

INDEPENDENT AUDITORS' REPORT

To the Members of Dish TV India Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Dish TV India Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. Further to our comments in Annexure I, as required by Section 143(3) of the Act, we report that:
- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the standalone financial statements dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 23 March 2016 as per Annexure II expressed unqualified opinion;
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. as detailed in note 39 and 46 to the standalone financial statements, the Company has disclosed the impact of pending litigations on its standalone financial position;
 - ii. the Company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Walker Chandiok & Co LLP**
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **Sumit Mahajan**
Partner
Membership No.: 504822

Place: Istanbul, Turkey
Date: 23 May 2016

ANNEXURE I

Annexure I to the Independent Auditor's Report of even date to the members of Dish TV India Limited, on the financial statements for the year ended 31 March 2016

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not hold any immovable property (in the nature of 'fixed assets'). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees, and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Name of the Statute	Nature of the dues	Amount involved (₹ in lacs)	Amount paid under protest (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax and interest	9	-	Assessment Year 2006-07	Income Tax-Appellate Tribunal, Mumbai
		225	225	Assessment Year 2009-10	*
		320	320	Assessment Year 2010-11	Income Tax-Appellate Tribunal, Delhi
		263	-	Assessment Year 2004-05	Commissioner of Income Tax-Appeals, Mumbai
		93	59	Assessment Year 2011-12	Income Tax-Appellate Tribunal, Delhi
		16	-	Assessment Year 2011-12	Income Tax-Appellate Tribunal, Delhi
		57	50	Assessment Year 2012-13	Commissioner of Income Tax-Appeals, Noida
		65	33	Assessment Year 2013-14	Commissioner of Income Tax-Appeals, Noida

Name of the Statute	Nature of the dues	Amount involved (₹ in lacs)	Amount paid under protest (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994 (Service Tax)	Service Tax	167	-	2006-07 to 2010-11	Custom Excise and Service Tax Appellate Tribunal, Delhi
		2,921	-	2007-08 to 2011-12	Custom Excise and Service Tax Appellate Tribunal, Allahabad
		2,633	-	2008-09 to 2010-11	Commissioner of Service Tax, Noida
		1,475	500	2009-10 to 2013-14	*
Delhi Value Added Tax Act, 2005	Value Added Tax	7	7	March-10	Spl. Commissioner -1 (Appeal), Department of Trade & Taxes, Delhi
	Value Added Tax (including penalty and interest)	283	20	2007-08	DVAT Tribunal, New Delhi
	Value Added Tax (including penalty and interest)	169	-	2009-10	Spl. Commissioner -1 (Appeal), Department of Trade & Taxes, Delhi
	Value Added Tax (including penalty and interest)	632	-	2010-11	*
	Value Added Tax (including penalty and interest)	117	-	2011-12	*
	Value Added Tax (including penalty and interest)	2,169	-	2014-15	Spl. Commissioner - III (Appeal), Department of Trade & Taxes, Delhi
Andhra Pradesh Value Added Tax Act, 2005	Value Added Tax (including penalty and interest)	286	286	2006-08	State Tribunal Appellate Authority, Hyderabad
Bihar Value Added Tax Act, 2005	Value Added Tax	15	15	2007-08	Commercial Tax Officer, Patna
	Value Added Tax (including interest)	59	44	2008-09	Commercial Tax Officer, Patna
	Value Added Tax	270	270	2012-13	Office of the Joint Commissioner of Commercial Taxes (Appeals) Patna
	Value Added Tax	6	6	2014-15	Deputy Commissioner of Commercial Taxes, Patliputra Circle, Patna (Vehicle Seizure)
Haryana Value Added Tax Act-2003	Value Added Tax	#	#	December 2012	Jt. Excise & Taxation Commissioner (Appeal), Haryana

Name of the Statute	Nature of the dues	Amount involved (₹ in lacs)	Amount paid under protest (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending	
Kerala Value Added Tax Act-2003	Value Added Tax (including interest)	34	11	2008-09	Kerala High Court	
	Value Added Tax	1	1	October 2013	The Intelligence inspector, Department of Commercial taxes, Thiruvananthapuram.	
Madhya Pradesh Value Added Tax 2002	Value Added Tax	5	1	2013-14	Dy. Comm. Of Appeal, Div -I , Bhopal	
UPVAT Act	Value Added Tax (including interest)	1	-	2005-06	Joint Commissioner (Appeal), Noida	
	Value Added Tax (including interest)	@	1	2006-07	Additional Commissioner Appeal-1, Noida	
	Value Added Tax	\$	\$		2014-15	Deputy Commissioner, Khand-3, Noida (Vehicle Seizure)
		116	-		June 2015	Addl. Comm. Grade - 2 (Appeal) First, Commercial Tax, Noida
		7	-		August 2015	Addl. Comm. Grade - 2 (Appeal) First, Commercial Tax, Noida
		3	-		November 2015	Addl. Comm. Grade - 2 (Appeal) First, Commercial Tax, Noida
		181	-		2012-13	Addl. Comm. Grade - 2 (Appeal) First, Commercial Tax, Noida
Rajasthan Tax of Entry on Goods in to local areas Act, 1999	Entry Tax	173	173	2012-13	Supreme Court of India	
The Jammu & Kashmir Entry Tax on Goods, Act 2000	Entry Tax	43	43	2014-15	State of Jammu & Kashmir	
	Entry Tax	4	4	2015-16	State of Jammu & Kashmir	
Indian Customs Act, 1962	Special Additional Duty	795	-	April 2008 to June 2009	CESTAT, Delhi	

* The Company is in the process of filing the appeal with respective authority

Rs. 40,540

@ Rs. 41,000

\$ Rs. 44,900

- (viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandio & Co LLP**
(Formerly Walker, Chandio & Co)
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **Sumit Mahajan**
Partner
Membership No.: 504822

Place: Istanbul, Turkey
Date: 23 May 2016

ANNEXURE II

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the standalone financial statements of Dish TV India Limited ("the Company") as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting ("IFCoFR") of the company of as of that date.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on Internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper

management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on Internal control over financial reporting criteria

established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Walker Chandiok & Co LLP**
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Place: Istanbul, Turkey
Date: 23 May 2016

per **Sumit Mahajan**
Partner
Membership No.: 504822

BALANCE SHEET AS AT 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

	Note No.	As at 31 Mar 2016	As at 31 March 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	10,659	10,656
Reserves and surplus	4	319	(41,838)
		<u>10,978</u>	<u>(31,182)</u>
Non-current liabilities			
Long-term borrowings	5	-	-
Other long term liabilities	6	1,054	1,826
Long-term provisions	7	754	656
		<u>1,808</u>	<u>2,482</u>
Current liabilities			
Short-term borrowings	8	-	4,795
Trade payables	9	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprise		20,199	11,647
Other current liabilities	10	21,837	221,350
Short-term provisions	11	119,309	106,611
		<u>161,345</u>	<u>344,403</u>
Total		<u>174,131</u>	<u>315,703</u>
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	12.1	22,824	144,231
Intangible assets	12.2	804	1,100
Capital work-in-progress	12.3	3,303	47,014
Non-current investments	13	26,804	31,804
Deferred tax assets	14	4,540	-
Long-term loans and advances	15	14,890	11,405
Other non-current assets	16	219	1,663
		<u>73,384</u>	<u>237,217</u>
Current assets			
Inventories	17	-	987
Trade receivables	18	6,415	6,368
Cash and bank balances	19	24,508	42,493
Short-term loans and advances	20	69,768	26,482
Other current assets	21	56	2,156
		<u>100,747</u>	<u>78,486</u>
Total		<u>174,131</u>	<u>315,703</u>
Significant accounting policies	2		

The accompanying notes (1 to 52) form an integral part of the financial statements.
This is the Balance Sheet referred to in our report of even date

For Walker ChandioK & Co. LLP
(Formerly Walker, ChandioK & Co)
Chartered Accountants

For and on behalf of the Board of Directors of
Dish TV India Limited

per Sumit Mahajan
Partner

Jawahar Lal Goel
Managing Director
DIN: 00076462

B. D. Narang
Director
DIN: 00038052

Rajeev K. Dalmia
Chief Financial Officer

Ranjit Singh
Company Secretary
Membership No: A15442

Place: Istanbul, Turkey
Dated: 23 May 2016

Place: Istanbul, Turkey
Dated: 23 May 2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

	Note No.	For the year ended 31 March 2016	For the year ended 31 March 2015
Income			
Revenue from operations	22	222,755	268,795
Other income	23	7,847	5,468
Total revenue		230,602	274,263
Expenses			
Purchases of stock-in-trade (consumer premises equipments related accessories/ spares)		15,960	806
Changes in inventories of stock-in-trade	24	987	(239)
Operating expenses	25	139,607	139,535
Employee benefits expense	26	4,942	10,129
Finance costs	27	8,587	17,538
Depreciation and amortization expense	12.1 and 12.2	5,949	61,375
Other expenses	28	16,858	45,018
Total expenses		192,890	274,162
Profit before tax		37,712	101
Profit from continuing operations before tax		37,712	1,253
Profit/(loss) from discontinuing operations before tax		-	(1,152)
Tax expense:			
- Current Tax		260	-
- Deferred tax credit		(4,540)	-
Profit from continuing operations after tax		41,992	1,253
Profit/(loss) from discontinuing operations after tax		-	(1,152)
Profit for the year		41,992	101
Basic/diluted earnings per equity share (in ₹) (Refer note 41) (Face value of shares of ₹ 1 each)		3.94	0.01
Significant accounting policies	2		

The accompanying notes (1 to 52) form an integral part of the financial statements.

