



Extraordinary Together.

January 21, 2020

The Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai 400 001

BSE Scrip Code Equity : 505537
Preference : 717503

The Listing Department
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051

NSE Symbol : ZEEL EQ
: ZEEL P2

Dear Sirs,

Sub: Proceedings of the Board Meeting held on January 21, 2020

The Board of Directors of the Company at its meeting held today i.e. on January 21, 2020 (which commenced at 2.30 p.m. and concluded at 6.45 p.m.) have approved the Unaudited Financial Results of the Company, on standalone and consolidated basis for the 3rd quarter of the financial year 2019-20 and nine months ended on December 31, 2019.

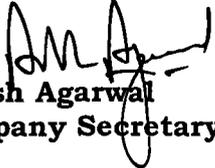
A copy of the Financial Results along with Earnings Release and Limited Review Certificate(s) on standalone and consolidated Financial Results issued by the Statutory Auditors of the Company are enclosed herewith.

Kindly acknowledge receipt.

Thanking you,

Yours faithfully,

Zee Entertainment Enterprises Limited


Ashish Agarwal
Company Secretary



Encl: As above

Zee Entertainment Enterprises Limited

Regd. Office : 18th Floor, A-Wing, Marathon Futurex, N.M. Joshi Marg, Lower Parel, Mumbai - 400 013, India
P: +91 22 7106 1234 | F: +91 22 2300 2107 | CIN: L92132MH1982PLC028767 | www.zeeentertainment.com



Extraordinary Together

ZEE ENTERTAINMENT ENTERPRISES LIMITED

CIN No : L92132MH1982PLC028767

Regd. Off. 18th Floor, A Wing, Marathan Futurex, N.M.Joshi Marg, Lower Parel, Mumbai - 400013

www.zeeentertainment.com

Standalone financial results for the quarter and nine months ended 31 December 2019

Particulars	Quarter ended on			Nine month ended on			(₹ in Lakhs)
	31-Dec-19	30-Sep-19	31-Dec-18	31-Dec-19	31-Dec-18	31-Mar-19	Year ended on
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1 Revenue from operations	185,289	185,165	193,018	549,443	517,056	685,786	
2 Other income	4,145	5,352	4,862	18,677	15,070	18,936	
Total Income [1 + 2]	189,434	190,517	197,880	568,120	532,126	704,722	
3 Expenses							
(a) Operational cost	74,328	81,482	60,077	225,015	171,612	240,064	
(b) Employee benefits expense	16,489	16,816	13,338	49,204	37,595	54,186	
(c) Finance costs	1,845	1,723	511	5,531	1,514	12,842	
(d) Depreciation and amortisation expenses	4,239	3,495	4,096	12,595	12,219	15,894	
(e) Fair value loss/(gain) on financial Instruments at fair value through profit and loss	9,528	21,372	(2,869)	24,680	6,251	(677)	
(f) Advertisement and publicity expenses	15,140	9,109	17,160	41,329	41,121	58,222	
(g) Other expenses	19,305	15,178	17,579	46,780	52,871	62,472	
Total expenses [3(a) to 3(g)]	140,874	149,175	109,892	405,134	323,183	443,003	
4 Profit before tax and exceptional item [1 + 2 - 3]	48,560	41,342	87,988	162,986	208,943	261,719	
5 Exceptional Item (Refer note 4 & 5)	-	(17,062)	-	(17,062)	-	(2,180)	
6 Profit before Tax [4 - 5]	48,560	24,280	87,988	145,924	208,943	259,539	
7 Tax expense :							
(a) Current tax	16,583	9,924	30,077	50,700	75,133	94,819	
(b) Current tax - earlier years	1,299	123	(2,269)	(138)	(2,269)	(2,095)	
(c) Deferred tax	(2,714)	(5,526)	(121)	(9,006)	1,429	1,334	
Total tax expense [7(a) + 7(b) + 7(c)]	15,168	4,521	27,687	41,556	74,293	94,058	
8 Profit for the period / year [6 - 7]	33,392	19,759	60,301	104,368	134,650	165,481	
9 Other comprehensive Income/(loss)							
Items that will not be reclassified to profit or loss							
(a) (i) Re-measurement of defined benefit obligation	132	(201)	(780)	(1,115)	(966)	(1,038)	
(ii) Fair value changes of equity Instruments through other comprehensive income	74	67	172	648	(399)	(190)	
(b) Income tax relating to Items that will not be reclassified to profit or loss	(39)	(51)	273	275	338	363	
Total other comprehensive Income/(loss) [9(a) to 9(b)]	167	(185)	(335)	(192)	(1,027)	(865)	
10 Total comprehensive Income [8 + 9]	33,559	19,574	59,966	104,176	133,623	164,616	
11 Paid-up Equity share capital of ₹ 1/- each	9,605	9,605	9,605	9,605	9,605	9,605	
12 Other equity						703,539	
13 Earnings per share (not annualised) :							
Basic (₹)	3.48	2.06	6.28	10.87	14.02	17.23	
Diluted (₹)	3.48	2.06	6.28	10.87	14.02	17.23	



