



Extraordinary Together

October 01, 2021

BSE Limited  
The Listing Department  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort,  
Mumbai 400 001  
BSE Scrip Code Equity: 505537  
Preference: 717503

National Stock Exchange of India  
Limited  
Listing Department  
Exchange Plaza, Plot No. C/1,  
G-Block, Bandra-Kurla Complex,  
Bandra (E), Mumbai – 400 051  
NSE Symbol: ZEEL EQ  
: ZEELP2

**Sub: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time**

Dear Sirs,

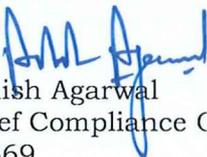
Further to our disclosure dated September 13, 2021, in relation to the letter received by the Company by Invesco Developing Markets Fund and OFI Global China Fund LLC, who are the shareholders of the Company, titled 'Requisition for calling an Extraordinary General Meeting of the shareholders of the Company under Section 100(2)(a) and other applicable provisions of the Companies Act, 2013 and the rules framed thereunder', we hereby submit that the meeting of the board of directors of the Company was held on October 01, 2021, whereby the Board has approved the response to the said Letter. A copy of the response is enclosed herewith.

This is for your information and records.

Thanking you,

Yours faithfully,

For **Zee Entertainment Enterprises Limited**

  
Ashish Agarwal  
Chief Compliance Officer & Company Secretary  
F6669



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.zee.com



Extraordinary Together

October 1, 2021

**Invesco Developing Markets Fund**

Through its investment adviser  
Invesco Advisers, Inc.  
2 Peachtree Pointe,  
1555 Peachtree Street,  
NE, Suite 18 Atlanta,  
GA 30309 United States  
Kind Attn: **Anne Gerry**  
Email: **aroon.balani@invesco.com**

**OFI Global China Fund, LLC**

Through its managing member  
Oppenheimer Funds, Inc.  
Managing member of  
225 Liberty St, New York,  
NY, 10281-1005, United States  
Kind Attn: **Anne Gerry**  
Email: **aroon.balani@invesco.com**

Dear Sirs,

**Subject: Requisition for calling an extraordinary general meeting of Zee Entertainment Enterprises Limited (Company) under Section 100(2)(a) and other applicable provisions of the Companies Act, 2013 (Companies Act) and the rules framed thereunder.**

1. We refer to the captioned requisition notice dated September 11, 2021 (received on September 12, 2021) issued on behalf of (i) Invesco Developing Markets Fund and (ii) OFI Global China Fund, LLC (**Requisition Notice**). By way of the Requisition Notice, you have requested the Company to call an extraordinary general meeting (**EGM**) to pass the following resolutions as ordinary resolutions:
  - a. Item No. 1 - Removal of Punit Goenka as Director;
  - b. Item No. 2 - Removal of Mr. Manish Chokhani as Director;
  - c. Item No. 3 - Removal of Mr. Ashok Kurien as Director;
  - d. Item No. 4 - Appointment of Mr. Surendra Singh Sirohi as an Independent Director;
  - e. Item No. 5 - Appointment of Ms. Naina Krishna Murthy as an Independent Director;
  - f. Item No. 6 - Appointment of Mr. Rohan Dhamija as an Independent Director;
  - g. Item No. 7 - Appointment of Ms. Aruna Sharma as an Independent Director;
  - h. Item No. 8 - Appointment of Mr. Srinivasa Rao Addepalli as an Independent Director; and
  - i. Item No. 9 - Appointment of Mr. Gaurav Mehta as an Independent Director;
2. By email dated September 20, 2021, you have furnished revised forms and additional documents to the Company.
3. In accordance with Section 100 of the Companies Act, a meeting of the board of directors of the Company (**Board**) was convened on October 1,





Extraordinary Together

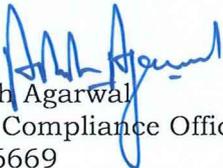
2021 to consider, deliberate and decide the course of action in relation to the Requisition Notice.

4. Since Mr. Punit Goenka was an interested party, he recused himself and did not attend, participate or vote in the Board meeting.
5. With reference to the resolutions proposed in Item Nos. 2 and 3, please note that Mr. Manish Chokhani and Mr. Ashok Kurien have resigned as directors of the Company on September 13, 2021, for personal reasons.
6. Accordingly, the resolutions proposed in Item Nos. 2 and 3 have become infructuous. As a result of the resignations of Mr. Manish Chokhani and Mr. Ashok Kurien, the board of directors of the Company at present comprise of seven directors, namely, Mr. Punit Goenka, Managing Director & Chief Executive Officer (**CEO**) and 6 independent directors.
7. At its meeting held on October 1, 2021, the Board considered the Requisition Notice. Earlier, the Board obtained written legal advice from the Company's counsel as well as independent legal advice from eminent former judges of the Supreme Court and senior corporate lawyers. After considering the unanimous advice received about the legal validity of the Requisition Notice, the Board deliberated, and unanimously concluded that the Requisition Notice is not valid, as it suffers from multiples legal infirmities which are summarized in the Annexure to this communication.
8. Accordingly, in the best interests of the Company as a whole, including all its shareholders and stakeholders, we express our inability to convene the EGM on the lines requisitioned by you.