This is the statement of Profit and Loss referred to in our report of even date

For Walker Chandio & Co. LLP
(Formerly Walker, Chandio & Co)
Chartered Accountants

For and on behalf of the Board of Directors of
Dish TV India Limited

per **Sumit Mahajan**
Partner

Jawahar Lal Goel
Managing Director
DIN: 00076462

B. D. Narang
Director
DIN: 00038052

Rajeev K. Dalmia
Chief Financial Officer

Ranjit Singh
Company Secretary
Membership No: A15442

Place: Istanbul, Turkey
Dated: 23 May 2016

Place: Istanbul, Turkey
Dated: 23 May 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

	For the year ended 31 March 2016	For the year ended 31 March 2015
A. Cash flows from operating activities		
Net profit before tax	37,712	101
Adjustments for :		
Depreciation and amortization expense	5,949	61,375
Loss on sale/ discard of fixed assets and capital work-in-progress	107	2,344
Profit on redemption of units of mutual funds (non trade, current)	(245)	(243)
Profit on sale of non-core business through slump	(358)	-
Provision for wealth taxes	-	1
Provision for doubtful debts	922	-
Bad debts written off	89	3
Liabilities written back	(1,412)	(40)
Foreign exchange fluctuation (net)	(1,341)	(442)
Interest expense	8,466	15,440
Interest income	(3,860)	(4,662)
Operating profit before working capital changes	46,029	73,877
Changes in working capital		
(Increase) in inventories	-	(239)
(Increase) in trade receivables	(1,584)	(2,223)
(Increase) in loans and advances and other assets	(62,396)	(2,735)
Increase in trade payables and other liabilities	8,015	9,337
Cash (used in) /generated from operations	(9,936)	78,017
Income taxes paid (net of refund)	(603)	(667)
Net cash (used in)/generated from operating activities (A)	(10,539)	77,350
B. Cash flows from investing activities		
Purchases of fixed assets (including adjustment for creditors for fixed assets, work-in-progress and capital advances)	(11,502)	(69,436)
Proceeds from sale of fixed assets	13	62
Purchase of current investments	(54,300)	(50,600)
Proceeds from sale of Current investments	54,546	50,843
Proceeds from non-current investment	5,000	-
Proceed from Slump sale	507	-
Loans given	(2,842)	(675)
Recovery of loans given	200	36
Movements in fixed deposits having maturity of more than 3 months	5,874	(2,320)
Interest received	3,381	4,403
Net cash flow generated from/ (used in) investing activities (B)	877	(67,687)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

	For the year ended 31 March 2016	For the year ended 31 March 2015
C. Cash flows from financing activities		
Interest paid	(113)	(7,610)
Proceeds from issue of capital/call money received	168	346
Proceeds from borrowings	-	79,114
Repayments of borrowings	-	(75,472)
Net cash flow generated from/(used in) financing activities (C)	55	(3,622)
Net cash flows increase/(decrease) during the year (A+B+C)	(9,607)	6,041
Cash and cash equivalents at the beginning of the year	11,581	5,540
Cash and cash equivalents at the end of the year (refer note 19) #	1,974	11,581
Cash and cash equivalents includes :		
Cash on hand*	0	8
Balances with scheduled banks :		
- in current accounts #	1,700	10,854
- deposits with maturity of upto 3 months	6	383
Cheques, drafts on hand	268	336
Total cash and cash equivalents	1,974	11,581
* ₹ 40,590 as on 31 March 2016.		
# include ₹ 0.42 lacs (previous year ₹ 0.47 lacs) in share call money accounts in respect of rights issue.		
Reconciliation of Cash and cash equivalents with cash and bank balances		
Cash and bank balances (refer note 19)	24,508	42,493
Less: deposits with maturity of more than 3 months	22,534	30,912
Cash and cash equivalents	1,974	11,581

Figures in brackets indicate cash outflow

For cash flows from discontinued operations refer note 32 C

This is the Cash Flow Statement referred to in our report of even date

For Walker Chandio & Co. LLP
(Formerly Walker, Chandio & Co)
Chartered Accountants

For and on behalf of the Board of Directors of
Dish TV India Limited

per Sumit Mahajan
Partner

Jawahar Lal Goel
Managing Director
DIN: 00076462

B. D. Narang
Director
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Rajeev K. Dalmia
Chief Financial Officer

Ranjit Singh
Company Secretary
Membership No: A15442

Place: Istanbul, Turkey
Dated: 23 May 2016

Place: Istanbul, Turkey
Dated: 23 May 2016

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

1. Background

Dish TV India Limited ('Dish TV' or 'the Company') was incorporated on 10 August 1988. The Company is engaged in the business of Direct to Home ('DTH') and Teleport services.

2. Significant accounting policies

a) Basis of preparation of financial statements

The financial statements have been prepared to comply in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis in accordance with the generally accepted accounting principles in India. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Company and as per the guidance as set out in Schedule III to the Companies Act, 2013.

b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognised in the current and future periods.

c) Fixed assets and capital work in progress

Tangible assets

Fixed assets are recorded at the cost of acquisition, net of cenvat credit including all incidental expenses attributable to the acquisition and installation of assets, upto the date when the assets are ready for use.

Viewing cards (VC) are capitalized on activation of the same.

Capital work in progress is valued at cost.

Intangible assets

Intangible assets are recognised if it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. These assets are valued at cost which comprises the purchase price and any directly attributable expenditure on making the asset ready for its intended use.

Fee paid for acquiring license to operate DTH services, is capitalized as intangible asset.

Cost of computer software includes license fees, cost of implementation and appropriate system integration expenses. These costs are capitalized as intangible assets in the year in which related software is implemented.

d) Depreciation and amortisation

1) Tangible assets

Depreciation on tangible fixed assets, is provided on straight line method as per the useful life prescribed in Schedule II, of the Companies Act, 2013, except in case of following category where life of the assets have been assessed as under based on technical advice taking into account the nature of assets, estimated usage of the assets, the operating conditions of assets, past history of replacement, anticipated technological changes etc.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

- i) VCs are depreciated over their useful life of five years, as estimated by the management.
- ii) Aircraft is depreciated over the estimated useful life of ten years.

2) Intangible assets

- i) Fees paid for acquiring licenses to operate DTH services is amortised over the period of license and other license fees are amortized over the management estimate of useful life of five years.
- ii) Software are amortised on straight line method over an estimated life of one year to five years.
- 3) Leasehold improvements are amortised over the period of lease or their useful lives, whichever is shorter.

e) Impairment

The carrying amounts of the Company's assets (including goodwill) are reviewed at each balance sheet date in accordance with Accounting Standard 28 'Impairment of Assets', to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of asset is estimated as higher of its net selling price and value in use. Value in use is arrived at by disclosing the estimated future cash flow to their present cash flow based on appropriate discounting rate. An impairment loss is recognized, whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, had no impairment loss been recognised.

f) Inventories

Inventories of VC are valued at the lower of cost and net realisable value. Cost of inventories includes all costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

g) Revenue recognition

- i) Service revenue
 - Revenue from subscription services is recognised pro-rata over the subscription pack period during which the services are rendered and is net of service tax, collection charges and any discount given. Revenue from other services are recognised on accrual basis on rendering of the services.
- ii) Sale of goods
 - Revenue from sale of stock-in-trade is recognised when the products are dispatched against orders to the customers in accordance with the contract terms, which coincides with the transfer of risks and rewards and there is no significant uncertainty exists regarding amount of consideration that will be received.
 - Sales are stated net of rebates, trade discounts, sales tax and sales returns.
- iii) Interest income
 - Income from deployment of surplus funds is recognised using the time proportion method, based on interest rates implicit in the transaction.

h) Foreign currency transactions

Foreign currency transactions

- i) Foreign currency transactions are accounted for at the exchange rate prevailing on the date of the transaction. All monetary foreign currency assets and liabilities are converted at the exchange

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

rates prevailing at the date of the balance sheet. All exchange differences, other than in relation to acquisition of fixed assets and other long term foreign currency monetary liabilities are dealt with in the Statement of Profit and Loss.

i) Investments

Long-term investments, including their current portion, are carried at cost less diminution, other than temporary in value. Current investments are carried at the lower of cost and fair value which is computed category wise.

j) Employee benefits

i) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and bonus, etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

ii) Post-employment benefit

Defined contribution plan

The Company deposits the contributions for provident fund and employees' state insurance to the appropriate government authorities and these contributions are recognised in the Statement of Profit and Loss in the financial year to which they relate.

Defined benefit plan

The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried out at the end of the year by an independent actuary, using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government Securities for relevant maturity. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

iii) Other long term employee benefits

Benefits under the Company's compensated absences constitute other long-term employee benefits. The liability in respect of compensated absences is provided on the basis of an actuarial valuation done by an independent actuary using the projected unit credit method at the year end. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

k) Employee stock option scheme

The Company calculates the compensation cost based on the intrinsic value method wherein the excess of value of underlying equity shares as on the date of the grant of options over the exercise price of the options given to employees under the employee stock option schemes of the Company, is recognised as deferred stock compensation cost and amortised over the vesting period on a graded vesting basis.

l) Leases

Operating lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognised as an expense in the Statement of Profit and Loss on a straight line basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

m) Earnings/(loss) per share

Basic earning/(loss) per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings/(loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

n) Taxation

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. However deferred tax arising from brought forward losses is recognised only when there is virtual certainty supported by convincing evidence that such asset will be realized.

Minimum alternative tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified year.

o) Provisions and contingent liabilities

The Company recognises a provision when there is a present obligation as a result of a past event and it is more likely than not that there will be an outflow of resources embodying economic benefits to settle such obligations and the amount of such obligation can be reliably estimated. Provisions are not discounted to their present value and are determined based on the management's estimation of the outflow required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events, not wholly within the control of the Company. Contingent liabilities are also disclosed for the present obligations that have arisen from past events in respect of which it is not probable that there will be an outflow of resources or a reliable estimate of the amount of obligation cannot be made.

When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

p) Cash and cash equivalents

Cash and cash equivalents in the Cash Flow Statement comprise cash at bank and in hand, cheques in hand and short term investments with an original maturity of three months or less.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

3. Share capital

	As at 31 Mar 2016	As at 31 March 2015
Authorised		
1,500,000,000 (previous year 1,500,000,000) equity shares of ₹ 1 each	15,000	15,000
Issued, subscribed and fully paid-up		
1,065,830,337 (previous year 1,065,519,640) equity shares of ₹ 1 each, fully paid up	10,659	10,655
Issued, subscribed, but not fully paid-up		
34,498 (previous year 51,945) equity shares of ₹ 1 each, fully called up (refer footnote b) *	0	1
Less: calls in arrears (other than from directors/officers) **	(0)	(0)
	10,659	10,655

* ₹ 34,498 as on 31 March 2016.

** ₹ 13,403 as on 31 March 2016 and ₹ 20,474 as on 31 March 2015.

Footnotes:

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

	Nos.	Nos.
Shares at the beginning of the year	1,065,571,585	1,064,954,765
Add: Further issued during the year under Employees Stock Option Plan Shares at the end of the year	293,250	616,820
	1,065,864,835	1,065,571,585

b) Detail of shares not fully paid-up

15,383 (previous year 22,193) equity shares of ₹ 1 each, ₹ 0.75 paid up
19,115 (previous year 29,952) equity shares of ₹ 1 each, ₹ 0.50 paid up.

c) Rights, preferences, restrictions attached to the equity shares

The Company has only one class of equity shares, having a par value of ₹ 1 per share. Each shareholder is eligible to one vote per fully paid equity share held (i.e. in proportion to the paid up shares in equity capital). The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

d) Details of shareholders holding more than 5% shares of the Company

Name	As at 31 March 2016		As at 31 March 2015	
	Number of shares	% holding in the Company	Number of shares	% holding in the Company
Direct Media Distribution Ventures Private Limited	457,212,260	42.90%	457,212,260	42.91%
Deutsche Bank Trust Company Americas [refer footnote e(ii) and refer note 44]	-	-	85,035,000	7.98%
Direct Media Solutions Private Limited	180,000,000	16.89%	180,000,000	16.89%

e) Issued, subscribed and fully paid up shares include:

- i) 24,57,440 (previous year 2,164,190) equity shares of ₹ 1 each, fully paid up, issued to the employees, under Employee Stock Option Plan, i.e., ESOP 2007.
 - ii) Nil (previous year 85,035,000) equity shares of ₹ 1 each, fully paid up, for underlying Nil (previous year 85,035 nos.) Global Depository Receipts (GDR). Each GDR represents 1,000 Equity Shares of ₹ 1 each.
- f) 4,282,228 (previous year 4,282,228) equity shares of ₹ 1 each are reserved for issue under Employee Stock Option Plan 2007. (refer note 34 for terms and amount etc.)
- g) No share have been issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back in the current year and preceeding five year.

