

B S R & Co. LLP

Chartered Accountants

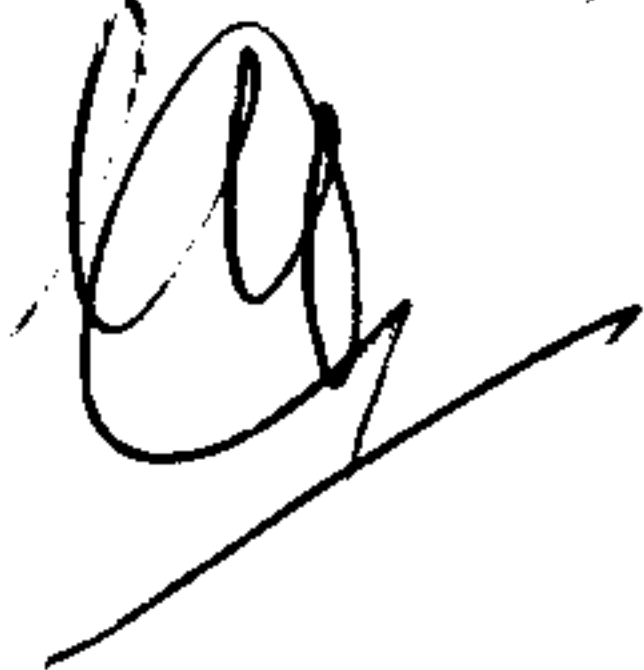
Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurgaon - 122 002, India

Telephone: + 91 124 2549 191
Fax: + 91 124 2549 101

Independent Auditors' Report
To the Board of Directors
Dish TV India Limited

1. We have audited the accompanying consolidated financial results ('Statement') of Dish TV India Limited ('the Company') and its subsidiaries (collectively referred to as 'the Group') for the year ended 31 March 2014, attached herewith being submitted by the Group pursuant to the requirements of clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding', which have been traced from disclosures made by the management pursuant to clause 35 of the listing agreement and have not been audited by us.
2. These consolidated financial results have been prepared by the Group on the basis of the annual consolidated financial statements of the concerned companies, which are the responsibility of the Group's management. Our responsibility is to express an opinion on these financial results based on our audit of the annual consolidated financial statements which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards notified under the Companies Act, 1956, read with the General Circular 15/2003 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 (together referred to as the "Act") and other accounting principles generally accepted in India and in compliance with Clause 41 of the Listing Agreement.
3. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial results. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated presentation of financial results. We believe that our audit provides a reasonable basis for our opinion.
4. We did not audit the financial statements of Dish TV Lanka (Private) Limited and Xingmedia Distribution Private Limited, (the 'subsidiaries'). The financial statements of these subsidiaries have been audited by other auditors.

The financial statements of Dish TV Lanka (Private) Limited, incorporated outside India, reflect (before eliminating intercompany transactions) total assets amounting to Rs. 1,965 lacs as at 31 March 2014 and total revenues of Rs. Nil for the year ended 31 March 2014. The financial statements of Xingmedia distribution Private Limited, reflect (before eliminating intercompany transactions) total assets amounting to Rs. 11,816 lacs as at 31 March 2014 and total revenues of Rs. 17 lacs for the period ended 31 March 2014. The audit reports for the above mentioned subsidiaries have been furnished to us and our opinion, insofar as it relates to the amounts included in respect of the subsidiaries, is based solely upon the reports of the other auditors.

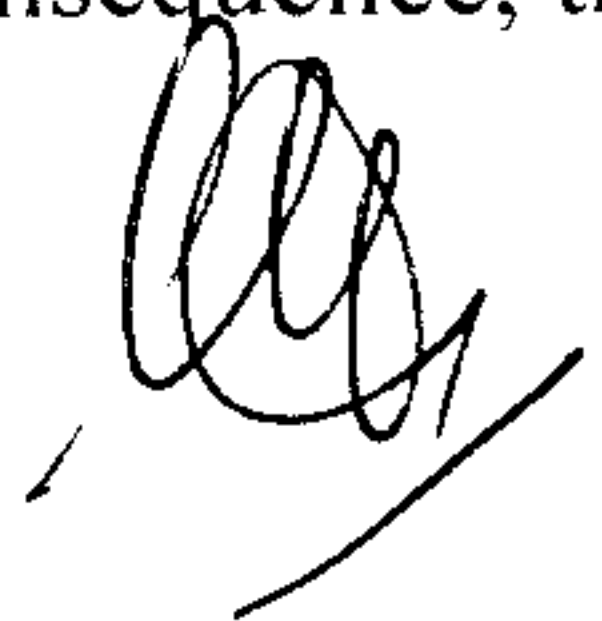


B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office:
1st Floor, Lodha Excelus
Apollo Mills Compound
N.M. Joshi Marg, Mahalakshmi
Mumbai - 400 011