ZEE ENTERTAINMENT ENTERPRISES LIMITED

CIN No : L92132MH1982PLC028767

Regd. Off. 18th Floor, A Wing, Marathon Futurex, N. M. Joshi Marg, Lower
Parel, Mumbai – 400013

www.zeeentertainment.com



Notes to standalone financial results

1. The unaudited standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors in their meetings held on 21 January 2020. These results have been subjected to limited review carried out by the Statutory Auditors.
2. The unaudited standalone financial results have been prepared in accordance with the recognition and measurement principles provided in Indian Accounting Standards (Ind AS) 34 on 'Interim Financial Reporting', the provisions of the Companies Act, 2013 (the Act), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, as amended.
3. The Company operates in a single reporting segment namely 'Content and Broadcasting'.
4. As at 31 March 2019, the Company had assessed the recoverable amount of Goodwill allocated to the Online Media Business which represent a separate cash-generating unit (CGU). The recoverable amount of this CGU was determined based on the fair value less cost of disposal. The excess of carrying value of CGU over the recoverable amount had been accounted as an impairment charge of Rs 2,180 lakhs in the quarter and year ended 31 March 2019 and disclosed as 'Exceptional item'.
5. The Company had, in an earlier year, given an Inter-corporate Deposit (ICD) aggregating Rs. 15,000 lakhs. On account of delays in recovery of the amount, the ICD was assigned to certain related parties, to secure payment of Rs. 17,062 lakhs (including accrued interest up to the date of assignment). Since, there are further delays in receiving payment from these related parties, the aforesaid amount has been provided for and disclosed as 'Exceptional item' during the quarter ended 30 September 2019 and nine months ended 31 December 2019. Interest on the aforesaid ICD has been received till 31 March 2019.
6. The Company had a fixed deposit with a bank of Rs. 20,000 lakhs. During the previous quarter, the bank had unilaterally adjusted the amount of the fixed deposit, which was maturing on 10 September 2019, against the dues of certain related parties. Subsequently, these related parties have paid the said amount to the Company.

During the current quarter, based on legal advice, and the fact that the related parties have refunded the said amount, along with interest, to the Company, the Audit Committee and the Board of Directors of the Company have approved the setting-off of the amounts received from the related parties with the aforesaid fixed deposit as required by the Companies Act, 2013. The Company is in the process of completing the communication/documentation with the bank and the said related parties.


MK



ZEE ENTERTAINMENT ENTERPRISES LIMITED

CIN No : L92132MH1982PLC028767

Regd. Off. 18th Floor, A Wing, Marathon Futurex, N. M. Joshi Marg, Lower

Parel, Mumbai – 400013

www.zeeentertainment.com



7. The Company has Trade receivables aggregating Rs 75,028 lakhs from two customers 31 December 2019, which include amounts which are long overdue. The Management, based on detailed assessment of recoverability, has agreed on a revised plan with these customers, which involves recovering the amounts over a period of 12 to 24 months. Accordingly, the Management has considered the aforesaid amounts as good of recovery and, during the quarter, in line with Ind AS 109 has recorded expected credit loss of Rs 3,764 lakhs towards time value of money on account of delayed collection.
8. Effective 1 April 2019, the Company adopted Ind AS 116 'Leases', applied to all lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. The effect of this adoption is insignificant on the unaudited standalone financial results for the quarter and nine months ended 31 December 2019.
9. During the nine months ended 31 December 2019, the Company has issued and allotted 16,735 Equity shares, upon conversion of Stock Options granted under the Company's ESOP Scheme. Consequent to this allotment the Paid-up Equity share capital of the Company stands increased to 960,483,235 Equity Shares of Re 1/- each i.e. Rs. 9,605 Lakhs.

For and on behalf of the Board

Zee Entertainment Enterprises Limited

Punit Goenka

Managing Director & CEO

Place: Mumbai

Date : 21 January 2020

mk

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM
STANDALONE FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF
ZEE ENTERTAINMENT ENTERPRISES LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **ZEE ENTERTAINMENT ENTERPRISES LIMITED** (the Company), for the quarter and nine months ended 31 December 2019 (the Statement), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (Ind AS) 34 on "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 on 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. We draw attention to Note 6 of the Statement regarding a fixed deposit placed by the Company with a bank of Rs 20,000 lakhs. As represented by the Company, the bank has unilaterally adjusted the amount of the fixed deposit, which was maturing on 10 September 2019, against the dues of certain related parties (promoter group companies). These related parties have paid the amounts to the Company, which are adjusted by the Company against the said fixed deposit. On account of non-availability of relevant information (including lien on the fixed deposit) / agreement with the bank for set-off of the amounts as aforesaid, for our review, we are unable to comment on the accounting done by the Company of the

**Deloitte
Haskins & Sells LLP**

set-off of the fixed deposit against the amounts received from the related parties and any other consequential impact on these financial results.