4. Reserves and surplus

	As at 31 Mar 2016	As at 31 March 2015
Securities premium account		
Balance at the beginning of the year	154,175	153,835
Add: received during the year	165	340
Balance at the end of the year	154,340	154,175
General reserves	1,849	1,849
Deficit in the Statement of Profit and Loss		
Balance at the beginning of the year	(197,862)	(197,225)
Less: Adjustment for depreciation (refer footnote (ii) of note 12)	-	(738)
Add: Profit for the year	41,992	101
Balance at the end of the year	(155,870)	(197,862)
	319	(41,838)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

5. Long-term borrowings

	As at 31 Mar 2016	As at 31 March 2015	As at 31 Mar 2016	As at 31 March 2015
	Non current		Current maturities	
Secured loans:				
Debentures (refer note 50)	-	-	-	20,000
From banks				
Term loans	-	-	-	31,925
Buyers' credits	-	-	-	91,668
	-	-	-	143,593
Less: amount disclosed under the head "Other current liabilities" (refer note 10)	-	-	-	143,593
	-	-	-	-
	-	-	-	-

In previous year, the Company had entered into novation agreement with the banks to transfer its debts to its subsidiary company, Dish Infra Services Pvt. Ltd., with effect from 01 April 2015 (refer note 32 d).

Repayment terms, rate of interest and nature of security for the outstanding long-term borrowings as at 31 March 2016 and 31 March 2015.

a) Debentures

First ranking pari passu charge on all present and future tangible i.e. movable and current assets of the Issuer.

Rate of interest and terms of repayment

Bullet repayment after three years from the date of allotment along with cumulative interest at the rate of 12.40% p.a.

b) Term loans - Secured

- (i) Term loan of ₹ Nil [(previous year ₹ 12,943 lacs) is secured by (a) first pari-passu charges on consumer premises equipment (CPE), (both present and future), of the Company; (b) first pari-passu charges on all current assets and fixed assets of the Company (both present and future); (c) assignment of insurance policies pertaining to CPE charged, current assets and movable fixed assets of the Company; (d) Debt service reserve account (DSRA) to be created upfront for one Quarter interest; (e) Non Disposal Undertaking from promoter group Companies continue holding at least 51% shareholding .

Rate of interest and terms of repayment

"For the financial year ended 31 March 2015

Loan amounting to ₹ 12,943 lacs as on reporting date is payable in twenty quarterly installments alongwith monthly interest at 12.00% per annum. Last date of repayment is March 2020."

- (ii) Term Loan of ₹ Nil (previous year ₹ 12,482 lacs) is secured by (a) first pari-passu charges on moveable and immoveable fixed assets of the Company; (b) first pari-passu charges on the current assets; (c) Debt service reserve account (DSRA) to be created upfront for one Quarter interest; (d) Non Diposal Undertaking for shares of the Company to the extent of ₹ 60 Crores. Further, a corporate guarantee is given by M/s Direct Media Distribution Ventures Private Limited a related party in respect of this loan [refer to note 37(e)].

Rate of interest and terms of repayment.

"For the financial year ended 31 March 2015

Loan amounting to ₹ 12,482 lacs as on reporting date is payable in five quarterly installments alongwith monthly interest at bank base rate plus 1.95% per annum."

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

- (iii) Term loan of ₹ Nil (previous year ₹ 6,500 lacs) is secured by (a) first pari-passu charges on consumer premises equipment (CPE), (both present and future), of the Company; (b) first pari-passu charges on all current assets and fixed assets of the Company (both present and future).

Rate of interest and terms of repayment

“For the financial year ended 31 March 2015

Loan amounting to ₹ 6,500 lacs as on reporting date is payable in fourteen quarterly installments after a moratorium period of 18 months alongwith monthly interest at bank base rate plus 3% per annum. ”

c) Buyer’s credits - Secured

- (i) Buyer’s credit of ₹ Nil (previous year ₹ 15,486 lacs) is secured by first *pari passu* charge on the movable and immovable fixed assets and current assets of the Company. Further, a corporate guarantee is given by Direct Media Distribution Ventures Private Limited, a related party [refer to note 37 (e)].

Rate of interest and terms of repayment

“For the financial year ended 31 March 2015

Buyer’s credit comprises of several loan transactions ranging between 2.5 to 3 years of maturities. Each transaction is repayable in full on maturity dates falling between January’ 2016 (being the farthest) and July 2015 (being the closest).

Interest on all Buyer’s Credit is payable in half yearly installments ranging from Libor plus 45 bps to Libor plus 188 bps.”

- (ii) Buyer’s credit of ₹ Nil (previous year ₹ 34,158 lacs) is secured by first *pari passu* charge on all present and future moveable and immovable assets, including but not limited to inventory of set-top-boxes and accessories etc., book debts, operating cash flows, receivables, commissions, revenue of whatever nature and wherever arising, present and future, and on all intangibles assets including but not limited to goodwill and uncalled capital, present and future, of the Company. Further, a corporate guarantee is given by Sprit Textiles Private Limited and Jayneer Capital Private Limited and a personal guarantee by key managerial personnel in respect of this loan. [refer to note 37 (e)].

Rate of interest and terms of repayment

For the financial year ended 31 March 2015

Buyer’s credit comprises of several loan transactions ranging between 1 to 3 years of maturities. Each transaction is repayable in full on maturity dates, falling between September’ 2017 (being the farthest) and April’ 2015 (being the closest).

Interest on ₹ 7,177 lacs buyer’s credit is payable in half yearly installments ranging from Libor plus 44 bps to Libor plus 195 bps.

Interest on ₹ 26,981 lacs buyer’s credit is payable in yearly installments ranging from Libor plus 55 bps to Libor plus 100 bps”

- (iii) Buyer’s credit of ₹ Nil (previous year ₹ 20,912 lacs) is secured by (a) first *pari passu* charge on consumer premises equipment (CPE) (both present and future); (b) first *pari passu* charges by way of hypothecation on the Company’s entire current assets which would include stocks of raw materials, semi finished and finished good, consumable stores and spares and such other movables, including books debts, bills, outstanding monies receivables (both present and future) in a form and manner satisfactory to the bank; (c) first *pari passu* charge on all movable fixed assets of the Company; (d) assignment of insurance policies pertaining to CPE charged, current assets and movable fixed assets.

Rate of interest and terms of repayment

For the financial year ended 31 March 2015

Buyer’s credit comprises of several loan transactions ranging between 1.75 to 3 years of maturities. Each transaction is repayable in full on maturity dates falling between October’ 2017 (being the farthest) and April’ 2015 (being the closest).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

Interest on all buyer's credit is payable in half yearly installments ranging from Libor plus 90 bps to Libor plus 250 bps."

- (iv) Buyer's credit of ₹ Nil (previous year ₹ 17,392 lacs) secured by (a) first pari-passu charges on consumer premises equipment (CPE) (both present and future); (b) first pari-passu charges on all current assets including stock of raw materials, semi finished and finished goods, consumable stores and spares and such other movable including book debts, bills, outstanding monies receivables (both present and future); (c) first pari-passu charges on all movable and immovable fixed assets (both present and future); (d) assignment of insurance policies pertaining to CPE charged, current assets and movable fixed assets. Further, a corporate guarantee is given by Direct Media Distribution Ventures Private Limited, a related party in respect of this loan [refer to note 37 (e)].

Rate of interest and terms of repayment

"For the financial year ended 31 March 2015

Buyer's credit comprises of several loan transactions ranging between 1 to 3 years of maturities. Each transaction is repayable in full on maturity dates falling between September' 2017 (being the farthest) and April' 2015 (being the closest).

Interest on ₹ 3,318 lacs buyer's credit is payable in half yearly installments at Libor plus 90 bps.

Interest on ₹ 14,074 lacs buyer's credit is payable in yearly installments ranging from Libor plus 55 bps to Libor plus 165 bps."

- (v) Buyer's credit of ₹ Nil (previous year ₹ 3,720 lacs) secured by (a) first pari-passu charges on consumer premises equipment (CPE) (both present and future); (b) first pari-passu charges on all current assets including stock of raw materials, semi finished and finished goods, consumable stores and spares and such other movable including book debts, bills, outstanding monies receivables (both present and future); (c) first pari-passu charges on all movable and immovable fixed assets (both present and future); (d) assignment of insurance policies pertaining to CPE charged, current assets and movable fixed assets.

Rate of interest and terms of repayment

"For the financial year ended 31 March 2015

Buyer's credit comprises of several loan transactions ranging between 2.5 to 2.85 years of maturities. Each transaction is repayable in full on maturity dates falling between June' 2017 (being the farthest) and Feb' 2016 (being the closest).

Interest on ₹ 2,195 lacs buyer's credit is payable in half yearly installments ranging from Libor plus 56 bps to Libor plus 150 bps.

Interest on ₹ 1,525 lacs buyer's credit is payable in yearly installments ranging from Libor plus 90 bps to Libor plus 125 bps."

6. Other long-term liabilities

	As at 31 Mar 2016	As at 31 March 2015	As at 31 Mar 2016	As at 31 March 2015
	Non current		Current	
Others:				
Income received in advance	1,054	1,826	10,798	33,195
Money received against partly paid up shares (refer note 43)*	0	0	-	-
Interest accrued but not due on borrowing	-	-	-	1,237
	1,054	1,826	10,798	34,432
Less: amount disclosed under the head "Other current liabilities" (refer note 10)	-	-	10,798	34,432
	1,054	1,826	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

7. Long-term provisions

	As at 31 Mar 2016 Non current	As at 31 March 2015 Non current	As at 31 Mar 2016 Current	As at 31 March 2015 Current
Provision for employee benefits				
- Gratuity (refer note 35)	509	429	20	525
- Compensated absences	245	227	18	355
	754	656	38	880
Less: amount disclosed under the head "Short-term provisions" (refer note 11)	-	-	38	880
	754	656	-	-

8. Short-term borrowings

	As at 31 Mar 2016	As at 31 March 2015
Secured loans		
Other loans		
- Buyers' credits	-	4,795
	-	4,795

Repayment terms, rate of interest and nature of security for the outstanding short-term borrowings as at 31 March 2015 and 31 March 2016

a) Buyer's credits - Secured

- (i) Buyer's credit of ₹ Nil (previous year ₹ 2,721 lacs) is secured by first pari passu charge on all present and future moveable and immovable assets, including but not limited to inventory of set-top-boxes and accessories etc., book debts, operating cash flows, receivables, commissions, revenue of whatever nature and wherever arising, present and future, and on all intangibles assets including but not limited to goodwill and uncalled capital, present and future, of the Company. Further, a corporate guarantee is given by Sprit Textiles Private Limited and Jayneer Capital Private Limited and a personal guarantee by key managerial personnel in respect of this loan. [refer to note 37 (e)].