Thanking You,

Yours faithfully,

**For Zee Entertainment Enterprises Limited**

  
Ashish Agarwal  
Chief Compliance Officer & Company Secretary  
FCS-6669





Extraordinary Together

**Annexure**

**Multiple Legal Infirmities with respect to the Requisition Notice**

1. Paragraph 5.10 of the Policy Guidelines for Uplinking of Television Channels from India (**MIB Guidelines**) framed on December 5, 2011 by the Ministry of Information and Broadcasting (**MIB**), applicable to the Company, reads as under:

*“It will be obligatory on the part of the company to take prior permission from the Ministry of Information & Broadcasting before effecting any change in the CEO/ Board of Directors.”*

2. Thus, ‘*prior permission*’ from the MIB must be obtained for effecting any change in the CEO or board of directors of the Company.
3. You have stated in the Requisition Notice that the resolutions proposed for appointment of directors in the Requisition Notice contemplate the proposed appointments to be subject to approval from MIB, whereas the resolution proposed in Item No.1, for removal of the managing director, is not contingent upon any prior approval from MIB.
4. Effecting the proposed resolution in Item No.1 will be in direct contravention of paragraph 5.10 of the MIB Guidelines.
5. The resolutions proposed for appointment by the shareholders (Item Nos. 4 to 9) require prior permission of the MIB.
6. The MIB Guidelines do not contemplate any resolutions being passed by the shareholders *subject to approval* of the MIB. In stark contrast, the MIB Guidelines mandates the condition of ‘*prior permission*’ of the MIB before effecting any change in the board of directors.
7. The proposed appointments by the shareholders, if effectuated, will lead to the Company effecting wide ranging changes in the board of directors without prior permission of the MIB and will result in violation of the MIB Guidelines.
8. Your proposal of making fundamental changes to the board of directors and key managerial personnel by seeking removal of the executive director and appointment of six (6) new independent directors will result in non-compliance with the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 (**Takeover Regulations**) in as much as you are proposing the appointment of one half of the board without the approval of the Nomination and Remuneration Committee (**NRC**) and the Board and without following the process laid down under Companies Act and Securities and Exchange Board of India (Listing Obligations and





Extraordinary Together

Disclosure Requirements) Regulations, 2015 (**SEBI Listing Regulations**) for appointment of independent directors. This would result in you effecting a change in control of the Company without making an open offer.

9. A proposed change of control of this nature would also result in a non-compliance with the Competition Act, 2002.
10. Regulation 17 of the SEBI Listing Regulations mandates that the board of directors of a listed entity shall have an optimum combination of executive and non-executive directors; and that not less than fifty per cent of the board of directors shall comprise of non-executive directors. If the resolution proposed in Item Nos. 1, 4 to 9 of the Requisition Notice are effectuated, the board of directors of the Company will solely comprise of all non-executive directors. Carrying out the resolutions proposed in Item Nos. 1, 4 to 9 of the Requisition Notice would thus be inconsistent with, and in contravention of, the SEBI Listing Regulations.
11. Additionally, Section 203 of the Companies Act obligates the Company to have a managing director, or CEO, or manager and in their absence, a whole-time director. Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 requires the Company to have whole-time key managerial personnel.
12. Article 71 of the articles of association of the Company (**AoA**) states that until otherwise determined by a general meeting, the number of directors of the Company shall not be less than 3 (three) and not more than 12 (twelve). Since the resolution proposed in Item No. 1 cannot be legally effectuated, in the event, presupposing that the resolutions proposed in Item Nos. 4 to 9 for appointment are effected, the board of directors of the Company would consist of 13 (thirteen) directors which would be contrary to Article 71 of the AoA.
13. Giving effect to the resolutions proposed in Item Nos. 1, 4 to 9 of the Requisition Notice would render the Company and its board of directors in breach of Section 203 of the Companies Act and the rules framed thereunder read with Regulation 17 of the SEBI Listing Regulations.
14. Requisitioning an EGM pursuant to the Requisition Notice will result in the Company and the board of the directors to act in dereliction of their duties under the SEBI Listing Regulations and the Companies Act.
15. Section 178 of the Companies Act and Regulation 19(1) of the SEBI Listing Regulations stipulate that board of directors of every listed company is required to constitute a NRC to identify persons who are qualified to become directors and recommend to the board of directors their appointment and removal. Further, as per Section 149(6)(a) of the Companies Act and Regulation 16(1)(b) of the SEBI Listing Regulations, an independent director means a director other than a managing director or





Extraordinary Together

a whole-time director or a nominee director who, in the opinion of the board, is a person of integrity and possesses relevant expertise and experience.

16. In addition, under Section 150(2) of the Companies Act, the appointment of an independent director has to be approved by a company in a general meeting, with the explanatory statement annexed to the notice calling the general meeting indicating the justification for choosing the person for appointment as an independent director. The Requisition Notice is bereft of any of these material facts.
17. Also, Schedule IV of the Companies Act requires the terms and conditions of appointment of independent directors to be posted on the company's website. In compliance with the same, the Company has provided for a draft letter of appointment for its independent directors which states that the maximum initial tenure for appointment of independent directors in the Company should be three (3) years, whereas the Requisition Notice seeks the appointment of independent directors for a term of five (5) years.
18. The Companies Act and the SEBI Listing Regulations carve out a special structure in relation to independent directors. It is after such meticulous procedure that the matter of appointment of the independent directors is referred to the shareholders by the board of directors, for their approval. Any appointment of an independent director must pass through the rigors provided under the applicable laws including the Companies Act and SEBI Listing Regulations. The Requisition Notice for the proposed appointments of independent directors (Item Nos. 4 to 9) does not automatically dispense the compliance of the aforesaid mandatory requirements under the Companies Act and the SEBI Listing Regulations.