Our report for the quarter and six months ended 30 September 2019 was also modified for the aforesaid matter.

5. Based on our review conducted as stated in paragraph 3 above, except for the effects/possible effects of the matters described in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS and other accounting principles generally accepted in India, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Deloitte Haskins and Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



A. B. Jani
Partner

Membership No. 46488
UDIN: 20046488AAAAAJ2665

Place: MUMBAI
Date: 21 January 2020





Extraordinary Together

ZEE ENTERTAINMENT ENTERPRISES LIMITED

CIN No : L92132MH1982PLCO28767

Regd. Off. 18th Floor, A Wing, Marathon Futurex, N.M.Joshi Marg, Lower Parel, Mumbai - 400013

www.zeeentertainment.com



Consolidated financial results for the quarter and nine months ended 31 December 2019

(₹ in Lakhs)

Particulars	Quarter ended on		Nine months ended on			Year ended on
	31-Dec-19	30-Sep-19	31-Dec-18	31-Dec-19	31-Dec-18	31-Mar-19
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Revenue from operations						
(a) Advertisement revenue	123,082	122,466	146,257	364,219	381,918	503,666
(b) Subscription revenue	71,366	72,350	61,848	214,593	174,528	231,054
(c) Other sales and services	10,417	17,385	8,572	39,066	35,020	58,670
2 Other Income	7,095	6,812	8,598	24,298	19,466	25,145
Total income [1(a) to 1(c) + 2]	211,960	219,013	225,275	642,176	610,932	818,535
3 Expenses						
(a) Operational cost	84,762	89,625	79,781	252,389	219,247	307,579
(b) Employee benefits expense	20,752	21,226	18,338	62,011	52,348	72,494
(c) Finance costs	2,004	1,797	552	5,852	1,626	13,043
(d) Depreciation and amortisation expense	6,555	5,833	6,146	19,287	17,794	23,473
(e) Fair value loss/(gain) on financial instruments at fair value through profit and loss	4,010	875	(3,764)	(1,903)	567	(364)
(f) Advertisement and publicity expenses	19,076	12,526	20,105	51,148	50,626	69,927
(g) Other expenses	23,698	19,531	23,024	60,485	69,679	86,996
Total expenses [3(a) to 3(g)]	160,857	151,413	144,182	449,269	411,887	573,148
4 Profit before share of profit/(loss) of associates and joint ventures, exceptional item and taxes [1+2-3]	51,103	67,600	81,093	192,907	199,045	245,387
5 Share of (loss)/profit of associates/joint ventures	(20)	(120)	24	90	218	243
6 Profit before exceptional items and tax [4 + 5]	51,083	67,480	81,117	192,997	199,263	245,630
7 Exceptional Items (Refer note 3 & 4)	-	(17,062)	-	(17,062)	-	(2,180)
8 Profit before tax [6 + 7]	51,083	50,418	81,117	175,935	199,263	243,450
9 Tax expense :						
(a) Current tax - current year	16,757	10,410	30,319	51,513	76,455	96,855
(b) Current tax - earlier years	1,299	123	(6,230)	(138)	(6,230)	(11,473)
(c) Deferred tax	(1,833)	(1,324)	752	(4,485)	1,564	1,344
Total tax expense [9(a) + 9(b) + 9(c)]	16,223	9,209	24,841	46,890	71,789	86,726
10 Profit for the period/year [8 - 9]	34,860	41,209	56,276	129,045	127,474	156,724
11 Other comprehensive income/(loss)						
(A) Items that will not be reclassified to profit or loss						
(a) (i) Re-measurement of defined benefit obligation	138	(201)	(784)	(1,102)	(982)	(990)
(ii) Fair value changes of equity instruments through other comprehensive income	66	74	301	648	(1,287)	(880)
(b) Income tax relating to items that will not be reclassified to profit or loss	(41)	(50)	274	271	342	346
(B) Items that will be reclassified to profit or loss						
(a) Exchange differences on translation of financial statements of foreign operations	2,441	6,145	(8,470)	5,884	14,956	14,488
Total other comprehensive income/(loss) [11(A) + 11(B)]	2,604	5,968	(8,679)	5,701	13,029	12,964
12 Total comprehensive income [10 + 11]	37,464	47,177	47,597	134,746	140,503	169,688
13 Profit for the year attributable to :						
Shareholders of the Company	34,943	41,323	56,238	129,323	127,543	156,709
Non-controlling interests	(83)	(114)	38	(278)	(69)	15
14 Total comprehensive income attributable to						
Shareholders of the Company	37,547	47,291	47,559	135,024	140,572	169,673
Non-controlling interests	(83)	(114)	38	(278)	(69)	15
15 Paid-up Equity share capital of ₹ 1/- each	9,605	9,605	9,605	9,605	9,605	9,605
16 Other equity						882,785
17 Earnings per Share (not annualised) :						
Basic (₹)	3.64	4.30	5.86	13.46	13.28	16.32
Diluted (₹)	3.64	4.30	5.86	13.46	13.28	16.32