Rate of interest and terms of repayment

"For the financial year ended 31 March 2015

Buyer's credit comprises of several loan transactions having 1 year of maturity. Each transaction is repayable in full on maturity dates, falling between December' 2015 (being the closest) and January' 2016 (being the farthest).

Interest on ₹ 2,721 lacs buyer's credit is payable in yearly installments at Libor plus 36 bps to Libor plus 55 bps.

- (ii) Buyer's credit of ₹ Nil (previous year ₹ 2,074 lacs) secured by (a) first pari-passu charges on consumer premises equipment (CPE) (both present and future); (b) first pari-passu charges on all current assets including stock of raw materials, semi finished and finished goods, consumable stores and spares and such other movable including book debts, bills, outstanding monies receivables (both present and future); (c) first pari-passu charges on all movable and immovable fixed assets (both present and future); (d) assignment of insurance policies pertaining to CPE charged, current assets and movable fixed assets. Further, a corporate guarantee is given by Direct Media Distribution Ventures Private Limited, a related party in respect of this loan [refer to note 37 (e)].

Rate of interest and terms of repayment

"For the financial year ended 31 March 2015

Buyer's credit comprises of several loan transactions having 1 year of maturity. Each transaction is repayable in full on maturity dates falling between September' 2015 (being the farthest) and April' 2015 (being the closest).

Interest on ₹ 2,074 lacs buyer's credit is payable in yearly installments ranging from Libor plus 45 bps to Libor plus 58 bps."

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

9. Trade payables

	As at 31 Mar 2016	As at 31 March 2015
Sundry creditors		
- Total outstanding dues of micro enterprises and small enterprises (refer note below)	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	20,199	11,647
	20,199	11,647

Dues to small and micro enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006#:

Particulars

	As at 31 Mar 2016	As at 31 March 2015
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	-	-
ii) the amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year;	-	-
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

The management has identified micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of information made available by the supplier or vendors of the Company. Based on the information available with the Company, as at the year end, there are no dues to micro and small Enterprises that are reportable under the MSMED Act, 2006.

10. Other current liabilities

	As at 31 Mar 2016	As at 31 March 2015
Current maturities of long-term borrowings (also refer note 5)	-	143,593
Interest accrued but not due on borrowings	-	487
Current portion of other long-term liabilities (also refer note 6)	10,798	34,432
Other payables		
- Statutory dues	7,471	7,296
- Advances/ deposits received	101	10,424
- Book overdraft	-	2,116
- Commission accrued	191	2,795
- Employees' payables	142	372
- Creditors for fixed assets	3,134	19,835
	21,837	221,350

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

11. Short-term provisions

	As at 31 Mar 2016	As at 31 March 2015
Provision for employee benefits (refer note 7)		
- Gratuity (refer note 35)	20	525
- Compensated absences	18	355
Other provisions		
- Regulatory dues including interest (refer note 39)	119,271	105,047
- Wealth tax	-	1
- Mark to market loss provision	-	683
Total	119,309	106,611

12.1. Fixed Assets - Tangible assets

As at 31 March 2016

Particulars	Gross block				Depreciation				Net block
	As at 01 April 2015	Additions	Sales/ adjustments	As at 31 March 2016	Upto 01 April 2015	For the year	Sales/ adjustments	Upto 31 March 2016	As at 31 March 2016
Plant and machinery*	15,468	513	410	15,571	11,747	1,252	390	12,609	2,962
Consumer premises equipment*	450,971	11,781	428,327	34,425	313,797	3,781	300,198	17,380	17,045
Computers*	1,329	6	107	1,228	1,029	111	35	1,105	123
Office equipment*	522	67	4	585	225	108	3	330	255
Furniture and fixtures	221	-	-	221	108	23	-	131	90
Vehicles and aircraft	3,572	89	8	3,653	946	359	1	1,304	2,349
Leasehold improvements	45	-	-	45	45	-	-	45	-
Total	472,128	12,456	428,856	55,728	327,897	5,634	300,627	32,904	22,824

* Sale adjustment during the year includes gross block of asset transferred to Dish Infra Services Private Limited pursuant to Business Transfer Agreement on 1 April 2015 as given below. (refer note 32).

Gross block of assets transferred	Amount in lacs
Plant and machinery	410
Consumer premises equipment	428,327
Computers	93
Office equipment	3

As at 31 March 2015

Particulars	Gross block				Depreciation				Net block
	As at 01 April 2014	Additions	Sales/ adjustments	As at 31 March 2015	Upto 01 April 2014	For the year	Sales/ adjustments	Upto 31 March 2015	As at 31 March 2015
Plant and machinery	14,930	581	43	15,468	9,711	1,460	(576)	11,747	3,721
Consumer premises equipment [Refer note 38b]	380,699	70,272	-	450,971	254,870	58,927	-	313,797	137,174
Computers	1,296	98	65	1,329	780	224	(25)	1,029	300
Office equipment	294	236	8	522	72	83	(70)	225	297
Furniture and fixtures	212	9	-	221	76	29	(3)	108	113
Vehicles and aircraft	3,583	30	41	3,572	608	358	20	946	2,626
Leasehold improvements**	45	-	-	45	45	0	-	45	-
Total	401,059	71,226	157	472,128	266,162	61,081	(654)	327,897	144,231

** ₹ 18,079 is the depreciation for the year ended 31 March 2015

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

12.2. Fixed Assets - Intangible assets

As at 31 March 2016

Particulars	Gross block				Amortisation				Net block
	As at 01 April 2015	Additions	Sales/ adjustments	As at 31 March 2016	Upto 01 April 2015	For the year	Sales/ adjustments	Upto 31 March 2016	As at 31 March 2016
Goodwill	4,512	-	-	4,512	4,512	-	-	4,512	-
License fees	1,174	-	-	1,174	1,174	-	-	1,174	-
Software	3,715	19	-	3,734	2,615	315	-	2,930	804
Total	9,401	19	-	9,420	8,301	315	-	8,616	804

As at 31 March 2015

Particulars	Gross block				Depreciation				Net block
	As at 01 April 2014	Additions	Sales/ adjustments	As at 31 March 2015	Upto 01 April 2014	For the year	Sales/ adjustments	Upto 31 March 2015	As at 31 March 2015
Goodwill	4,512	-	-	4,512	4,512	-	-	4,512	-
License fees	1,174	-	-	1,174	1,174	-	-	1,174	-
Software	3,068	647	-	3,715	2,321	294	-	2,615	1,100
Total	8,754	647	-	9,401	8,006	294	-	8,301	1,100

12.3. Capital work in progress of ₹ 3,303 lacs (previous year ₹ 47,014 lacs) includes assets in transit of ₹ 385 lacs (previous year ₹ 5,777 lacs).

Footnotes:

- Additions/adjustments to gross block of consumer premises equipment (CPE) and plant and machinery include loss on account of foreign exchange fluctuations amounting to ₹ Nil (previous year ₹ 4,182 lacs), and ₹ Nil (previous year ₹ 10 lacs) respectively [also refer note 45a].
- Pursuant to the enactment of schedule II to the Companies Act, 2013, the management has changed the useful lives of the assets to compute depreciation to conform with its requirements. Had the Company continued with the previously assessed useful lives, charge for depreciation for the year ended 31 March 2015 would have been lower by ₹ 691 lacs and the profit before tax would have been higher by such amount. Further as provided under schedule II, the carrying amount of the assets (having gross block of ₹ 4,012 lacs and accumulated depreciation of ₹ 3,274 lacs as included in 'accumulated depreciation' column above) whose reassessed remaining useful life is Nil as at 31 March 2014 has been adjusted from the retained earnings.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

13. Non-current investments (Unquoted)

	As at 31 Mar 2016	As at 31 March 2015
Long term investments (at cost, unless specified otherwise)		
Trade investments		
Investments in equity instruments		
In subsidiary companies (fully paid up)		
Dish T V Lanka (Private) Limited	3	3
70,000 (previous year 70,000) equity shares of LKR 10, each fully paid up (also refer note 49).		
Dish Infra Services Private Limited (Formerly known as Xingmedia Distribution Private Limited)	11,801	11,801
118,010,000 (previous year 118,010,000) equity shares of ₹ 10, each fully paid up [also refer note 49].		
Others		
- Certificate of deposit	15,000	20,000
Represents deposits with SICOM Limited (a financial institution).		
	26,804	31,804
Aggregate book value of unquoted investments	26,804	31,804

14. Deferred Tax Assets

	As at 31 Mar 2016	As at 31 March 2015
Deferred tax assets on account of:		
Timing difference on fixed assets (depreciation and amortisation)	1,976	-
Provision for retirement benefits	279	-
Provision for doubtful debts	346	-
Expense to be allowed under income tax on deduction of TDS	85	-
Entertainment tax	1,854	-
Deferred Tax Assets (net)	4,540	-

15. Long-term loans and advances

(Unsecured and considered good, unless otherwise stated)

	As at 31 Mar 2016	As at 31 March 2015
Capital advances:	23	28
Security deposits:	786	738
Loans and advances to related parties [refer note 37d]	6,700	3,024
Others:		
Prepaid expenses	1,697	1,206
Income tax [net of provision of ₹ 260 lac (previous year ₹ nil)]	4,146	3,856
Other taxes paid under protest	1,538	2,553
	14,890	11,405

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

16. Other non-current assets

Deposits with banks with maturity period more than 12 months

As at 31 Mar 2016	As at 31 March 2015
219	1,663
219	1,663

17. Inventories

Stock-in-trade (at the lower of cost and net realisable value)
-Customer premises equipment related accessories and spares

As at 31 Mar 2016	As at 31 March 2015
-	987
-	987

18. Trade receivables

(Unsecured and considered good, unless otherwise stated)

Debts outstanding for a period exceeding six months

- Considered good
- Considered doubtful

Other debts

- Considered good

Provision for doubtful debts

As at 31 Mar 2016	As at 31 March 2015
2,740	1,638
998	76
3,675	4,730
7,413	6,444
(998)	(76)
6,415	6,368

19. Cash and bank balances

Cash and cash equivalents

Balances with banks :

- in current accounts #
- deposits with maturity of upto 3 months

Cheques, drafts on hand

Cash on hand*

Other bank balances

- deposits with maturity of more than 3 months ## (refer note 44)

As at 31 Mar 2016	As at 31 March 2015
1,700	10,854
6	383
268	336
0	8
22,534	30,912
24,508	42,493

