Mr. M Lakshminarayanan
Executive Vice President & Company Secretary
Zee Entertainment Enterprises Limited
Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai-400 018.
Tel.: +91 22 2483 1234; Fax: +91 22 2490 0302
Email: lakshminarayananm@zeenetwork.com
Investor grievance email: shareservices@zeenetwork.com

Registrar to Company: Sharepro Services (India) Pvt Ltd
13AB, Samhita Warehousing Complex, 2nd Floor,
Sakinaka Telephone Exchange Lane, Off Andheri – Kurla Road,
Sakinaka, Andheri (East), Mumbai-400 072; Tel: +91 22 6772 0400;
Fax: +91 22 2859 1568; E-mail : sharepro@shareproservices.com

20. MANAGERS' TO THE BUYBACK

ENAM

Enam Securities Private Limited
801-802 Dalamal Towers, Nariman Point, Mumbai-400 021
Tel No.: +91 22 66381800; Fax No.: +91 22 22846824;
E-mail : zeebuyback@enam.com
Contact Person: Ms. Simran Gadh

21. DIRECTORS RESPONSIBILITY

The Board of Directors of the Company accepts responsibility for the information contained in this Public Announcement.

For and on behalf of the Board of Directors of Zee Entertainment Enterprises Limited

(sd/-)	(sd/-)	(sd/-)
Punit Goenka	Ashok Kurein	M Lakshminarayanan
Managing Director & CEO	Director	Company Secretary

Place : Mumbai
Date : July 14, 2011

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