

**CERTIFIED TRUE COPY OF THE MATTER CONSIDERED AND APPROVED AT THE SPECIAL MEETING OF THE AUDIT COMMITTEE OF DIRECTORS OF DISH TV INDIA LIMITED HELD ON NOVEMBER 11, 2016 at 1000 HRS AT FC – 9, SECTOR 16A, NOIDA**

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**To consider and approve the amalgamation of Videocon D2h Limited into and with Dish TV India Limited**

Mr. Jawahar Lal Goel, Chairman and Managing Director, placed before the Committee the draft Scheme of Arrangement (the “Scheme”) for *inter alia* amalgamation of Videocon D2h Limited (“Transferor Company or VD2H”) into and with Dish TV India Limited (the “Transferee Company or Company or DTIL”) under provisions of Sections 391 to 394 of the Companies Act, 1956 and/or applicable sections of the Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof), read with rules thereto, for recommendation of the draft scheme by the Audit Committee to the Board of Directors as required vide SEBI circular No. CIR/CFD/CMD/16/2015 dated 30<sup>th</sup> November, 2015 read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI regulations”).

Representatives of S R Batliboi & Co. LLP, the Valuer, placed before the Committee their valuation report dated November 11, 2016 for determining the share exchange ratio for the proposed merger of VD2H into and with DTIL. They informed the Committee that Market Price (MP) method and Comparable Companies Multiples (CCM) method has been used to determine the share exchange ratio for the proposed merger.

They further informed the Committee that they had carried out a relative valuation of the shares of DTIL and VD2H and have given weightage to the values arrived at the different methodologies. Based on their evaluation and judgment of the businesses of the Companies, they then recommended a consideration of 857,785,766 equity shares of DTIL of Re. 1 each fully paid up, to be issued to the shareholders of VD2H (“Recommended Consideration”).

Representatives of Morgan Stanley India Co. Pvt. Ltd. (“Morgan Stanley”), the Merchant Bankers to the proposed transaction, placed before the Committee a Fairness Opinion. They noted that pursuant to the proposed Scheme, DTIL will issue 857,785, 766 equity shares of face value of Rs. 1 (Rupees One) of DTIL for all of the outstanding shares of VD2H (“Scheme Consideration”).

Morgan Stanley has issued an opinion *inter alia* covering that as on the date hereof, the Scheme Consideration to be paid by DTIL pursuant to the scheme of arrangement is fair from a financial point of view to DTIL. Representatives of Morgan Stanley also made a detailed presentation on the Scheme of Arrangement / Proposed Transaction *inter-alia* covering the following aspects:



- A summary of the Proposed Transaction, resultant stake of various shareholder groups
- Strategic considerations and pro-forma contribution analysis of the combined entity
- Valuation analysis around their Fairness Opinion

Copies of the presentations made by S R Batliboi & Co. LLP and Morgan Stanley, as initialed by the Company Secretary for the purpose of identification, have been kept in the records of the Company.

The implied share exchange ratio may undergo such change, as provided for in the scheme of arrangement, depending on issuance of fresh equity shares by VD2H to meet its pre-existing obligations prior to the Scheme becoming effective.

The Committee noted and approved both the Reports and the Fair Exchange Ratio for the proposed merger of VD2H into and with DTIL.

Mr. Ranjit Singh, Company Secretary then informed the Committee that in terms of the provisions of the SEBI Circular No CIR/CFD/CMD/16/2015 dated November 30, 2015 (the "SEBI Circular"), the Scheme would require approval of designated Stock Exchange. He further informed the Committee that alongwith the application for approval of the designated Stock Exchange, the Company is also required to file a certificate from the Statutory Auditors of the Company to the effect that the accounting treatment contained in the draft Scheme is in compliance with all Accounting Standards specified by the Central Government under Section 133 of the Companies Act, 2013 read with the rules framed thereunder or the Accounting Standards issued by ICAI, as applicable, and other generally accepted accounting principles.

Mr. Sumit Mahajan, Partner, Walker Chandio & Co LLP, the Statutory Auditors, apprised the Committee about the accounting treatment in the Scheme.

The Committee after reviewing and discussion, authorized Mr. Rajeev K Dalmia, Chief Financial Officer and Mr. Ranjit Singh, Company Secretary, severally to coordinate with the Statutory Auditor of the Company and take all other necessary actions in relation to issuance of such certificate by the Statutory Auditor of the Company.

The Company Secretary further informed the Board that the Company will file an undertaking with the stock exchanges stating the reasons for non-applicability of requirements of e-voting and postal ballot for obtaining approval of the draft Scheme by the shareholders as prescribed under SEBI Circular in respect of the draft Scheme of Arrangement. The Company Secretary further informed the Board that as per the SEBI circular, the said undertaking by the Company is required to be certified by the Statutory Auditors of the Company.



The undertaking by the Company regarding non-applicability of requirements of e-voting and postal ballot for obtaining approval of the draft Scheme by the shareholders as prescribed in SEBI Circular No CIR/CFD/CMD/16/2015 dated November 30, 2015, as certified by the Statutory Auditor, was placed before the Committee by Mr. Rajeev K Dalmia, Chief Financial Officer and Mr. Ranjit Singh, Company Secretary.

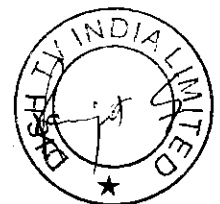
The Committee approved the undertaking by the Company regarding non-applicability of requirements of e-voting and postal ballot for obtaining approval of the draft Scheme by the shareholders as prescribed in SEBI Circular No CIR/CFD/CMD/16/2015 dated November 30, 2015, as certified by the Statutory Auditor of the Company.

The Audit Committee noted that:

- i. Transferor Company is currently engaged in business of providing Direct to Home ('DTH') services.
- ii. Proposed Amalgamation of the Transferor Companies with the Transferee Company would *inter alia* have the following benefits:
  - (a) the proposed amalgamation will enable consolidation of the business and operations of VD2H and DTIL which will provide substantial impetus to growth, enable synergies, reduce operational costs, increase operational efficiencies and enable optimal utilization of various resources as a result of pooling of financial, managerial and technical resources, and technologies of both VD2H and DTIL, significantly contributing to future growth and maximizing shareholder value; and
  - (b) the proposed amalgamation would be to the benefit of their respective shareholders and creditors, as it is expected that the combined entity resulting out of such an arrangement will have better prospects of growth and that this would enable the management of DTIL to vigorously pursue revenue growth and expansion opportunities

The Audit Committee also reviewed the Valuation report. Further, the Fairness Opinion confirmed that the Share swap Ratio in the valuation Report is fair to the shareholders of the Company.

In light of the foregoing, the Committee approved and recommended the draft Scheme of Arrangement for Amalgamation of Videocon D2h Limited into and with Dish TV India Limited for approval of the Board.

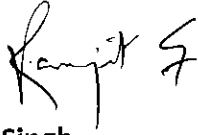


The Committee noted that no interested Director was present during discussion on the above item.

There being no other business, the meeting concluded with a vote of thanks to the Chair.

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For **DISH TV INDIA LIMITED**



**Ranjit Singh**  
**Company Secretary**  
**Membership No.:A15442**

