

REPORT OF THE AUDIT COMMITTEE OF DISH TV INDIA LIMITED FOR RECOMMENDING THE REDUCTION OF CAPITAL OF DISH TV INDIA LIMITED WITH THE COMPANY AT ITS MEETING HELD ON MAY 23, 2016

Members Present:

Mr. B D Narang : Chairman
Mr. Lakshmi Chand : Member

In attendance:

Mr. Jawahar Lal Goel : Managing Director
Mr. Arun Kumar Kapoor : Chief Executive Officer
Mr. Rajeev K Dalmia : Chief Financial Officer
Mr. Ranjit Singh : Company Secretary
Mr. Gaurav Goel : President – Business Development and Strategy
Mr. Sumit Mahajan : Partner, Walker Chandiook & Co LLP (Statutory Auditors)

Background:

The Board of Directors of Dish TV India Limited (“**Dish TV**” or “**the Company**”) is considering to undertake a Reduction of Capital under Sections 100-104 of the Companies Act, 1956 read with Section 52 of the Companies Act, 2013 between the Company and its shareholders and creditors.

The proposal was placed before the Audit Committee, for recommending the same to the Board of Directors as required by SEBI vide Circular No. CIR/CFD/CMD/16/2015 dated 30 November 2015.

In view of the above circular, Members of the Audit Committee of the Company discussed and approved the proposal for Capital Reduction vide a resolution passed in the meeting dated May 23, 2016 and have made this report in compliance with the aforesaid Circular, after perusing *inter alia* the following necessary documents:

This report is made by the Audit Committee after perusing *inter alia* the following necessary documents (“**Documents**”):

- a. Financial Statements of the Company for the financial year 2015-16;
- b. Certificate dated May 23, 2016 issued by the Statutory Auditors of the Company, M/s. Walker Chandiook & Co LLP (*formerly Walker, Chandiook & Co*), Chartered Accountants certifying that the accounting treatment is in compliance with all the accounting standards specified by the Central Government under Companies Act, 2013 read with the rules framed thereunder and other generally accepted accounting principles; and



No valuation report is required for undertaking the proposed capital reduction for setting off the accumulated losses by reducing the amount standing to the credit of the Securities Premium Account to give a true and fair view of the financial statements of the Company and as such no share swap arrangement is applicable for such capital reduction.

Proposed Capital reduction:

Salient features of the proposed capital reduction are as follows:

- a. Balances available in the Securities Premium Account shall be utilized and adjusted against the accumulated losses shown in the Reserves a Surplus of the Company.
- b. The adjustment / set off of the Securities Premium Account would not have any impact on the shareholding pattern, and the capital structure of the Company. The capital reduction will be for the benefit of the Company and its shareholders, creditors and all concerned as a whole. The capital reduction does not involve any cash outflow and therefore, would not affect the ability or liquidity of the Company to meet its obligations/commitments in the normal course of business.

Recommendation of the Audit Committee:

The Audit Committee has approved proposal for capital reduction for review and consideration by the Board of Directors of the Company.

For and on behalf of Audit Committee

लक्ष्मी चंद

Lakshmi Chand

Director

DIN: 00558169

Dish TV India Limited



Date: May 27, 2016

Place: Delhi