* ₹ 40,590 as on 31 March 2016.

include ₹ 0.42 lacs (previous year ₹ 0.47 lacs) in share call money accounts in respect of rights issue.

includes unutilised proceeds of GDR Issue amounting to ₹ 12,525 lacs (previous year ₹ 27,570 lacs)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

20. Short-term loans and advances

(Unsecured and considered good, unless otherwise stated)

	As at 31 Mar 2016	As at 31 March 2015
Loans and advances to related parties [refer note 37d]		
- Security deposits	1,054	1,054
- Others	58,594	587
Others		
- Prepaid expenses	2,252	1,693
- Income tax receivable	-	494
- Advances to vendors, distributors, etc.	5,752	15,695
- Customs duty, service tax and sales tax, etc	1,771	6,496
- Security deposits	345	463
	69,768	26,482

Loans & advances to others includes amount due from companies in which directors of the Company are also directors:

Dish Infra Services Private Limited	58,581	200
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21. Other current assets

	As at 31 Mar 2016	As at 31 March 2015
Income accrued but not due on fixed deposits	37	64
Income accrued on investment *	0	0
Unamortised borrowing costs	19	1,809
Accrued gains on forward contracts	-	232
Unamortised premium on forward contracts	-	3
Unbilled revenue	-	48
	56	2,156

* ₹ 8,509 as on 31 March 2016 & ₹ 8,509 as on 31 March 2015

22. Revenue from operations

	For the year ended 31 March 2016	For the year ended 31 March 2015
Income from Direct to Home (DTH) subscribers		
- Subscription revenue	188,322	244,987
- Lease rentals	-	8,098
Teleport services	2,159	2,098
Bandwidth charges	10,075	8,101
Sales of customer premises equipment (CPE) and accessories	17,681	502
Advertisement income	4,518	4,165
Other operating income *	0	844
	222,755	268,795

* ₹ 16,269 as on 31 March 2016

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

23. Other income

	For the year ended 31 March 2016	For the year ended 31 March 2015
Interest income from		
- Non-current investments	2,125	2,066
- current investments	-	334
- fixed deposits/margin accounts	1,132	1,609
- others	603	653
Foreign exchange fluctuation (net)	1,629	296
Profit on sale of non-core business through slump sale (refer note 32)	358	-
Profit on redemption of units of mutual funds (non trade, current)	245	243
Liabilities written back	1,412	40
Miscellaneous income	343	227
	7,847	5,468

24. Changes in inventories of stock-in-trade (consumer premises equipments related accessories/ spares)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Opening stock	987	748
Less: Closing stock	-	987
	987	(239)

25. Operating expenses

	For the year ended 31 March 2016	For the year ended 31 March 2015
Transponder lease	15,078	15,088
License fees (refer note 39)	21,746	28,883
Uplinking charges	710	694
Programming and other costs	85,489	80,075
Entertainment tax	16,584	14,795
	139,607	139,535

26. Employee benefits expenses

	For the year ended 31 March 2016	For the year ended 31 March 2015
Salary, bonus and allowance	4,570	9,330
Contribution to provident and other funds	260	578
Staff welfare	58	83
Recruitment and training expenses	54	138
	4,942	10,129

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

27. Finance costs

	For the year ended 31 March 2016	For the year ended 31 March 2015
Interest on:		
- Debentures	-	1,237
- Term loans from banks	-	5,145
- Buyer's credits from banks	-	1,866
- Regulatory dues (refer note 39)	8,211	6,855
- Others	255	337
Other borrowing costs	121	2,098
	8,587	17,538

28. Other expenses

	For the year ended 31 March 2016	For the year ended 31 March 2015
Electricity charges	368	590
Rent	232	897
Repairs and maintenance		
- Plant and machinery	163	186
- Consumer premises equipments	56	1,380
- Building	14	30
- Others	177	379
Insurance	29	62
Rates and taxes	43	83
Legal and professional fees	1,583	1,684
Director's sitting fees	17	15
Printing and stationary	50	252
Communication expenses	892	978
Travelling and conveyance	199	1,342
Service and hire charges	389	978
Advertisement and publicity expenses	7,265	5,438
Business promotion expenses	31	3,921
Customer support services	-	8,519
Commission	43	15,518
Service Fees	3,608	-
Freight, cartage and demurrage	3	2
Bad debts written off	89	3
Provision for doubtful debts	922	-
Loss on sale/discard of fixed assets	2	13
Loss on sale/ discard of capital work-in-progress	106	2,334
Miscellaneous expenses	577	414
	16,858	45,018

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

29. Value of imports on CIF basis

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Capital equipment	12,710	59,400
CPE and it'srelated accessories and spares	9,183	333
Total	21,893	59,733

30. Expenditure in foreign currency (accrual basis)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Programming and other cost	2,357	6,345
Professional and consultancy charges	-	62
Travelling expenses	20	10
Finance expenses	-	1,866
Others	76	142

31. Earnings in foreign currency (accrual basis)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Interest income	1,518	1,303
Bandwidth charges	916	881
Subscription income{Refer note 46 (d)}	15,781	14,722
Others	49	108

- 32. a)** Pursuant to resolution approved by shareholder through postal ballot on 3 February 2015 the Company had entered into Business transfer agreement (dated 25 February 2015) with Dish Infra, for transfer of its Non-core business on 'Slump Sale' basis w.e.f.1 April 2015.As per the terms of the agreement Dish Infra undertook following activities of the Company providing support services for satellite based communication services, broadcasting content services, management of hard assets like CPEs and their installation, value added services, etc.
- b)** As per the Valuation Report obtained from Independent valuers, the Enterprise value of Non-core Business was valued at ₹ 165,961 Lacs and the Company has received cash consideration amounting to ₹ 507 lacs from Dish Infra Services Private Limited, which is arrived after adjusting Closing Net Debt and difference between Closing Working Capital and Base Working Capital on the Transfer Date. The surplus arising on slump sale of Non-core Business is ₹358 lacs as included in the financial statements under note 23.

Following assets and liabilities have been transferred from Dish TV India Limited to Dish Infra Services Private Limited w.e.f. 1 April 2016

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

Particulars	Amount (₹)
Non-current assets	
Fixed assets:-	
Tangible assets	1,28,215
Capital work-in-progress	45,196
Long-term loans and advances	9,700
Other non-current assets	1,637
Total non-current assets (A)	1,84,748
Current assets	
Inventories	987
Trade receivables	17
Cash and bank balances	3,323
Short-term loans and advances	10,486
Other current assets	2,044
Total current Assets (B)	16,857
Total assets (C=A+B)	2,01,605
Non-Current liabilities	
Long-term provisions	765
Current liabilities	
Short-term borrowings	4,795
Trade payables	458
Other current liabilities	1,94,755
Short-term provisions	683
Total liabilities (D)	2,01,456
Net asset value (C-D)	149

- c) The transfer of the Non-core Business have been considered as discontinuing operations in accordance with the requirement of the Accounting Standard - 24 'Discontinuing Operations' (AS-24) specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules 2014 as amended.

Particular	For the year ended 31 March 2015
Revenue (net of collection charges)	98,006
Expenditure	99,158
Loss before tax	1,152
Loss after tax	1,152
Total Assets	200,710
Total Liabilities	200,560
Cash flow (used in)/from Operating activities/ Investing activities/ Financing activities	(*)

* As per the practice followed by the Company for preparation of its financial statements for financial reporting purposes, its present system of maintenance of books of account and other relevant records do not provide clearly identifiable cash flow from operating activities/Investing activities/financing activities and hence the same has not been disclosed above.

- d) In reference to term loan and Buyers credit related to non-core business, the Company had entered into novation agreement with banks to transfer its debt to its subsidiary company Dish Infra Services Private Limited w.e.f 1 April 2015.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

33. The Board of Directors at their meeting held on 23 May, 2016 had approved adjustment of entire securities premium account against the accumulated losses, through Capital reduction under section 100 to 104 of The Companies Act, 1956 read with section 52 of The Companies Act, 2013.

Accordingly, Securities Premium amounting to ₹ 154,340 lacs as on 31 March 2016 shall be adjusted against deficit in the Statement of Profit & Loss account subject to regulatory approval including approval of shareholders, post which process of approval of jurisdictional High Court shall be initiated.

34. Employee stock option plan (ESOP) 2007

At the Annual General Meeting held on 3 August 2007, the shareholders of the Company had approved Employee Stock Option Plan, i.e., ESOP 2007 ("the Scheme"). The Scheme provided for issuance of 4,282,228 stock options (underlying fully paid equity share of ₹ 1 each) to the employees of the Company as well as that of its subsidiaries of the Company at the exercise price which shall be equivalent to the market price determined as per the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ['SEBI (ESOP) Guidelines, 1999'].

The options granted under the Scheme shall vest between one year to six years from the date of grant of options, with 20% vesting each year. Once the options vest as per the Scheme, they would be exercisable by the grantee at any time within a period of four years from the date of vesting and the shares arising on exercise of such options shall not be subject to any lock-in period.

The shareholders in their meeting held on 28 August 2008 approved the re-pricing of outstanding options which were granted till that date and consequently the outstanding options were re-priced at ₹ 37.55 per option, determined as per SEBI (ESOP) Guidelines, 1999.

However, in respect of options granted subsequent to 28 August 2008, the exercise price of the options has been maintained as equivalent to the market price determined as per the SEBI (ESOP) Guidelines, 1999.

As stated above, the options are granted to the employees at an exercise price, being the latest market price as per SEBI (ESOP) Guidelines, 1999. Further, since the Company follows intrinsic value method for accounting of the above options, there is no charge in the Statement of Profit and Loss.

