

DISH TV INDIA LIMITED

Regd. Office : Essel House, B-10, Lawrence Road Industrial Area, Delhi - 110035

Corporate Office : FC - 19, Sector 16A, Film City, Noida, U.P. - 201301

Statement of financial results for the year ended 31 March 2013



(Rs. In Lacs)

Part I

Particulars	Standalone financial results			Standalone financial results		Consolidated financial results	
	Quarter-ended			Year ended		Year ended	
	Audited *	Unaudited	Audited *	Audited	Audited	Audited	Audited
	31.03.2013	31.12.2012	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Income from operations							
1. a) Net sales/ income from operations	55,457	55,668	51,627	216,447	195,758	216,447	195,769
b) Other operating income	83	114	17	233	24	233	24
Total income from operations (net)	55,540	55,782	51,644	216,680	195,782	216,680	195,793
2. Expenses							
a) Purchase of stock-in-trade	329	114	246	920	737	920	737
b) Changes in inventories of stock-in-trade	(108)	36	(103)	-(173)	(244)	(173)	(244)
c) Employee benefits expense	2,094	2,073	1,913	8,217	7,098	8,217	7,481
d) Depreciation and amortization expense	14,500	17,129	13,637	62,755	51,800	62,758	52,185
e) Programming/ content and other costs	19,672	16,269	14,676	65,247	60,874	65,247	60,658
f) License fees	5,809	5,812	5,369	22,570	20,025	22,570	20,025
g) Other operating costs	6,132	6,230	6,135	22,989	18,854	22,990	19,032
h) Selling and distribution expenses							
i) Commission	3,839	4,778	3,017	15,587	15,082	15,587	15,082
ii) Other selling and distribution expenses	3,585	4,203	4,265	14,777	14,011	14,777	13,369
i) Other expenses	2,184	2,495	4,850	8,594	9,509	8,603	10,054
Total expenses	58,036	59,139	54,005	221,483	197,746	221,496	198,379
3. Profit / (loss) from operations before other income, finance costs and exceptional items (1-2)	(2,496)	(3,357)	(2,361)	(4,803)	(1,964)	(4,816)	(2,586)
4. Other income	1,569	1,747	941	5,120	5,787	5,114	8,999
5. Profit / (loss) from ordinary activities before finance costs and exceptional items (3+4)	(927)	(1,610)	(1,420)	317	3,823	298	6,413
6. Finance costs	3,435	2,878	3,482	12,836	19,708	12,842	19,727
7. Profit / (loss) from ordinary activities after finance costs but before exceptional items (5-6)	(4,362)	(4,488)	(4,902)	(12,519)	(15,885)	(12,544)	(13,314)
8. Exceptional items (refer note 12)	-	-	-	5,944	-	5,944	-
9. Profit / (loss) from ordinary activities before tax (7+8)	(4,362)	(4,488)	(4,902)	(6,575)	(15,885)	(6,600)	(13,314)
10. Tax expense/ (write back)	-	-	-	-	-	-	-
11. Net profit / (loss) from ordinary activities after tax (9-10)	(4,362)	(4,488)	(4,902)	(6,575)	(15,885)	(6,601)	(13,314)
12. Extraordinary item	-	-	-	-	-	-	-
13. Net profit / (loss) for the period (11-12)	(4,362)	(4,488)	(4,902)	(6,575)	(15,885)	(6,601)	(13,314)
14. Loss attributable to minority	-	-	-	-	-	1	-
15. Net profit / (loss) for the period (13+14)	(4,362)	(4,488)	(4,902)	(6,575)	(15,885)	(6,600)	(13,314)
16. Paid-up equity share capital (Face value Re. 1) (#)	10,648	10,648	10,636	10,648	10,636	10,648	10,636
17. Reserves (excluding revaluation reserves, if any)	-	-	-	(26,177)	(20,018)	(26,206)	(20,022)
18. Basic earning/ (loss) per share (not annualised) (In Rs.)	(0.41)	(0.42)	(0.46)	(0.62)	(1.49)	(0.62)	(1.25)
19. Diluted earning/ (loss) per share (not annualised) (In Rs.)	(0.41)	(0.42)	(0.46)	(0.62)	(1.49)	(0.62)	(1.25)
Part II							
A) Particulars of shareholding							
1) Public shareholding							
Number of equity shares of Re.1 each	388,138,115	388,138,115	375,200,896	388,138,115	375,200,896	388,138,115	375,200,896
Percentage of shareholding							
- Calculated on total number of issued shares	36.45	36.45	35.25	36.45	35.25	36.45	35.25
- Calculated on the paid-up capital	36.44	36.44	35.20	36.44	35.20	36.44	35.20
2) Promoters and promoter group shareholding (calculated on total number of issued shares)							
a) Pledged / encumbered							
i) Number of shares	390,275,000	322,990,000	230,550,000	390,275,000	230,550,000	390,275,000	230,550,000
ii) Percentage of shares (% of the total shareholding of promoters and promoter group)	57.67	47.73	33.45	57.67	33.45	57.67	33.45
iii) Percentage of shares (% of the total share capital of the company)	36.65	30.33	21.66	36.65	21.66	36.65	21.66
b) Non-encumbered							
i) Number of shares	286,472,060	353,757,060	458,672,979	286,472,060	458,672,979	286,472,060	458,672,979
ii) Percentage of shares (% of the total shareholding of promoters and promoter group)	42.33	52.27	66.55	42.33	66.55	42.33	66.55
iii) Percentage of shares (% of the total share capital of the company)	26.90	33.22	43.09	26.90	43.09	26.90	43.09

