



Extraordinary Together

DIVIDEND DISTRIBUTION POLICY

1. Background & Philosophy:

Zee Entertainment Enterprises Limited (ZEEL) is committed to drive superior value creation for all its stakeholders and maximize the Shareholders wealth by distributing sustainable Dividend year-on-year. The Board of ZEEL believes in ensuring maintenance of right balance between the quantum of Dividend paid and amount of profits retained in the business for varied purposes.

With this objective, in 2008 the Board of ZEEL had provided an internal benchmark guidance for future dividend payouts annually viz. Dividend distribution equivalent to 25% to 30% of Consolidated Net Profits or One-third of the standalone net profits for the year whichever is higher.

The current policy is being adopted in compliance with the requirements of Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations').

This Dividend Distribution Policy shall not apply to:

- Payment of Dividend, if any, on the Preference Shares;
- Issuance of Bonus Shares, if any; and
- Buyback of Securities, if any.

This Policy shall not act as an alternative to any decision of the Board for declaring any interim dividend or recommending final dividend which may be made every year after taking into consideration all the relevant circumstances enumerated herein or other factors as may be considered relevant by the Board.

2. Circumstances under which Shareholders can expect Dividend:

At the end of each financial year or during any interim period, the Board will assess the Company's financial requirements including present and future organic and inorganic growth opportunities and other relevant factors to declare Equity Dividend for any financial year. For payment of Dividend annually, the Board shall be guided by the benchmark pay-out of at least 25% of Consolidated Net Profits of the Company for each Financial Year

3. Financial Parameters and other factors to be considered while declaring Dividend:

While considering declaration of Dividend, if any, the Board of Directors would consider the following:

- A. Financial parameters and internal factors including distributable surplus available, liquidity position, future cash flow requirements, track record of past dividends etc; and
- B. External factors including Macroeconomic and business conditions in general, prevailing taxation policy or any amendments expected thereto with respect to Dividend Distribution etc.

4. Utilization of Retained Earnings:

Subject to applicable regulatory requirements, the Company's retained earnings each year shall be applied for funding business requirements, exploring organic and/or inorganic growth and as required for payment of future dividends /buyback of securities/issuance of bonus shares and/or any other permissible purposes as may be decided by the Board.

5. Parameters adopted for various class of Shares:

Currently the Paid-up Share Capital of the Company comprises of Equity Shares of Re. 1 each and Preference Shares of Rs. 10 each. The Company shall first declare dividend on outstanding Preference Shares, if any, at the rate of dividend fixed as per the terms of issue and thereafter Dividend would be declared on Equity Shares for each financial year.

6. General:

This Policy would be subject to revision / amendment in accordance with the regulatory requirements and/or change in financial parameters. The Company reserves its right to alter any of the provisions of this Policy.

This Policy is approved and adopted by the Board of Directors of Zee Entertainment Enterprises Limited at its meeting held on May 10, 2017.
