

Ratings Monitor

One Report – to monitor stocks and identify triggers to re-evaluate ratings

Zee Entertainment Enterprises (Z)

Current Market Price	Fair Value (FV)
Rs.282	Rs.275

Date: 11th August 2023

Previous Rating: **ADD**

Current Rating: **REDUCE**

Change: **Downgrade**

Ratings Rationale

- The NCLT's approval paves the way for the Sony-Zee merger.
- We will keep an eye on Sony-Zee's execution and progress in digital.
- De-listing of Zee and re-listing of Sony-Zee could take 6 weeks.
- Likely moderation in OTT losses by about Rs350 cr under Sony.
- Flawless execution and success in OTT imperative for further re-rating.
- We downgrade to REDUCE from ADD, with a revised FV of Rs275 (Rs260)

Valuation

Downgrade to Reduce; Value at 17x September 2025E EPS

Read Full Report

Note: The performance horizon is 12 months unless specified.

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