5. We report that the consolidated financial results have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21, "Consolidated Financial Statements" and on the basis of the separate audited financial statements of the Company and its subsidiaries, included in the consolidated financial results.
6. Without qualifying our opinion:
 - a) attention is invited to note 4(a) of the accompanying statement. The Company's net worth as at the end of the financial year is completely eroded by its accumulated losses. However, the management has prepared the financial results assuming that the Company will continue as a going concern since it has adequate resources in the form of operating cash flows and sanctioned credit facilities from lenders to adequately meet its obligation.
 - b) attention is invited to note 3 of the accompanying statement regarding the life of the Consumer Premises Equipment (CPE) for the purposes of depreciation, which has been estimated by the management as five years. However, in certain cases of CPEs installed upto 31 March 2012, the one-time advance contributions towards the CPEs in the form of rentals were recognized as revenue over a period of three years, which was not in line with the estimated life of such assets, in terms of Accounting Standard 19 'Leases'. During the year, the Company has ascertained its impact and has streamlined the above practice by recognizing the revenue over a period of five years in respect of such CPEs installed upto 31 March 2012. This has, during the year, resulted into a reversal of excess revenue of Rs. 12,930 lacs recognized upto the year ended 31 March 2013, recognition of additional revenue of Rs. 3,702 lacs, and consequential impact on license fee pursuant to the above correction, with a net impact on the loss after tax for the year and for the quarter ended 31 March 2014 being higher by Rs 8,305 lacs.
 - c) attention is invited to note 5 of the accompanying statement regarding recognition of activation fees under service model. Hitherto, upto the year ended 31 March 2013, the Company recognized a portion of the activation fees over the estimated period of subscription / the life of the CPE. During the year, the Company has reassessed its position of recognition of above activation fees, together with the level of service already rendered on activation, the corresponding cost incurred, and consideration charged for the subsequent continuing services etc. Considering that the Company incurs significant upfront cost upto the stage of activation of CPE and charges separate consideration for subsequent continuing services, the Company has, in order to make better and appropriate presentation, amended its policy of revenue recognition of activation fee on an upfront basis.

The above change has resulted into additional activation / subscription revenue of Rs. 9,936 lacs for the year (including Rs 4,614 lacs in relation to the previous year) with a corresponding increase in license fees of Rs. 994 lacs (including Rs. 461 lacs in relation to the previous year). As a consequence, the loss after tax for the year is lower by Rs 8,942 lacs.



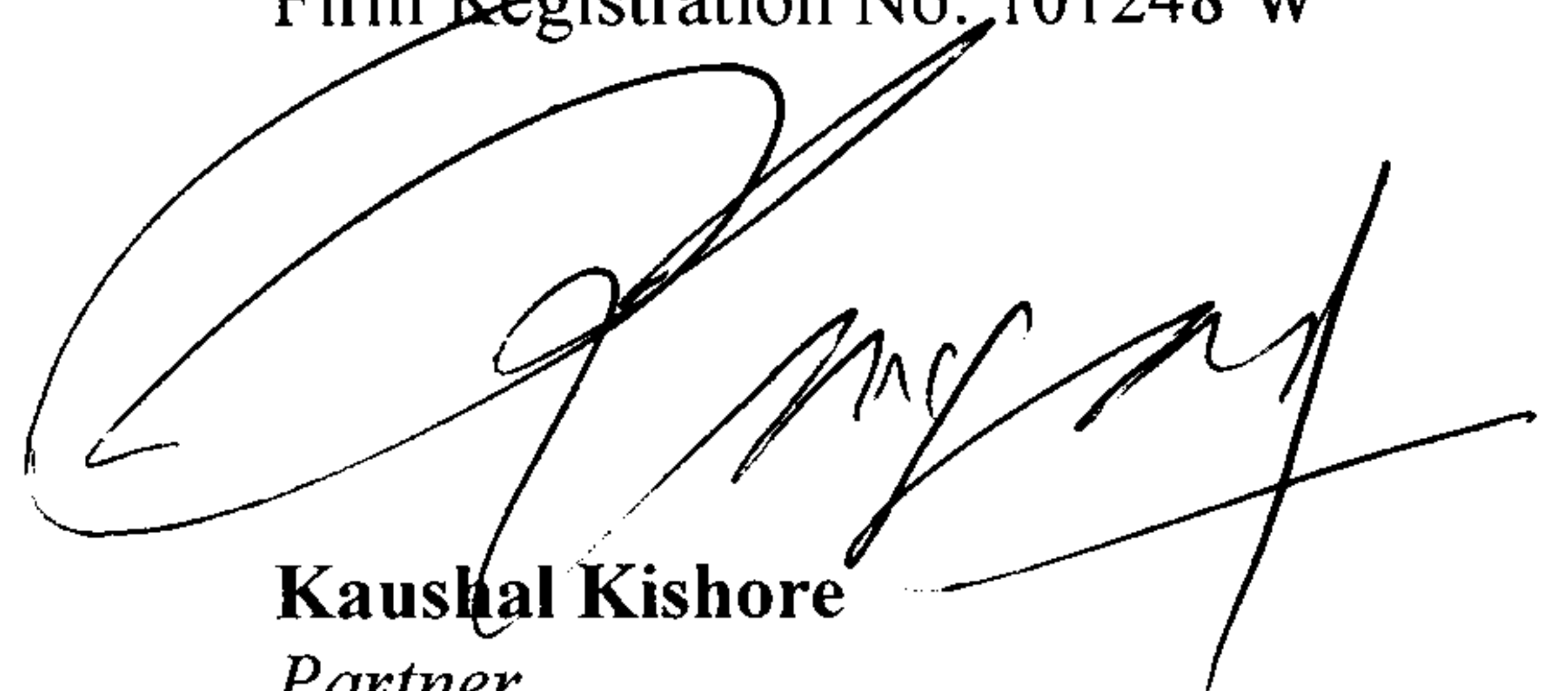
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7. In our opinion and to the best of our information and according to the explanations given to us, these consolidated financial results:
- (i) are presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and
 - (ii) give a true and fair view of the consolidated net loss and other financial information for the year ended 31 March 2014.

Further, we report that we have, on the basis of books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholding in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of Clause 35 of the Listing Agreement, and found the same to be in accordance therewith.

Place: Gurgaon
Date: 27 May 2014

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248 W



Kaushal Kishore
Partner
Membership No: 090075