The activity relating to the options granted and movements therein are set out below:

Particulars	For the year ended 31 March 2016 (Nos.)	For the year ended 31 March 2015 (Nos.)
Options outstanding at the beginning of the year	840,740	1,323,940
Add: Options granted	153,200	207,500
Less: Exercised	293,250	616,820
Less: Lapsed	244,840	73,880
Options outstanding at the end of the year	455,850	840,740

The following table summarizes information on the share options outstanding as of 31 March 2016:

Particulars	Date of grant	Number of shares remaining out of options	Remaining contractual life (year)	Exercise price (₹)
Lot 1	21 August 2007	19,440	1.39	37.55*
Lot 2	24 April 2008	-	-	-
Lot 3	28 August 2008	3,000	1.91	37.55*
Lot 4	28 May 2009	8,000	3.16	47.65

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

Particulars	Date of grant	Number of shares remaining out of options	Remaining contractual life (year)	Exercise price (₹)
Lot 5	27 October 2009	-	-	-
Lot 6	26 October 2010	-	-	57.90
Lot 7	21 January 2011	-	-	58.95
Lot 8	20 July 2011	40,000	3.31	93.20
Lot 9	19 July 2012	-	-	-
Lot 10	23 May 2013	136,970	5.77	68.00
Lot 11	26 July 2013	24,000	6.32	57.10
Lot 12	27 May 2014	36,320	6.66	52.90
Lot 13	29 October 2014	34,320	7.08	55.80
Lot 14	20 March 2015	63,800	6.97	79.35
Lot 15	26 May 2015	40,000	7.16	84.90
Lot 16	28 July 2015	50,000	7.33	117.75
Options outstanding at the end of the year		455,850	5.96 [#]	74.19 [#]

The following table summarizes information on the share options outstanding as of 31 March 2015:

Particulars	Date of grant	Number of shares remaining out of options	Remaining contractual life (year)	Exercise price (₹)
Lot 1	21 August 2007	47,180	1.98	37.55*
Lot 2	24 April 2008	-	-	-
Lot 3	28 August 2008	4,500	2.41	37.55*
Lot 4	28 May 2009	61,070	3.77	47.65
Lot 5	27 October 2009	-	-	-
Lot 6	26 October 2010	68,760	4.73	57.90
Lot 7	21 January 2011	189,480	5.00	58.95
Lot 8	20 July 2011	40,000	4.31	93.20
Lot 9	19 July 2012	-	-	-
Lot 10	23 May 2013	193,550	6.15	68.00
Lot 11	26 July 2013	84,100	6.51	57.10
Lot 12	27 May 2014	45,400	7.16	52.90
Lot 13	29 October 2014	42,900	7.58	55.80
Lot 14	20 March 2015	63,800	7.97	79.35
Options outstanding at the end of the year		840,740	5.56 [#]	61.32 [#]

* re-priced as per Shareholders' approval on 28 August 2008. Refer note above
on a weighted average basis.

As permitted by the Guidance Note on accounting for Employee Share - based Payment, issued by the Institute of Chartered Accountants of India, the Company has elected to account for stock options based on their intrinsic value (i.e., the excess of fair market value of the underlying share over the exercise price) at the grant date rather than their fair value at that date. Had the compensation cost for employee stock options been determined on the basis of the fair value method as described in the said Guidance Note, the impact on the Company's net profit after tax and basic/diluted earnings per share would have been as stated below.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

Particulars	For the year ended 31 March 2016 (Nos.)	For the year ended 31 March 2015 (Nos.)
Profit for the year	41,992	101
Additional compensation cost*	46	62
Profit after additional expenses	41,946	39
Decrease in profit rupees per share	0.004	0.006

* Additional compensation cost had the Company recorded employee stock option expenses based on the fair value of option (using black scholes method)

For purposes of the above proforma disclosures, the fair values are measured based on the Black-Scholes-Merton formula. Expected volatility, an input in this formula, is estimated by considering historic average share price volatility. The inputs used in the measurement of grant-date fair values are as follows:

Particulars	As at 31 Mar 2016		As at 31 Mar 2015		
	26 May 2015	28 Jul 2015	27 May 2014	29 Oct 2014	20 Mar 2015
Date of grant					
Number of options granted	80,000	73,200	100,800	42,900	63,800
Fair value on grant date (₹ per share)	39.97	55.14	26.71	27.54	37.27
Share price at grant date (₹ Per share)	84.90	117.75	52.90	55.80	79.35
Expected volatility (%)	39.92	39.49	43.76	42.44	47.93
Expected life (no. of years)	5.01	5.01	5.00	5.00	5.00
Expected dividends (in %)	-	-	-	-	-
Risk-free interest rate (in %)(based on government bonds)	7.84	7.84	8.63	8.57	8.57

35. Disclosure pursuant to Accounting Standard 15 on “Employee Benefits”

Defined contribution plans

An amount of ₹ 240 lacs (previous year ₹ 525 lacs) and ₹ 1lac (previous year ₹ 2 lacs) for the year, have been recognized as expenses in respect of the Company’s contributions to Provident Fund and Employee’s State Insurance Fund respectively, deposited with the government authorities and have been included under “Employee benefits expenses”.

Defined benefit plans

Gratuity is payable to all eligible employees of the Company on superannuation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act or as per the Company’s Scheme, whichever is more beneficial.

The following table sets forth the status of the gratuity plan of the Company and the amounts recognised in the Balance Sheet and Statement of Profit and Loss:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Changes in present value of obligation		
Present value of obligation as at the beginning of the year	954	936
Interest cost	73	75
Current service cost	101	231
Benefits paid	(128)	(91)
Actuarial loss/(gain) on obligation	10	(197)
Acquisition adjustment (net)	(481)	-
Present value of obligation as at the end of the year	<u>529</u>	<u>954</u>
Short term	<u>20</u>	<u>525</u>
Long term	<u>509</u>	<u>429</u>
	<u>529</u>	<u>954</u>
Expenses recognized in the Statement of Profit and Loss		
Current service cost	101	231
Interest cost on benefit obligation	73	75
Net actuarial loss/(gain) recognised in the year	10	(197)
Expenses recognised in the Statement of Profit and Loss	<u>184</u>	<u>109</u>

The principal assumptions used in determining gratuity for the Company's plans are shown below:

Particulars	As at 31 March 2016	As at 31 March 2015
Discount rate	8%	7.75%
Salary escalation rate (per annum)	10.50%	10%
Withdrawal rates		
Age - Upto 30 years	13%	13%
31-44 years	2%	2%
Above 44 years	1%	1%
Mortality rate	IALM (2006-08)	IALM (2006-08)

Discount rate: The discount rate is estimated based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligation.

Salary escalation rate: The estimates of salary increases, considered in actuarial valuation, take account of inflation, promotion and other relevant factors.

Experience adjustment:

Particulars	As at 31 March 2012	As at 31 March 2013	As at 31 March 2014	As at 31 March 2015	As at 31 March 2016
Plan projected benefit obligation (PBO)	660	832	936	954	529
Plan assets	-	-	-	-	-
Net liability	(660)	(832)	(936)	(954)	(529)
Experience adjustment on PBO-Gain (Loss)	16	73	105	233	7

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

36. Segmental information

The Company is in the business of providing Direct to Home ('DTH') and teleport services primarily in India. As the Company's business activity primarily falls within a single business and geographical segment, disclosures in terms of Accounting Standard 17 on "Segment Reporting" are not applicable.

37. Related party disclosures

- a) **Related parties where control exists:** Subsidiary companies:
 Dish T V Lanka (Private) Limited.
 Dish Infra Services Private Limited (formerly known as Xingmedia Distribution Private Limited)

b) **Other related parties with whom the Company had transactions:**

Key management personnel	Mr. Jawahar Lal Goel
Relative of key management personnel	Mr. Gaurav Goel
Enterprises over which key management personnel/ their relatives have significant influence	ATL Media Limited (Formerly known as Asia Today Limited) Cyquator Media Services Private Limited (referred to as Cyquator) Diligent Media Corporation Limited Direct Media Distribution Ventures Private Limited E-City Property Management & Services Private Limited E-City Bioscope Entertainment Private Limited Essel Agro Private Limited Essel Corporate Resources Private Limited ITZ Cash Card Limited Interactive Financial & Trading Services Private Limited Media Pro Enterprise India Private Limited Maurya TV Private Limited PAN India Network Infravest Limited (formerly known as PAN India Network Infravest Private Limited) PAN India Network Limited Procall Private Limited Rama Associates Limited Sprit Textiles Private Limited Taj Television (India) Private Limited Zee Akaash News Private Limited ZEE Digital Convergence Limited Zee Entertainment Enterprises Limited ZEE Media Corporation Limited (formerly known as Zee News Limited)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

c) Transactions during the year with related parties:

Particulars	For the year ended 31 March 2016		For the year ended 31 March 2015	
	Total amount	Amount for major parties	Total amount	Amount for major Parties
(i) With key management personnel	93		90	
Managerial remuneration#		93		90
(ii) Remuneration to other relative	67		41	
Remuneration#		67		41
(iii) With subsidiary companies				
Interest received	517		250	
Dish T V Lanka (Private) Limited		506		250
Dish Infra Services Private Limited (@ ₹ 6,849)		11		@
Revenue from operations and other income (net of Taxes)	18,526		-	-
Dish T V Lanka (Private) Limited		25		-
Dish Infra Services Private Limited		18,501		-
Purchase of goods & services	3,600		-	
Dish Infra Services Private Limited		3,600		-
Sale of assets and liability (net consideration)	507		-	
Dish Infra Services Private Limited		507		-
Reimbursement of expenses paid	7,343		-	
Dish Infra Services Private Limited		7,343		-
Short term/long term loans made	3,902		675	
Dish T V Lanka (Private) Limited		2,842		475
Dish Infra Services Private Limited		1,060		200
Repayment of short-term loans advances	1,260		-	
Dish Infra Services Private Limited		1,260		-
Short-term advance made	10,266		-	
Dish Infra Services Private Limited		10,266		-
Refund received against short-term advance	532		-	
Dish Infra Services Private Limited		532		-
Collection on behalf of company (net)	186,881		-	
Dish Infra Services Private Limited		186,881		-
Remittance received out of collections on behalf of company (net)	138,033		-	
Dish Infra Services Private Limited		138,033		-
(iv) With other related parties:				
Revenue from operations and other income (net of taxes)	3,104		3,446	
Zee Entertainment Enterprises Limited		1,623		1,915
ZEE Media Corporation Limited		1,058		855
Zee Akaash News Private Limited		223		223
Other related parties		200		453

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

Particulars	For the year ended 31 March 2016		For the year ended 31 March 2015	
	Total amount	Amount for major parties	Total amount	Amount for major Parties
Purchase of goods and services	22,223		36,076	
Zee Entertainment Enterprises Limited		467		83
ITZ Cash Card Limited		-		2,163
Taj Television (India) Private Limited		20,257		13,700
Cyquator		-		8,519
Media Pro Enterprise India Private Limited		-		10,650
Other related parties		1,499		961
Purchase of fixed assets	-		3	
ZEE Media Corporation Limited		-		3
Rent paid	205		333	
Zee Entertainment Enterprises Limited		157		285
Rama Associates Limited		48		48
Interest received	-		4	
Essel Agro Private Limited		-		4
Reimbursement of expenses paid	448		643	
Zee Entertainment Enterprises Limited		374		551
E-City Bioscope Entertainment Pvt. Ltd.		74		92
Short-term loans and advances made	21		2,587	
ITZ Cash Card Limited		-		1,689
Cyquator		9		782
E-City Bioscope Entertainment Private Limited		12		-
Essel Corporate Resources Private Limited		-		116
Others related parties (@ ₹.7,730)		-		@
Security deposit given	-		1,000	
Rama Associates Limited		-		1,000
Refunds received against short-term loans and advances	9		7,831	
ITZ Cash Card Limited (^ ₹ 720)		^		1,788
Cyquator		9		3,691
Essel Agro Private Limited		-		2,236
Essel Corporate Resources Private Limited		-		116
Refund received against loans and advances	-		2,500	
Cyquator		-		2,500

since an actuarial valuation is done for gratuity and compensated absences for the Company as a whole, detail of contribution in respect of each individual are not available for the computation of remuneration.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

d) Balances at the year end:

