

August 25, 2011

The Bombay Stock Exchange Limited

Rotunda Building
Dalal Street, Fort,
Mumbai – 400 001

The National Stock Exchange of India Limited

Exchange Plaza,
Bandra Kurla Complex,
Mumbai – 400 051

Dear Sir,

Re.: Incorrect Report published by Hindustan Times Newspaper

This is in reference to a news item/report published by Hindustan Times on August 24, 2011 in its Delhi Edition (Copy enclosed herewith for ready reference).

At the outset, we would like to bring to your notice that the report published by Hindustan Times is factually incorrect and it depicts an entirely misconceived and wrong picture of the entire issue of the License Fee paid and payable by Dish TV India Limited to the Government of India. The figures of License Fee paid and payable are also incorrect. It has also wrongly reported that there has been a scrutiny of books of accounts of Dish TV.

With respect to the License Fee to be paid by Dish TV, it is stated that as per the DTH License, a DTH operator has to pay a License fee of 10% of the Gross Revenue. The Hon'ble Telecom Dispute Settlement Appellate Tribunal vide its judgment dated 28.05.2010, has held that a DTH Operator has to pay a License Fee on Adjusted Gross Revenue basis and that no license fee is payable on non-licensed activities. Accordingly, Dish TV has been making the payment of License Fee as per the Judgment of TDSAT. It may be mentioned that Dish TV has already paid licensee fee of Rs. 58 Crores for the fiscal year 2010 – 11 as against Rs. 39 Crores mentioned in the said news report which clearly reflects that the figures quoted in the said report are incorrect and wrong. The Ministry of Information & Broadcasting, Govt of India has filed an appeal against the said judgment and the matter at present is pending before the Hon'ble Supreme Court for final adjudication. Further, as an abundant caution, Dish TV is also making provision of an amount equivalent to the difference between the above stated amounts in its books of accounts. The said provision will be added back on Supreme Court upholding the decision of the TDSAT. There is no question of any recovery proceedings for License Fee payable to be initiated against Dish TV.



DISH TV India Limited

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Customer Care: 1-860-180-3474, Email: customercare@dishtv.in

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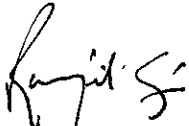
Dish TV India Limited has been paying all the taxes, levies, duties including License Fee to the appropriate Authorities in strict compliance of applicable Statutes and Regulatory Provisions.

This is for your information.

Thanking you,

Yours truly,

For Dish TV India Limited


Ranjit Singh
Company Secretary &
Compliance Officer



Taxmen to probe Dish TV accounts?

Vivak Sinha

vivak.sinha@hindustantimes.com

NEW DELHI: Income tax officials could soon knock on the doors of India's largest DTH service provider Dish TV for recovery of tax dues for the last fiscal year.

Tax officials feel the company by understating its tax liability actually ended up paying less tax than other DTH players with lesser number of subscribers.

"For the fiscal year 2010-11, Dish TV should have paid ₹150 crore as license fee but it has paid only ₹39 crore," a senior income tax official told *Hindustan Times* on the condition of anonymity.

License fee is the amount paid annually by a DTH licensee company to the government. It is around 10% of the gross revenue earned in a fiscal year.

"We are not aware about the license fees paid by the other operators as that information is not in public domain. We are paying the license fees based on

the prevailing regulatory position and as such there is no anomaly at all," said Dish TV's spokesperson.

"Entertainment tax is a state subject and the rate of levy varies from state to state. The amount of entertainment tax is a function of the number of subscribers in any particular state and the average subscription pay out by the subscribers in the said state. We are fully compliant with all applicable statutory liability including entertainment tax," he said.

During its scrutiny of account books of Dish TV, the I-T department found certain irregularities, the official said. "We might conduct a survey under section 133A of the Income Tax Act to verify account books and any document lying in its premises if the company does not come clean on its accounts."

Dish TV has a registered subscriber base of 11.3 million as of July 2011. The same stood at 10.4 million on March 31, 2011.