[Handwritten signature]



ZEE ENTERTAINMENT ENTERPRISES LIMITED

CIN No : L92132MH1982PLC028767

Regd. Off. 18th Floor, A Wing, Marathon Futurex, N. M. Joshi Marg, Lower
Parel, Mumbai – 400013

www.zeeentertainment.com



Notes to consolidated financial results

1. The unaudited consolidated financial results of Zee Entertainment Enterprises Limited (the Company) and its subsidiaries (collectively referred as the Group) and its share of the profit/(loss) of its joint venture and associate have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their meetings held on 21 January 2020. These results have been subjected to limited review carried out by the Statutory Auditors.
2. The unaudited consolidated financial results have been prepared in accordance with the recognition and measurement principles provided in Indian Accounting Standards (Ind AS) 34 on 'Interim Financial Reporting', the provisions of the Companies Act, 2013 (the Act), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, as amended.
3. As at 31 March 2019, the Company had assessed the recoverable amount of Goodwill allocated to the Online Media Business which represent a separate cash-generating unit (CGU). The recoverable amount of this CGU was determined based on the fair value less cost of disposal. The excess of carrying value of CGU over the recoverable amount had been accounted as an impairment charge of Rs 2,180 lakhs in the quarter and year ended 31 March 2019 and disclosed as 'Exceptional item'.
4. The Company had, in an earlier year, given an Inter-corporate Deposit (ICD) aggregating Rs. 15,000 lakhs. On account of delays in recovery of the amount, the ICD was assigned to certain related parties, to secure payment of Rs. 17,062 lakhs (including accrued interest up to the date of assignment). Since, there are further delays in receiving payment from these related parties, the aforesaid amount has been provided for and disclosed as 'Exceptional item' during the quarter ended 30 September 2019 and nine months ended 31 December 2019. Interest on the aforesaid ICD has been received till 31 March 2019.
5. The Company had a fixed deposit with a bank of Rs. 20,000 lakhs. During the previous quarter, the bank had unilaterally adjusted the amount of the fixed deposit, which was maturing on 10 September 2019, against the dues of certain related parties. Subsequently, these related parties have refunded the said amount to the Company.

During the current quarter, based on legal advice, and the fact that the related parties have paid the said amount, along with interest, to the Company, the Audit Committee and the Board of Directors of the Company have approved the setting-off of the amounts received from the related parties with the aforesaid fixed deposit as required by the Companies Act, 2013. The Company is in the process of completing the communication/documentation with the bank and the said related parties.


MS



ZEE ENTERTAINMENT ENTERPRISES LIMITED

CIN No : L92132MH1982PLC028767

Regd. Off. 18th Floor, A Wing, Marathon Futurex, N. M. Joshi Marg, Lower
Parel, Mumbai – 400013

www.zeeentertainment.com



6. The Company has Trade receivables aggregating Rs 75,028 lakhs from two customers as at 31 December 2019, which include amounts which are long overdue. The Management, based on detailed assessment of recoverability, has agreed on a revised plan with these customers, which involves recovering the amounts over a period of 12 to 24 months. Accordingly, the Management has considered the aforesaid amounts as good of recovery and, during the quarter, in line with Ind AS 109 has recorded expected credit loss of Rs 3,764 lakhs towards time value of money on account of delayed collection.
7. Effective 1 April 2019, the Group adopted Ind AS 116 'Leases', applied to all lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. The effect of this adoption is insignificant on the unaudited consolidated financial results for the quarter and nine months ended 31 December 2019.
8. During the nine months ended 31 December 2019, the Company has issued and allotted 16,735 Equity shares upon conversion of Stock Options granted under the Company's ESOP Scheme. Consequent to this allotment the Paid-up Equity share capital of the Company stands increased to 960,483,235 Equity Shares of Re 1/- each i.e. Rs. 9,605 lakhs.
9. The Group operates in a single reporting segment namely 'Content and Broadcasting'.