Particulars	As at 31 March 2016		As at 31 March 2015	
	Total amount	Amount for major parties	Total amount	Amount for major Parties
With subsidiary companies:				
Investments	11,804		11,804	
Dish T V Lanka (Private) Limited		3		3
Dish Infra Services Private Limited		11,801		11,801
Short-term deposit received	58		55	
Dish T V Lanka (Private) Limited		58		55
Long-term loans and advances	6,700		3,024	
Dish T V Lanka (Private) Limited		6,700		3,024
Short-term loans and advances	58,581		200	
Dish Infra Services Private Limited		58,581		200
With other related parties:				
Short-term loans and advances	13		388	
ITZ Cash Card Limited & (₹ ₹ 1,818)		₹		387
Interactive Financial & Trading Services Private Limited		1		1
E-City Bioscope Entertainment Private Limited		12		-
Security deposit given	1,054		1,054	
Zee Entertainment Enterprises Limited		54		54
Rama Associates Limited		1,000		1,000
Trade payables (including provisions)	2,702		1,650	
Zee Entertainment Enterprises Limited		341		99
Cyquator		-		203
Taj Television (India) Private Limited		1,646		1,290
Other related parties		715		58
Trade receivables (including accruals)	1,345		1,304	
Asia Today Limited		21		18
ZEE Media Corporation Limited		678		233
Zee Entertainment Enterprises Limited		372		725
Zee Akaash News Private Limited		59		55
Maurya TV Private Limited		215		215
Others related parties		-		58

* The balance amount of ₹ 387 Lacs is transferred to Dish Infra Services Private Limited pursuant to Business Transfer Agreement on 1 April 2015 (refer note 32).

e) Guarantees etc. given by related parties in respect of secured loans:-

- As at 31 March 2016, personal guarantees by key managerial personal amounting to ₹ Nil (previous year ₹ 30,000 lacs) and corporate guarantee by Sprit Textiles Private Limited amounting to ₹ Nil (previous year ₹ 30,000 lacs) are outstanding as at the year end.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

- ii) As at 31 March 2016, corporate guarantee by Direct Media Distribution Ventures Private Limited amounting to ₹ Nil (previous year ₹ 60,000 lacs) are outstanding at the year end.
- iii) As at 31 March 2016, corporate guarantee given on behalf of Dish Infra Service Private Limited amounting to ₹ 2,34,083 lacs (previous year ₹ Nil) are outstanding at the year end.

38. Leases

a) Obligation on operating lease:-

The Company's significant leasing arrangements are in respect of operating leases taken for offices, residential premises, transponder, etc. These leases are cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessee and the lessor. The initial tenure of the lease generally is for 11 months to 69 months. The details of assets taken on operating leases during the year are as under:

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Lease rental charges during the year	15,574	16,265
Sub-lease payment received (being shared cost)	889	890

b) Assets given under operating lease-

The Company has leased out assets by way of operating lease. The gross book value of such assets at the end of the year, their accumulated depreciation and depreciation for the year are as given below:

Particulars	As at 31 March 2016	As at 31 March 2015
Gross value of assets	-	289,482
Accumulated depreciation	-	264,906
Net block	-	24,576
Depreciation for the year	-	32,341

During the year ended 31 March 2016, Company had transferred entire block of assets given under the operating lease to Dish Infra Services Private Limited on 1 April 2015. (Refer note 32)

The lease rental income recognised in the previous year in respect of non-cancellable operating leases and minimum obligations on long term non-cancellable operating lease receivable as per the rentals stated in the agreements are as follows:

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Lease rental income recognised during the year	-	8,098

Particulars	Total future minimum lease rentals receivable as at 31 March 2016	Total future minimum lease rentals receivable as at 31 March 2015
Within one year	-	@
Later than one year and not later than five years	-	-

@ amount of ₹ 5,446 lacs has been transferred to Dish Infra on 1 April 2015. (Refer note 32).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

- 39. a)** The Company has been making payment of license fee to the Ministry of Information and Broadcasting considering the present legal understanding. However, in view of the ongoing dispute (refer note (b) below), the Company has made provision on a conservative basis considering the terms and conditions of the License given by the Regulatory Authority.-

Provision for regulatory dues (including interest)

Particulars	As at 31 March 2016	As at 31 March 2015
Opening provision	105,047	83,553
Add: Created during the year	29,201	34,980
Less: payment during the year	14,977	13,486
Closing provision	119,271	105,047

The outflow of economic benefits with regard to the disputed portion would be dependent on the final decision by the Regulatory Authority. Presently, it has been considered under the 'Short-term provisions'.

- b)** The Company has filed Petition [205(C) of 2014] before the Hon'ble Telecom Disputes Settlement & Appellate Tribunal (TDSAT) against Union of India challenging the propriety and legality of the demand of ₹ 62,420 lacs including interest of ₹ 15,967 lacs raised by the Ministry of Information and Broadcasting (MIB) by way of a demand letter dated 19 March 2014 towards alleged short payment of license fee for the period 2003-2004 to 2012-2013. In the Demand Notice it has been alleged that out of the total license fee payable on the gross revenue earned by the Company which amounts to ₹ 82,180 Lacs (including interest of ₹ 15,967 lacs), the Company has already made payment of ₹ 35,727 lacs and as such there is a short payment of ₹ 46,553 lacs. The TDSAT has granted a stay on the operation of the aforementioned demand notice. The MIB has filed its reply to the present petition. The matter came up for hearing before the TDSAT on 24 February 2015 along with similar matters filed by other DTH operators. Upon hearing the parties, the TDSAT was pleased to adjourn the hearing in all the matters till the time the appeals related to License Fee which are pending before Hon'ble Supreme Court are finally decided by the Hon'ble Supreme Court. On 27 August 2015 upon mention this matter was taken up by the Hon'ble Supreme Court and the matter were disposed off against the DTH operators and in favour of the Union of India. Post this TDSAT would decide the petitions filed before it including this petition filed by Dish TV upon listing before it. The matters have not been taken up by the Hon'ble Tribunal yet.

40. Auditors' remuneration

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
As auditors		
- Statutory audit	51	31
- Limited review of quarterly results	21	19
- Certifications	5	8
In other capacity		
- Others	15	39
Reimbursement of expenses	1	8
Total	93	105

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

41. Earnings per share

Reconciliation of basic and diluted shares used in computing earnings per share

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Profit for the year attributable to equity shareholders (in ₹ lacs)	41,992	101
Number of shares considered as weighted average shares outstanding for computing earnings per share	1,065,746,554	1,065,060,463
Nominal value per share (in ₹)	1	1
Basic/Diluted earnings per share (in ₹)	3.94	0.01

42. Deferred tax assets (net)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Deferred tax liability on account of:		
- Unrealised foreign exchange loss (gain)\	-	33
Deferred tax assets on account of:		
- Timing difference on fixed assets (depreciation and amortisation)	1,976	37,773
- Unabsorbed depreciation and tax losses	-	13,326
- Provision for retirement benefit	279	522
- Demerger expenses as per section 35DD	-	2
- Provision for doubtful debts	346	-
- Expense to be allowed under income tax on deduction of TDS	85	-
- Entertainment expenses	1,854	-
Deferred tax assets (net)	4,540	51,590
Recognised in the financial statements	4,540	-

During the current year the Company had recognised deferred tax on account of reasonable certainty that sufficient future taxable income will be available. In absence of virtual certainty with convincing evidence of realisation, in previous year, deferred tax assets had not been recognised.

43. Rights issue

The Company during the financial year ended 31 March 2009 issued 518,149,592 equity shares of ₹ 1 each at a premium of ₹ 21 per share for cash to the existing equity shareholders on the record date. The terms of payment were as under:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

Particulars	Total amount due (per share)	Towards face value (per share)	Towards securities premium (per share)	Total amount	Due on (from the date of allotment, at the option of the Company)	Date of making the Call
	(₹)	(₹)	(₹)	(in ₹ lacs)		
On application	6.00	0.50	5.50	31,089	Along with application	Not applicable
On first call	8.00	0.25	7.75	41,452	After 3 months but within 9 months	The Board at its meeting held on 18 June 2009 decided to make the First Call, payable on or before 31 July 2009*
On second and final call	8.00	0.25	7.75	41,452	After 9 months but within 18 months	The Board at its meeting held on 22 January 2010 decided to make the Second and Final Call, payable on or before 1 March 2010*
Total	22.00	1.00	21.00	113,993		

* Shareholders are entitled to make the call payment after due date with simple interest @ 8% p.a.

Upto the financial year ended 31 March 2016, the Company has received ₹ 31,089 lacs (previous year ₹ 31,089 lacs) towards the application money on 518,149,592 (previous year 518,149,592) equity shares issued on Rights basis; ₹ 41,450 lacs (previous year ₹ 41,450 lacs) towards the first call money on 518,130,477 (previous year 518,119,640) equity shares; and ₹ 41,450 lacs (previous years ₹ 41,448 lacs) towards the second and final call money on 518,115,094 (previous year 518,097,647) equity shares.

The Company has also received ₹ 0.42 Lacs (previous year ₹ 0.47 lacs) towards first call and/or second and final call. Pending completion of corporate action, the amount has been recorded as Share call money pending adjustments under 'Other long term liabilities'.

The utilisation of Rights Issue proceeds have been in accordance with the revised manner of usage of Rights Issue proceeds, as approved by the Board of Directors of the Company, in their meeting held on 28 May 2009. The utilization of the Rights Issue proceeds as per the revised usage aggregating to ₹ 113,989 lacs (previous year ₹ 113,986 lacs) is as under. The monitoring agency, IDBI Bank Limited, has issued its report dated 1 February 2016 on utilization of the Rights Issue proceeds upto 31 December 2015.

The details of utilisation of Rights Issue proceeds by the Company, on an overall basis, are as below:

Particulars	Upto 31 March 2016	Upto 31 March 2015
Amount utilized		
Repayment of loans	28,421	28,421
Repayment of loans, received after right issue launch	24,300	24,300
General corporate purpose/ operational expenses	34,723	34,720
Acquisition of Consumer Premises Equipment (CPE)	26,000	26,000
Right issue expenses	545	545
Total money utilized	113,989	113,986

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

44. Issue of Global Depository Receipts (GDR Issue):-

Pursuant to the approvals obtained by the Company and in accordance with the applicable laws including the Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipts Mechanism) Scheme, 1993, as amended, the Global Depository Receipt (GDR) Offer of the Company for 117,035 GDRs opened for subscription on 23 November 2009 at a price of US \$ 854.50 per GDR, each GDR representing 1000 fully paid equity shares. The pricing of the GDR, as per the pricing formula prescribed under Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Mechanism) Scheme, 1993, as amended, was ₹ 39.80 per fully paid equity share and the relevant date for this purpose was 23 November 2009.

