

Annexure - 6

STRICTLY PRIVATE & CONFIDENTIAL

May 23, 2016

To,

The Board of Directors
Dish TV India Limited
Essel House, B-10,
Lawrence Road Industrial Area ,
Delhi -110035

Sub: Fairness Opinion on the proposal of Adjustment of Securities Premium Reserves against the accumulated losses of Dish TV India Limited (DISH TV / Company)

Dear Sir(s),

We refer to our engagement letter dated May 23, 2016 wherein the Company has appointed us viz. Dalmia Securities Private Limited (DSPL) as the Merchant Banker and requested us to arrive at an opinion in respect of the proposal of the Company to adjust the Securities Premium Reserves against the accumulated losses as per Sections 78, 100 to 104 of the Companies Act, 1956, read with Section 52 of the Companies Act, 2013.

1. BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

1.1 Dish TV is a public limited listed company incorporated under the provisions of the Companies Act, 1956 on having its registered office at Essel House B-10 Lawrence Road Industrial Area, Delhi 110035. Dish TV is *inter alia* engaged in the business of providing Direct-to-Home ('DTH') service, pursuant to a DTH license issued by the Ministry of



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NSDL IN300222 **CDSL** 14500 BARN 0284

CIN : U67120WB1993PTC060525
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Information & Broadcasting, Government of India (MIB). The Equity Shares of DISH TV are listed on the BSE Limited and National Stock Exchange of India Limited.

- 1.2 The paid up capital of DISH TV is Rs. 1065,851,431.75 as on March 31, 2016 (comprises of 1065,830,337 equity shares of Rs. 1 each fully paid up, 15,383 equity shares of Rs. 1 each paid up Rs. 0.75 and 19,115 equity shares of Re. 1 each paid up Rs. 0.50) The share holding pattern as at March 31,2016 was as under:

Category	% of total shares
Promoters	64.44
Public	35.56
Total	100

- 1.3 The Company had securities premium reserves of Rs. 1543.40 crores and has an accumulated loss of more than Rs. 1543.40 crs.as at March 31, 2016.

2. SCOPE OF ENGAGEMENT

- 2.1 DISH TV has appointed us, to give a fairness opinion on the valuation in terms of Clause 24(h) of the erstwhile Listing Agreement and under Regulation 37 of SEBI(LODR) Regulations, 2015 on the valuation report issued by the Chartered Accountants in connection with the proposed adjustment of Securities Premium Reserves by DISH TV, in terms of SEBI Circular CIR/CFD/DIL/5/2013 dated February 4, 2013. CIR/CFD/DIL/8/2013 dated 21 May 2013 and SEBI circular CIR/CFD/CMD/16/2015 dated November 30,2015.

3. SOURCES OF INFORMATION

- 3.1 For the purpose of this exercise, we have relied upon the following documents:
- Financial statements of DISH TV ;
 - Copy of Memorandum and Article of Association of DISH TV;
 - Report of the Statutory Auditors to the Company, dated May 23,2016 and
 - Other relevant information



4. KEY FACTS OF THE PROPOSAL:

- 4.1 As at March 31,2016, the share capital of the Company is Rs.106.59 crore and securities premium reserves of Rs. 1543.40 crores.
- 4.2 The Board of Directors of the Company is proposing a proposal whereby, the entire balance of the Security premium Reserves would be adjusted against the accumulated losses.
- 4.3 The Company proposes to implement a Reduction of Capital under Section 78, 100 to 104 of the Companies Act, 1956 read with Section 52 of the Companies Act, 2013.
- 4.4 Thus, reduction of Securities Premium in the manner specified above would be deemed as reduction of share capital under the provisions of Section 52 of the Companies Act, 2013 (corresponding to Section 78 of the Companies Act, 1956) and such reduction is covered by provisions of Section 100 to 104 of the Companies Act, 1956. Accordingly, the present reduction of Securities Premium is being proposed under provisions of Section 52 of the Companies Act, 2013 (corresponding to Section 78 of the Companies Act, 1956) read with Sections 100 to 104 of the Companies Act, 1956
- 4.5 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 reduction will be for the benefit of the Company and its shareholders, creditors and all concerned as a whole. The 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 normal course of business.
- 4.6 The reduction does not involve either the diminution of any liability in respect of the unpaid share capital or payment to any shareholder of any paid-up capital and the order of the Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Companies Act, 1956 confirming the reduction.



5. EXCLUSIONS AND LIMITATIONS

Our report is subject to the scope limitations detailed hereinafter.

- 5.1 The report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.
- 5.2 In the course of the present exercise, we were provided with both written and verbal information, including financial data. Our report is based on the information furnished to us being complete and accurate in all material respects. We have relied upon the historical financials and the information and representations furnished to us without carrying out any audit or other tests to verify its accuracy with limited independent appraisal. Also, we have been given to understand by the managements of the Company that they have not omitted any relevant and material factors. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness. We assume no responsibility whatsoever for any errors in the above information furnished by the Company and their impact on the present exercise.
- 5.3 Our work does not constitute an audit, due diligence or verification of historical financials or including the working results of the Company or the business referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report.
- 5.4 We express no opinion whatsoever and make no recommendation at all to the Company's underlying decision to effect the proposed Scheme or as to how the holders of equity shares should vote at their respective meetings held in connection with the proposal.
- 5.5 We do not express and should not be deemed to have expressed any views on any other term of the proposed Scheme. We also express no opinion and accordingly accept no responsibility or as to the prices at which the equity shares of DISH TV will trade following the announcement of the proposal or as to the financial performance of DISH TV following the consummation of the proposal.



- 5.6 Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed transfer with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.
- 5.7 No investigation of the Company's claim to the title of assets or property owned by the Company has been made for the purpose of this fairness opinion. With regard to the Company's claim we have relied solely on representation, whether verbal or otherwise made, by the management to us for purpose of this report.
- 5.8 Our analysis and results are also specific to the date of this report. An exercise of this nature involves consideration of various factors. This report is issued on the understanding that the Company has drawn our attention to all the matters, which they are aware of concerning the financial position of the Company, its business and any other matter, which may have an impact on our opinion for the proposal. We have no responsibility to update this report for events and circumstances occurring after the date of this report.
- 5.9 This report has been issued for the sole purpose to facilitate the Company to comply with clause 24(h) of the erstwhile Listing Agreement and Regulation 37 of the SEBI (LODR) Regulations 2015 and relevant SEBI circulars.

6. Valuation Report

On the basis of our verification of the proposed reduction of capital, we certify that the condition of obtaining a valuation report mentioned in paragraph I.A.4 of circular No. SEBI Circular No. CIR/CFD/DIL/16/2015 dated 30 November, 2015 is not applicable as the same is being undertaken for setting off the accumulated losses by reducing the amount standing to the credit of the Securities Premium Account and as such there would be no share swap arrangement or issuance of shares. Consequently, there would be no change in the share holding pattern of the Company pursuant to proposed reduction of capital..



7. OPINION & CONCLUSION

Subject to the caveats as detailed hereinbefore, we as a Merchant Banker hereby certify that we have reviewed the proposal for adjustment of Securities Premium Reserves against the accumulated losses of Dish TV India Limited and observed the same to be fair and reasonable from a financial and commercial point to the holders of Equity Shares of Dish TV India Limited.

Thanking you,

Yours faithfully,

For _____

Authorised Signatory

(JEYAKUMAR.S.)

Place: MUMBAI