For and on behalf of the Board
Zee Entertainment Enterprises Limited



Punit Goenka
Managing Director & CEO

Place: Mumbai

Date : 21 January 2020

MW

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM
CONSOLIDATED FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF
ZEE ENTERTAINMENT ENTERPRISES LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **ZEE ENTERTAINMENT ENTERPRISES LIMITED** (the Parent) and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit/(loss) after tax and total comprehensive income/(loss) of its associate and joint venture for the quarter and nine months ended 31 December 2019 (the Statement) being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (Ind AS) 34 on "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 on 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

11/11

4. The Statement includes the results of the following entities:

Sr. No.	Particulars
	Parent
	Zee Entertainment Enterprises Limited
	Subsidiaries
1	Essel Vision Productions Limited
2	Zee Digital Convergence Limited (Formerly Zee Sports Limited)
3	Pantheon Productions Limited
4	Zee Unimedia Limited
5	Zee Turner Limited
6	Margo Networks Private Limited
7	Asia Multimedia Distribution Inc.
8	Asia Today Limited (Formerly Zee Multimedia (Maurice) Limited)
9	Asia Today Singapore Pte Limited
10	Asia TV Gmbh
11	Asia TV Limited (UK)
12	Asia TV USA Limited
13	ATL Media FZ-LLC
14	ATL Media Limited (Formerly Asia Today Limited)
15	Eevee Multimedia Inc.
16	Expand Fast Holdings (Singapore) Pte Limited
17	OOO Zee CIS LLC
18	Taj TV Limited
19	Z5X Global FZ – LLC
20	Zee Entertainment Middle East FZ-LLC
21	Zee Multimedia Worldwide (Mauritius) Limited
22	Zee Studio International Limited
23	Zee Technologies (Guangzhou) Limited
24	Zee TV South Africa (Proprietary) Limited
25	Zee TV USA Inc.
26	India Webportal Private Limited
27	Idea Shop Web Private Limited
28	Fly by Wire International Private Limited
29	OOO Zee CIS Holding LLC
	Joint Venture
1	Media Pro Enterprise India Private Limited
	Associate
1	Asia Today Thailand Limited

14

5. We draw attention to Note 5 of the Statement regarding a fixed deposit placed by the Parent with a bank of Rs 20,000 lakhs. As represented by the Parent, the bank has unilaterally adjusted the amount of the fixed deposit, which was maturing on 10 September 2019, against the dues of certain related parties (promoter group companies). These related parties have paid the amounts to the Parent, which are adjusted by the Parent against the said fixed deposit. On account of non-availability of relevant information (including lien on the fixed deposit) / agreement with the bank for set-off of the amounts as aforesaid, for our review, we are unable to comment on the accounting done by the Parent of the set-off of the fixed deposit against the amounts received from the related parties and any other consequential impact on these financial results.

Our report for the quarter and six months ended 30 September 2019 was also modified for the aforesaid matter.

6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, except for the effects/possible effects of the matters described in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS and other accounting principles generally accepted in India, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. We did not review the interim financial results of 8 subsidiaries included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 32,561 lakhs and Rs 118,138 lakhs for the quarter and nine months ended 31 December 2019 respectively, total net (loss)/profit after tax of Rs. (2,414) lakhs and Rs 14,817 lakhs for the quarter and nine months ended 31 December 2019 respectively and total comprehensive (loss)/income of Rs. (2,413) lakhs and Rs. 14,825 lakhs for the quarter and nine months ended 31 December 2019 respectively, as considered in the Statement. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of these matters.

8. The consolidated unaudited financial results includes the interim financial results of 21 subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total revenue of Rs. 6,148 lakhs and Rs 30,197 lakhs for the quarter and nine months ended 31 December 2019 respectively and total profit

**Deloitte
Haskins & Sells LLP**

after tax of Rs. 1,781 lakhs and Rs 4,033 lakhs for the quarter and nine months ended 31 December 2019 respectively, and total comprehensive income of Rs. 1,785 lakhs and Rs. 4,032 lakhs for the quarter and nine months ended 31 December 2019 respectively, as considered in the Statement. The consolidated unaudited financial results also includes the Group's share of (loss)/profit after tax of Rs. (20) lakhs and Rs 87 lakhs for the quarter and nine months ended 31 December 2019 respectively and total comprehensive (loss)/income of Rs. (20) lakhs and Rs 87 lakhs for the quarter and nine months ended 31 December 2019 respectively, as considered in the Statement, in respect of an associate and a joint venture, based on their interim financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our Conclusion on the Statement is not modified in respect of our reliance on the interim financial results certified by the Management.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