Upon opening, the GDR issue for USD 1,000lacs (approx) was fully subscribed and the Company received USD1,000lacs (approx), towards the subscription money. Upon receipt of the subscription money, the Issue Committee of the Board at its meeting held on 30 November 2009, issued and allotted 117,035,000 fully paid equity shares @ ₹ 39.80 per fully paid equity share to M/s Deutsche Bank Trust Company Americas (being the depository) in lieu of the Global Depository Receipts issued. The GDR's were listed at the Luxembourg Stock Exchange.

During the year ended 31 March 2016, 85,035 GDRs were sold into the domestic market and converted into 85,035,000 equity shares of Re 1 each by the holder and accordingly GDR outstanding thereafter are nil.

The detail of utilisation of GDR proceeds by the Company, on an overall basis, is as below:-

Particulars	Upto 31 March 2016	Upto 31 March 2015
Amount utilized		
Acquisition of fixed assets including CPEs	7,670	7,670
GDR issue expenses	345	345
Advance against share application money given to subsidiaries	56	56
Repayment of bank loan	755	755
Operational expenses including interest payments, bank charges and exchange fluctuation	38,899	21,819
Total	47,725	30,645
Less: interest earned	(440)	(440)
Total (A)	47,285	30,205
Unutilised amount lying with:		
Balance with bank in fixed deposit in foreign currency	12,525	27,570
Total (B)	12,525	27,570
Total (A+B)	59,810	57,775

45. Foreign currency transactions

- a) In accordance with the Accounting Standard 11 (AS-11) and related notifications, the foreign currency exchange gain/(loss) of ₹ Nil has been adjusted (previous year foreign currency exchange loss of ₹ 4,192 lacs) in the value of fixed assets and the foreign currency exchange gain/(loss) of ₹ Nil lacs (previous year foreign currency exchange gain of ₹ 792 lacs) in the capital work in progress.
- b)
 - i) The Company has outstanding Derivative/forward contracts of US Dollars Nil (previous year US Dollar 339 lacs) which will be settled at future date. These derivative contracts are for the repayment of Buyers' credit loans.
 - ii) Foreign currency transactions outstanding as on the balance sheet date that are not hedged by derivative instruments or otherwise are as under.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

(Amount in lacs)

Particulars	As at 31 March 2016						As at 31 March 2015	
	Amount in AUD	Amount in ₹	Amount in EURO	Amount in ₹	Amount in USD	Amount in ₹	Amount in USD	Amount in ₹
Balances with bank	-	-	-	-	189	12,525	440	27,570
Loans and advances given	10	1	1	66	102	6,748	49	3,043
Receivables	-	-	-	-	62	4,102	44	2,764
Loans and borrowings#	-	-	-	-	-	-	1,210	75,762
Advances/deposits received	-	-	-	-	1	58	1	55
Trade Payable	-	-	-	-	122	8,118	233	14,609

@ amount in AUD 1,322

includes interest accrued

46. Contingent liabilities and commitments

a) Contingent liabilities

Particulars	As at 31 March 2016	As at 31 March 2015
Claims against the Company not acknowledged as debt	489	489
Income-tax (refer note 46b)	362	225
Sales tax and Value Added tax	4,581	2,053
Customs duty	795	795
Service tax*	7,195	7,195
Wealth tax	2	2
Entertainment tax (refer note 46c)	11,069	1,828
Guarantees issued on behalf of subsidiary	234,083	-
Legal cases including from customers against the Company	Unascertained	Unascertained

* Penalty not ascertainable.

- b)** In the earlier years, the Company had received demand notices for TDS and interest thereon amounting to ₹ 760 lacs (excluding penalty levied, if any) relating to matters pertaining to alleged short deduction of tax at source on certain payments for the Assessment Year's 2009-10 to 2013-14. In respect of the demand received the Company had made payment under protest of ₹ 687 lacs out of which ₹ 141 lacs have been paid in the current year and remaining was paid in the previous years. Further, the amount paid under protest have been provided for in the books. Accordingly, the remaining amount, has been included under the head contingent liabilities above. The Company had disputed the matters and had filed an appeal against the above said demand with the tax authorities.
- c)** The Company has received notices in various States on applicability of Entertainment Tax. The Company has contested these notices at various Appellate Forums/ Courts and the matter is subjudice.
- d)** The Company has earned subscription income from overseas and is evaluating the related compliances and adjustments, if any.
- e)** (i) The management believes that it is appropriate to prepare these financial statements on a 'going concern' basis, for the following reasons.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

The Company's DTH license was valid upto 30 September 2013. Since the DTH license was expiring on said date, company has requested to MIB for renewal of the aforementioned DTH license. On recommendation TRAI, MIB has extended the validity for an interim period of one year (i.e. with validity till 30 September 2014) on existing terms and condition. The Company received a communication dated 27 January 2016 from the MIB in connection with certain set of requirements for interim renewal of the DTH License of the Company inter alia requiring the Company to furnish a fresh Performance Bank guarantee of ₹ 40 Crores and to furnish an undertaking to honour the financial obligation arising from change, if any, in policy governing the DTH License. The company has complied with the requirements of the said letter. According to management, no significant financial impact is expected in this regard.

(ii) During the year Company is making profit and also the net worth of the Company is positive.

f) Commitments

Particulars	As at 31 March 2016	As at 31 March 2015
Estimated amount of contracts remaining to be executed on capital account (net of advance)	203	26,309

g) The Company had paid certain amount (under protest) to various statutory authorities arising out of indirect taxes demand made by the government which have been challenged before various authorities / courts. Post necessary approvals, the Company had entered into a Business Transfer Agreement dated 25 February 2015 with its wholly owned subsidiary viz. Dish Infra Services Private Limited for transfer of its Non-core business on a slump sale basis. Pursuant to the said agreement, effective from 1 April 2015, the Company transferred the above mentioned amount to Dish Infra Services Private Limited. Accordingly, the Company shall not have any liability towards the above mentioned matters.

47. Bank balances include:-

Particulars	As at 31 March 2016	As at 31 March 2015
Provided as security to Government authorities.	14	15
Held as margin money for bank guarantees	678	2,634

48. During the financial year 2011-12, the Company migrated from the fixed fee agreement with ESPN Software India Private Limited (ESPN) to the Reference Interconnect Offer (RIO) based agreement for its content fees. Upon refusal by the ESPN to the said migration, the Company approached the Telecom Dispute Settlement Appellate Tribunal (TDSAT). The TDSAT, vide its judgment dated 10 April 2012, allowed the Company to pay the content fees to ESPN w.e.f. 1 September 2011 on the basis of RIO rates published by ESPN and also allowed the Company a refund of any amount representing the difference between the amount paid by the Company as per the fixed fee agreement and the amount payable under the RIO rates w.e.f. 1 September 2011. ESPN filed a Special Leave Petition before the Hon'ble Supreme Court. The Hon'ble Supreme Court, vide its order dated 17 July 2012 refused to grant interim stay on the order of the Hon'ble TDSAT. The said appeal is still pending before the Hon'ble Supreme Court.

Further, a petition was filed by the Company against ESPN in TDSAT against the public notices dated 5 November 2012 and 12 November 2012 issued by them for disconnection of their channels from Dish TV DTH platform. TDSAT vide its order dated 23 November 2012 granted an interim stay on the operation of the said notices and subsequently, vide judgment dated 25 April 2014 has held that the manner of distribution of channels by Dish TV was as per the regulations. It has directed the parties to conduct a reconciliation in terms of the said judgment. ESPN filed an appeal before the Hon'ble Supreme Court. Vide order dated 09 May 2014, no stay against Dish TV was granted by the Hon'ble Supreme Court. The said appeal is still pending before the Hon'ble Supreme Court.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

49. Particulars of loans, guarantee or investment under section 186 of the Companies Act 2013.

The Company has provided following loans, guarantee or investment pursuant to section 186 of Companies Act, 2013.

Name of the entity	As at 31 March 2015	Given	Repaid	As at 31 March 2016
Loan given:				
Dish T V Lanka (Private) Limited (includes foreign currency realignment and interest accrued till date of ₹ 1,224 lacs)	3,024	3,676	-	6,700
Dish Infra Services Private Limited	200	1,060	1,260	-

Note

All the loans are provided for business purposes of respective entities.

Security or guarantee against loan

During the current year Company has given guarantees on behalf of Dish Infra Services Private Limited to various banks amounting to ₹ 234,083 lacs (Previous year ₹ Nil) for loan facility obtained by Dish Infra Services Private Limited.

Investment

There are no investments by the Company other than those stated under Note 13 in the Financial Statements.

50. During the previous year ended 31 March 2015, the Company had issued 200 numbers of debentures having face value of ₹ 100 lacs each with a coupon rate 12.40 % per annum and with a legal maturity of 3 years.

The proceeds from issue of debentures has been utilised for the purposes for which it was raised.

Post necessary approvals, the Company had entered into a Business Transfer Agreement dated 25 February 2015 with its wholly owned subsidiary viz. Dish Infra Services Private Limited for transfer of its Non-core business on a slump sale basis. Pursuant to the said agreement, effective from 1 April 2015, the Company has inter alia novated its debt obligations (Non-Convertible debentures) to Dish Infra Services Private Limited on the same terms and conditions. Accordingly, the said Non-Convertible debentures in the Company were extinguished along with all its obligations. Further, Dish Infra Services Private Limited has issued non-convertible debentures ("New NCDs") upon same terms and conditions to the existing holders on 1 April 2015. Details of the assets and the liabilities transferred are set out in note no. 32 b.

51. Disclosure pursuant to schedule V of Securities and Exchange Board of India (Listing Obligation and Disclosure requirements) regulations, 2015.

Name of the enterprise	Balance as at 31 March 2016	Maximum Outstanding during the year 2015-16	Balance as at 31 March 2015	Maximum Outstanding during the year 2014-15
Loans and advances in the nature of loan given to subsidiaries				
Dish T V Lanka (Private) Limited	6,700	6,700	3,024	3,024
Dish Infra Services Pvt.Ltd.	-	1,260	200	200

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(All amounts in ₹ lacs, unless stated otherwise)

52. Figures of the previous year have been regrouped / rearranged, wherever considered necessary to conform to the current year's presentation. Further due to transfer of non-core business as detailed in note 32 to Dish Infra Service Private Limited, previous year figures are not strictly comparable to current year.

As per our report attached to the balance sheet

For Walker ChandioK & Co. LLP
(Formerly Walker, ChandioK & Co)
Chartered Accountants

per Sumit Mahajan
Partner

Place: Istanbul, Turkey
Dated: 23 May 2016

For and on behalf of the Board of Directors of
Dish TV India Limited

Jawahar Lal Goel
Managing Director
DIN: 00076462

Rajeev K. Dalmia
Chief Financial Officer

Place: Istanbul, Turkey
Dated: 23 May 2016

B. D. Narang
Director
DIN: 00038052

Ranjit Singh
Company Secretary
Membership No: A15442