See accompanying notes to the financial results.

Particulars	Quarter ended
	31.03.2013
B) Investor complaints	
Pending at the beginning of the quarter	0
Received during the quarter	8
Disposed of during the quarter	8
Remaining unresolved at the end of the quarter	0

* Figures for the three months ended 31 March 2013 and 31 March 2012 are the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the third quarter of the financial year. Also, the figures upto the end of the third quarter were only reviewed and not subject to audit.

Comprises 1,064,662,247 (1,064,662,247 as on 31 December 2012, 1,061,701,440 shares as on 31 March 2012) fully paid up equity shares of Re. 1 each ; 22,314 (22,314 as on 31 December 2012, 2,062,513 shares as on 31 March 2012) partly paid up equity shares of Re. 0.75 each; and 200,614 (200,614 as on 31 December 2012, 659,922 shares as on 31 March 2012) partly paid up equity shares of Re. 0.50 each

Statement of Assets and Liabilities as at 31 March 2013

Particulars	Standalone		Consolidated	
	Audited		Audited	
	As at		As at	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
A. Equity and liabilities				
1. Shareholders' funds				
(a) Share capital	10,648	10,636	10,648	10,636
(b) Reserves and surplus	(26,177)	(20,018)	(26,206)	(20,022)
Sub-total - shareholders' funds	(15,529)	(9,382)	(15,558)	(9,386)
2. Non-current liabilities				
(a) Long-term borrowings	84,602	101,935	84,602	101,935
(b) Other long term liabilities	15,042	17,984	15,042	17,984
(c) Long-term provisions	1,274	1,052	1,274	1,052
Sub-total - non-current liabilities	100,918	120,971	100,918	120,971
3. Current liabilities				
(a) Short-term borrowings	3,000	19,500	3,000	19,500
(b) Trade payables	21,374	12,747	21,380	12,749
(c) Other current liabilities	140,264	70,626	140,266	70,629
(d) Short-term provisions	65,469	48,935	65,470	48,935
Sub-total - current liabilities	230,107	151,808	230,116	151,813
Total equity and liabilities	315,496	263,397	315,476	263,398
B. Assets				
1. Non-current assets				
(a) Fixed assets	208,737	180,878	208,753	180,876
(b) Non-current investments	3	15,000	-	15,000
(c) Long-term loans and advances	6,546	3,480	6,462	3,480
(d) Other non-current assets	970	695	970	695
Sub-total - non-current assets	216,256	200,053	216,185	200,051
2. Current assets				
(a) Current investments	27,818	-	27,818	-
(b) Inventories	861	688	861	688
(c) Trade receivables	3,036	2,861	3,036	2,861
(d) Cash and bank balances	36,210	38,513	36,449	39,189
(e) Short-term loans and advances	30,778	20,454	30,598	19,781
(f) Other current assets	537	828	529	828
Sub-total - current assets	99,240	63,344	99,291	63,347
Total assets	315,496	263,397	315,476	263,398