A. B. Jani
Partner
Membership No. 46488
UDIN: 20046488AAAAAI8286

Place: MUMBAI
Date: 21 January 2020

M/6



Extraordinary Together

Investments for growth continue despite slowdown

21.7% YoY growth in Q3FY20 domestic subscription revenue

15.7% YoY decline in Q3FY20 domestic advertising revenue

5.5% YoY decline in Q3FY20 consolidated revenue

EBITDA at Rs. 5,658 mn, EBITDA Margin of 27.6%

ZEE5 recorded peak DAU base of 11.4 mn in December

Zee Punjabi, Zee Thirai and Zee Biskope launched

Q3FY20 HIGHLIGHTS

- ❖ Total revenue for the quarter was Rs. 20,487 million, decline of 5.5% YoY.
- ❖ Advertising revenue for the quarter was Rs. 12,308 million, decline of 15.8% YoY. Domestic advertising revenue declined by 15.7% YoY to Rs. 11,570 million. International advertising revenue for the quarter was Rs. 738 million.
- ❖ Subscription revenue for the quarter was Rs. 7,137 million, growth of 15.4% YoY. Domestic subscription revenue grew by 21.7% YoY to Rs. 6,317 million. International subscription revenue was Rs. 820 million.
- ❖ EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization) for the quarter declined by 25.0% to Rs. 5,658 million and EBITDA margin stood at 27.6%.
- ❖ ZEE5 recorded a peak DAU (Daily Active User) base of 11.4 mn in the month of December.
- ❖ ZEEL's television network had an all-India viewership share of 18.2% during the quarter.
- ❖ 3 channels – Zee Punjabi, Zee Thirai and Zee Biskope, launched in the month of January.



Extraordinary Together

Mumbai, January 21, 2020: The Board of Directors in its meeting held today has approved and taken on record the unaudited consolidated financial results of Zee Entertainment Enterprises Limited (ZEEL) (BSE: 505537, NSE: ZEEL.EQ) and its subsidiaries for the quarter ended December 31, 2019.

For the third quarter of FY20, ZEEL reported consolidated revenue of Rs. 20,487 million. Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) was Rs.5,658 million with an EBITDA margin of 27.6%. PAT for the quarter was Rs. 3,494 million.

Mr. Punit Goenka, Managing Director and CEO, ZEEL, commented, "Third quarter is normally a strong growth period for us, however, the tough macro-economic environment led to a decline in our ad revenues. Most of our advertisers are going through a slow-growth period and that has led to a cut in advertising spends. I believe that the worst phase is behind us and we will start seeing an improvement from the next quarter. The proposed changes to the tariff order by TRAI are being challenged in the court and we are awaiting the final verdict. However, I am confident that our strong portfolio of channels across markets will enable us to navigate any regulatory changes in the most efficient manner.

Despite the slowdown, we continue to make investments in businesses where we see potential for growth. Working with our strategy to entrench ourselves deeper into the regional markets, we have launched 3 regional channels that will make our content more accessible to audience across the country. India's first Punjabi GEC will surely help further strengthen our viewership share and brand in the north Indian markets. With the addition of two new regional movie channels, we now have the biggest movie channel portfolio in the country. We are preparing for the launch of two more channels over the next few months. We also continue to invest in original content for ZEE5, to create a rich content library that will make it a really compelling offering for consumers. These investments will help us grow ahead of the industry once this transient slowdown phase has passed."

BUSINESS PERFORMANCE

Domestic Broadcast Business

During 3QFY20, our television network had an all-India viewership share of 18.2%. While our regional portfolio increased its viewership share, share in the Hindi speaking markets declined.

Zee TV maintained its weekday prime time leadership, but lost weekend prime time share and was the #3 channel in the pay Hindi GEC segment during the quarter. Our Hindi movie cluster continued to be the #1 movie portfolio in the pay **Hindi movie genre**.



Extraordinary Together

ZEEL's regional portfolio has been strengthened by the launch of 3 channels – **Zee Punjabi**, **Zee Thirai** and **Zee Biskope**, in the month of January. Zee Punjabi, hybrid GEC and movie channel, aims to become the entertainment destination for the Punjabi speaking audience of Punjab, Haryana, Himachal Pradesh, and Delhi. With the launch of Zee Punjabi, ZEEL's regional footprint has expanded to 9 languages. Movie channels - Zee Thirai and Zee Biskope, will enhance ZEEL's regional movie portfolio in the markets of Tamil Nadu and Bihar, respectively. The network is preparing for the launch of 2 more regional channels in the next few months.

Our regional portfolio had mixed performance during the quarter. We maintained leadership position in the **Marathi**, **Bangla** and **Kannada** markets, with **Zee Kannada** further strengthening its leadership position, widening the gap over the nearest competitor. Viewership shares in Marathi and Bangla markets declined during the quarter. While **Zee Tamil** improved its viewership share, **Zee Telugu** witnessed a marginal decline. **Zee Keralam**, continued to gain share in the Malayalam market establishing itself as a strong contender for the number two position. **Zee Sarthak** regained leadership in the Odiya market towards the end of the quarter.

Digital Business

ZEE5, one of India's leading digital entertainment platform, continued to delight audience with exciting and innovative content

- ZEE5 recorded a peak DAU (Daily Active Users) base of 11.4mn in December 2019
- ZEE5 users watched an average of 140 minutes of content every month on the platform during the quarter
- 26 Original shows and movies in 6 languages released during the quarter
- A refreshed ZEE5 Progressive Web App (PWA) was released in December to enable a seamless user experience on mobile web
- ZEE5 was launched on Tata Sky Binge, further widening the distribution reach of the platform

ZEE5 continues to be the largest producer of digital original content in India. During the quarter, ZEE5 launched 26 original shows and movies, of which 14 were in regional languages. After the success of first season, second season of *Rangbaaz* was premiered in December. The show was an instant success, garnering the highest video views and viewers on the day of launch for any show. Digital premieres of movies like *Jabariya Jodi*, *Judgemental Hai Kya*, *Dream Girl*, *Saandh ki Aankh* brought new users to the platform. In the regional space, *Kaale Dhande* in Marathi, *God of Dharmapuri* in Telugu and *Karoline Kamakshi* in Tamil were critically acclaimed and received positive reviews from users. With a strong content line-up across genres and languages, ZEE5 is on track to release 70+ originals in FY20.



