



ZEE ENTERTAINMENT ENTERPRISES LIMITED

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February 10, 2021

Subject: Deduction of tax at source on Redemption and pro rata Dividend Payment

As per the terms of issuance of 6% Cumulative Redeemable Non- Convertible Preference Shares of Rs 10/- each, 20% of the nominal value of the Preference Shares is due for redemption every year from 4th Anniversary of the date of allotment i.e. March 6, 2014. The redemption value of such Preference shares is also entitled to pro rata dividend @ 6% for the period 1st April till the redemption date.

The 4th tranche of Redemption on these Preference Shares is due on March 5, 2021 and the Preference Share Holders will be eligible for Rs 2/ per share and pro rata Dividend of Rs 0.11145 on such redemption value.

As the above Preference shares were issued as Bonus to the then existing equity shareholders, they will be considered as dividend under section 2(22) of the Income Tax Act, 1961.

As per the provisions of Income-tax Act, 1961 ("the Act"), as amended by the Finance Act, 2020, dividends paid or distributed by the Company on or after April 1, 2020 are taxable in the hands of shareholders.

Your Company will be required to deduct tax at source (TDS) on such dividend as under:

Resident Shareholder:

Under the provisions of the Act, Your Company will be required to deduct TDS at the following rates:

Particulars	Applicable Rate	Documents required (if any)
With PAN	7.5%	Update/Verify the PAN, and the residential status as per Act, if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents (in case of shares held in physical mode).
Without PAN/ Invalid PAN	20%	
Submitting Form 15G (person other than company or	NIL	Duly signed Form 15G or 15H (as may be applicable in duplicate) is to be furnished along with self-attested copy of PAN card. (This form can be

firm/ Form 15H (individual above age of 60 years)		submitted only in case the shareholder's tax on estimated total income for FY 2020-21 is below limit) The Forms can be downloaded from the link given at the end of this communication.
Submitting Order under Section 197 of the Act	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from tax authority. Required to furnish a self-attested copy of the same. The certificate should be valid for the FY 2020-21 and should cover the dividend income.
Insurance Companies for whom Sec 194 of the Act is not applicable	NIL	Documentary evidence that the said provisions are not applicable
Person covered u/s 196 of the act (e.g, Mutual Fund, Govt.	NIL	Documentary evidence that the person is covered under said Section 196 of the Act
Alternative Investment Fund (AIF) established in India	NIL	Self-declaration that they are specified in Section 10 (23FBA) of the Act and established as Category I or Category II AIF under the SEBI regulations along with self-attested copy of PAN card and registration certificate issued by SEBI (OR) Documentary evidence that the person is covered by Notification No. 51/2015 dated June 25, 2015

Please note that notwithstanding the above, tax would not be deducted on payment of dividend to resident Individual shareholder, if total dividend paid/payable during FY 2020-21 does not or is not likely to exceed Rs. 5,000.

Non-Resident Shareholder:

Particulars	Applicable Rate	Documents required (if any)
Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess)	None
Other Non-resident shareholders	20% (plus applicable surcharge and cess) OR Rate underrelevant Double Taxation	Update/Verify the PAN, legal entity status and the residential status as per the Act, if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents (in case of shares held in physical mode).

	<p>Avoidance Agreement (Whichever is lower)</p>	<p>In order to apply the Tax Treaty rate, ALL the below mentioned documents would be required:</p> <ol style="list-style-type: none"> 1. Self-Attested copy of Indian Tax Identification number or PAN, if available 2. Self-Attested copy of the Tax Residency Certificate (TRC) applicable for the period April 2020 to March 2021 obtained from the tax authorities of the country of which the shareholder is a resident. 3. Self-declaration in Form 10F duly filled and signed. The declaration format can be downloaded from the link given at the end of this communication. 4. Self-declaration from Non-resident, primarily covering the following: <ul style="list-style-type: none"> - Non-resident is eligible to claim the benefit of respective tax treaty; - Non-resident receiving the dividend income is the beneficial owner of such income; - Dividend income is not attributable/effectively connected to any Permanent Establishment (PE) or Fixed Base in India; - Non-resident complies with any other condition prescribed in the relevant Tax Treaty and provisions under the Multilateral Instrument ('MLI'); - Non-resident does not have a place of effective management in India. <p>Application of the beneficial rate of tax treaty for TDS is at the discretion of the Company and shall depend upon completeness of the documentation and review of the same by the Company.</p> <p>The declaration format can be downloaded from the link given at the end of this communication.</p>
<p>Submitting Order u/s 197 (i.e. lower or NIL withholding tax certificate)</p>	<p>Rate provided in the Order</p>	<p>Lower/NIL withholding tax certificate obtained from tax authority. The certificate should be valid for the FY 2020-21 and should cover the dividend income.</p>

You may view / download the respective forms from the following links:

To download – 15G -

[https://www.linkintime.co.in/website/GoGreen/2020/Update/Zee Entertainment Enterprises Ltd/Encl 1-FORM 15G.pdf](https://www.linkintime.co.in/website/GoGreen/2020/Update/Zee_Entertainment_Enterprises_Ltd/Encl_1-FORM_15G.pdf)

To download – 15H

[https://www.linkintime.co.in/website/GoGreen/2020/Update/Zee Entertainment Enterprises Ltd/Encl 2-FORM NO 15H.pdf](https://www.linkintime.co.in/website/GoGreen/2020/Update/Zee_Entertainment_Enterprises_Ltd/Encl_2-FORM_NO_15H.pdf)

To download - 10F

https://www.linkintime.co.in/website/GoGreen/2020/Update/Zee_Entertainment_Enterprises_Ltd/Encl_3-Form_10F.pdf

To download - Self declaration (FPI & FII)

https://www.linkintime.co.in/website/GoGreen/2020/Update/Zee_Entertainment_Enterprises_Ltd/Encl_4_Self_declaration.pdf

To download - Self declaration (NRI)

https://www.linkintime.co.in/website/GoGreen/2020/Update/Zee_Entertainment_Enterprises_Ltd/Encl_5_Self_declaration.pdf

To submit the Tax Exemption Forms online

<https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html>

The Company shall arrange to email the soft copy of TDS certificate to you at your registered email ID in due course, post payment of the said Dividend. In case you have not registered your email ID with the Company's Registrar and Transfer Agents, kindly register the same for shareholders holding shares in physical form and with the Depository Participant for shareholders holding shares in demat form.

The aforesaid documents, as applicable, are required to be uploaded online on the link provided above on or before Wednesday February 24, 2021 to enable the Company to determine the appropriate TDS rates. No communication on the tax determination / deduction received post Wednesday, February 24, 2021 shall be considered while payment of the Dividend. It is advisable to upload the documents at the earliest to enable the Company to collate the documents to determine the appropriate TDS rates. You may send tax related query at zeeltaxexemption@linkintime.co.in or shareservice@zee.com

In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, you would still have the option of claiming refund of the excess tax paid at the time of filing your income tax return by consulting your tax advisor. No claim shall lie against the Company for such taxes deducted. Shareholders will be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>.

Yours faithfully,

For Zee Entertainment Enterprises Limited

Ashish Agarwal

Chief Compliance Officer & Company Secretary

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Disclaimer: The above information does not constitute tax or legal advice. In view of the individual nature of the tax implications, each investor is advised to consult his or her own tax advisors with respect to the specific tax implications.

Note: This is a system generated email and hence does not require signature. Please do not reply to this mail.