Notes to financial results for the quarter and year ended 31 March 2013

1. The above financial results for the quarter and financial year ended 31 March 2013 have been reviewed by the Audit Committee and were approved by the Board of Directors in their meeting held on 23 May 2013.
2. The Statutory Auditors of the Company have carried out audit of the above financial results for the year ended 31 March 2013 and a modified opinion has been issued in respect of CPE rentals (refer note 4 below). The report of statutory auditors is being filed with Bombay and National Stock exchanges.
3. Dish T V Lanka (Private) Limited, a Joint Venture Company, was incorporated on 25 April 2012 under the laws of Sri Lanka. Dish TV India Ltd holds 70% share capital in the JV company with Satnet (Private) Limited, a company duly incorporated and having a DTH License in Sri Lanka, holding 30% of the share capital. The said JV company shall engage in providing DTH related services in Sri Lanka.
4. The life of the Consumer Premises Equipment (CPE) for the purposes of depreciation has been estimated by the management as five years. Upto 31 March 2012, in certain cases, the one-time advance contribution towards the CPEs in the form of rental was being recognized over a period of three years from the activation date. Such practice, with effect from 1 April 2012, has been changed to five years in respect of CPEs activated on or after 1 April 2012. There is no significant impact on financial results of the quarter and year-ended 31 March 2013 on account of change in estimate for revenue recognition.
5. In earlier years, the Company had received a demand notice of income-tax and interest thereon which was reduced in the previous year to Rs 2,642 lacs. The matter pertains to short deduction of tax at source on certain payments and interest thereon for delayed period. The Company has disputed the issue and has filed an appeal against the above said demand with the tax authorities. The Company had submitted with the tax authorities the requisite supporting documents/clarifications from vendors. The Company, supported by a legal view in the matter, is of the view that outcome of the litigation will not have significant impact on the financial results. During the previous year, this matter was qualified in the statutory auditors' report.
6. The Company's net-worth as at 31 March 2013 is eroded by its accumulated losses. However, the management has prepared the financial results assuming that the Company will continue as a going concern considering that the Company has adequate resources in the form of operating cash flows, sanctioned credit facilities from lenders and bank deposits to adequately meet its obligations.
7. The Audit Committee and Board of Directors noted the utilisation of the proceeds of Rights Issue for the financial year ended 31 March 2013 which is in line with revised utilisation schedule approved by the Board of Directors. The unutilised amount as on 31 March 2013 is Rs. 15,000 lacs.
8. Finance costs for the financial year ended 31 March 2013 include Rs. 536 lacs relating to interest on tax litigations pertaining to earlier years.
9. The Company is in the business of providing Direct to Home (DTH) and Teleport services primarily in India. As the Company's business activities primarily fall within a single business and geographical segment, no additional disclosures are required in terms of Accounting Standard 17 on "Segment Reporting".
10. The name of the Company's wholly owned subsidiary in Singapore viz Dish TV Singapore Pte Limited was changed to Digital Network Distribution Pte Limited on 12 March 2013. The Company entered into Share Purchase Agreement dated 19 March 2013 with a party for transfer of its investment at an agreed price of Singapore Dollar 12,000. On 1 April 2013, share holding in Digital Network Distribution Pte Limited was transferred and, accordingly, as at 31 March 2013, the investments has been shown under current maturities of long term investment.
11. During the current year, Direct Media Distribution Ventures Pvt. Ltd (formerly known as Dhaka Warriors Sports Private Limited) disinvested its holding in the Company from 59.86% to 45.24% and consequently, it ceases to be the holding company of Dish TV India Limited.
12. Hitherto, the exchange differences arising from foreign currency borrowing to the extent that they are regarded as an adjustment to interest cost, were treated as borrowing cost in terms of AS - 16, "Borrowing Costs". During the year ended 31 March 2013, pursuant to a clarification dated 9 August 2012 from the MCA, the Company has changed the accounting policy w.e.f. from 1 April 2011, to treat the same as "foreign exchange fluctuation", to be accounted as per AS - 11 "Effects of Changes in Foreign Exchange Rates", instead of AS - 16 "Borrowing Costs". This change has resulted into reversal of finance cost of Rs. 7,068 lacs and increase in depreciation by Rs. 1,124 lacs during the year ended 31 March 2013. The aforesaid change, resulting in net gain of Rs. 5,944 lacs, has been shown as 'exceptional items' in the financial results for the year ended 31 March 2013. In this regard, if the Company had followed the same accounting policy as in the previous year, finance costs for the year would have been higher by Rs. 5,841 lacs; depreciation expense would have been lower by Rs. 1,415 lacs and the loss for the year would have been higher by Rs. 4,426 lacs.
13. The previous period/ year's figures have been regrouped / reclassified, wherever necessary, to make them comparable.

For and on behalf of the Board of Directors



Place: Noida
Dated : 23 May 2013

Jawahar Lal Goel
Managing Director