Extraordinary Together

To enable a fast, engaging and immersive user experience, a refreshed version of ZEE5 Progressive Web App (PWA) was launched in December, leading to improvement in user engagement metrics across all parameters.

ZEE5 is one of the most widely available entertainment platforms due to extensive partnerships with telecom operators, OEMs, ISPs, and e-commerce platforms. During the quarter, ZEE5's partnership with Tata Sky Binge and IRCTC went live, accelerating subscription growth. ZEE5 is the only OTT platform integrated with IRCTC. To leverage the rapidly growing penetration of smart TVs in India, ZEE5 has inked deals with leading smart TV brands for placement of hotkey on their remotes.

ZEE5's international expansion is seeing initial signs of success in the APAC and MENA regions which has close affinity to Indian content. A mix of high-decibel marketing campaigns along with partnerships with local telecom operators in key target markets like Bangladesh, Sri Lanka, UAE, among others is helping increase the platform's reach.

International Business

During the quarter, ZEE5's International business revenue was Rs. 1,665 million. The advertising and subscription revenues declined by 18.6% YoY and 17.4% YoY, respectively. Break-down of international business revenues for the third quarter is as below:

- Advertisement Revenue of Rs. 738 mn
- Subscription Revenue of Rs. 820 mn
- Other Sales and Services Revenue of Rs. 107 mn

Movies & Music Business

Zee Studios, our movie production and distribution business, distributed 2 movies in India and 5 movies in the international territories during the quarter.

Zee Music Company, our music label, continued with the library expansion of both Bollywood and regional music. The music label registered ~7.3 billion views on YouTube in Q3. Zee Music Company is the second most subscribed Indian music channel on YouTube with over 49 million subscribers.

Live Events

Zee Live extended its *Supermoon* IP to music events with shows featuring one of India's most promising music artists around the country. The second edition of *Zee Educare*, held in Mumbai, engaged with students through panel discussions and workshops on alternate career choices.



Extraordinary Together

CONDENSED STATEMENT OF OPERATIONS

Consolidated operating revenue for the third quarter of FY20 stood at Rs. 20,487 million, recording a decline of 5.5% on YoY basis. EBITDA for the quarter ended December 31, 2019 was Rs. 5,658 million, translating into EBITDA margin of 27.6%. Profit After Tax (PAT) for the quarter was Rs. 3,494 million.

The following table presents the consolidated financial statement of ZEEL and its subsidiaries for the third quarter of FY20:

<i>(Rs. million)</i>	Q3FY20	Q3FY19	Growth
Operating Revenue	20,487	21,668	-5.5%
Expenditure	14,829	14,125	5.0%
EBITDA	5,658	7,543	-25.0%
Add: Other Income	710	860	-17.5%
Less: Depreciation	656	615	6.7%
Less: Finance Cost	200	55	
Less: Fair Value Through P&L	401	-376	
PBT before exceptional items	5,110	8,109	-37.0%
Exceptional Items	-	-	
PBT after exceptional items	5,110	8,109	-37.0%
Less: Tax Expense	1,622	2,484	-34.7%
Add: Share of Profit of Associates	(2)	2	
Less: Minority Interest	(8)	4	
Profit After Tax (PAT)	3,494	5,624	-37.9%

NOTES

A: Previous period figures have been regrouped wherever necessary.

B: Numbers may not add up due to rounding

REVENUE STREAMS

ZEEL has three sources of revenue - advertising, subscription and other sales and services. Other sales and services include revenues from our movie production business, music label, content syndication, and commission on sales amongst others. The following table contains break-down of consolidated revenues.

<i>(Rs. million)</i>	Q3FY20	Q3FY19	Growth
Advertising revenue	12,308	14,626	-15.8%
Subscription revenue	7,137	6,185	15.4%
Other sales and services	1,042	857	21.5%
Total Revenue	20,487	21,668	-5.5%

Refer Notes A and B above



Extraordinary Together

Advertising revenues

During the third quarter, ZEEL's consolidated advertising revenue declined by 15.8% YoY to Rs. 12,308 million. Domestic advertising revenues declined by 15.7% YoY to Rs. 11,570 million. Domestic advertising revenue was impacted by the continued slow-down in key consumer sectors. As the volume growth for most consumer companies did not see any uptick during the quarter, they cut advertising spends to protect their margins. While the festive month of October saw a pick-up in advertising spends, the growth slumped post that. The growth was also impacted due to a higher base and the effect of conversion of two channels from FTA to pay in March. We believe that the worst phase is behind us and the growth should revert to normal trajectory from next fiscal.

Subscription revenues

ZEEL's consolidated subscription revenue grew by 15.4% to Rs. 7,137 million during the quarter. Domestic subscription revenue grew by 21.7% YoY while the International subscription revenue declined by 17.4% YoY. The domestic subscription revenue growth rate saw a sequential decline due to the impact of a higher base and reduction in a-la-carte prices of some of our channels during the festive period. During the quarter the regulator announced changes to the Tariff Order which are proposed to be implemented from 1st March. All the major broadcasters, under the aegis of IBF, have challenged the proposed regulation in the Bombay HC. While the case is sub-judice, we are confident that our strong bouquet of channels, which has multiple content offerings for audience across the country, will enable us to navigate these regulatory changes in the most optimum fashion.

EXPENDITURE

ZEEL's total expenditure in Q3FY20 stood at Rs. 14,829 million, higher by 5.0% YoY compared to Q3FY19. The following table gives the break-down of costs.

(Rs. million)	Q3FY20	Q3FY19	Growth
Operating cost	8,476	7,978	6.2%
Employee cost	2,075	1,834	13.2%
A&P Expense	1,908	2,011	-5.1%
Other Expenses	2,370	2,302	2.9%
Total Expense	14,829	14,125	5.0%

Refer Notes A and B above

Considering the weak revenue scenario, the Company took measures to control cost during the quarter which resulted in only 5.0% YoY increase in total cost, despite 6.2% increase in programming cost. The programming cost increase was led by content cost for ZEE5 and higher movie amortization costs for our movie channel portfolio. Other expenses have a one-time expected credit loss charge of Rs. 376 mn due to the expected delay in receiving payments from some of the distributors.



Extraordinary Together

CORPORATE DEVELOPMENTS

During the quarter

- Two Independent Directors and one Non-Executive Director resigned from the Board and three new Independent Directors were appointed in their place effective November 25, 2019.
- In compliance with the requirements of Regulation 17(1B) of SEBI Listing Regulations, Mr. Subhash Chandra, Non-Executive Chairman resigned as Chairman of the Board on November 25, 2019 and continues as Non-Executive Director.
- The Chief Compliance Officer and Company Secretary resigned effective November 25, 2019 and a new Company Secretary was appointed w.e.f. November 26, 2019.
- The Company had on November 11, 2019 issued and allotted 1,470 Equity shares upon exercise of Stock Options granted under ESOP Scheme resulting in increase in the paid-up equity share capital of the Company to 960,483,235 Equity shares of Re1/- each.
- In November 2019, Brickwork Ratings India Pvt. Ltd. revised rating of the Company's Listed Preference Shares from BWR AAA (Outlook: Credit watch with Negative Implications) to BWR AA+ (Credit Watch with Negative Implications). The said revision was further revised to BWR AA (Credit Watch with Negative Implications) in December 2019.



Extraordinary Together

Caution Concerning Forward-Looking Statements

This document includes certain forward-looking statements. These statements are based on management's current expectations or beliefs and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive, technological and/or regulatory factors. Zee Entertainment Enterprises Limited is under no obligation to, and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.

About Zee Entertainment Enterprises Limited ("ZEEL")

Zee Entertainment Enterprises Limited is one of India's leading media and entertainment companies. It is amongst the largest producers and aggregators of entertainment content in the world, with an extensive library housing over 250,000 hours of television content. With rights to more than 4,200 movie titles from foremost studios and of iconic film stars, ZEEL houses the world's largest Hindi film library. Through its strong presence worldwide, ZEEL entertains over 1.3 billion viewers across more than 170 countries.

Pioneer of television entertainment industry in India, ZEEL's well-known brands include Zee TV, &tv, Zee Anmol, Big Magic, Zee Cinema, &pictures, Zee Action, Zee Bollywood, Zee Classic, Zee Anmol Cinema, Zee Cafe, &flix, Zing, ETC Bollywood. 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, Zee Thirai, Zee Keralam, Zee Sarthak, Zee Punjabi, Zee Ganga and Zee Biskope. The company's HD offerings include Zee TV HD, &tv HD, Zee Cinema HD, &pictures HD, Zee Marathi HD, Zee Talkies HD, Zee Bangla HD, Zee Tamil HD, Zee Telugu HD, Zee Kannada HD, Zee Keralam HD, Zee Cinemalu HD, &flix HD, Zee Café HD and &privé HD. ZEE5, ZEEL's OTT platform, ZEE5, has 100,000+ hours of catch-up content and 80+ live TV channels. The company has a strong presence in the movies and music space through Zee Studios and Zee Music Company respectively.

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. More information about ZEEL and its businesses is available on www.zeeentertainment.com.