MANAGEMENT DISCUSSION AND ANALYSIS

Statements in this management discussion and analysis (MD&A) of the Company describing the Company's objectives, expectations or predictions may be forward-looking within the meaning of applicable laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events.

The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company assumes no responsibility to publicly amend, modify or revise forward-looking statements, on the basis of any subsequent developments, information or events. Thus, the Company's actual performance/results could differ from the projected estimates in the forward-looking statements.

The following discussions on our financial condition and result of operations should be read together with our audited, consolidated financial statements and the notes to these statements included in the annual report.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The global growth has eased but remains robust, and is projected to reach 3.1%[i] in 2018. The International Monetary Fund (IMF) projects that advanced economies, as a group, will continue to swell above their potential growth rates this year and the next, before decelerating, while growth in emerging markets and developing economies will rise before levelling off.

India's economy, which bottomed out due to the deceleration caused by one-time policy events, is now expected to re-emerge as the fastest growing one in Asia and clock a 7.3% rise in GDP in the current fiscal, and further accelerate to 7.6% in FY 2020. The implementation of Goods and Services Tax (GST) encountered transitory headwinds and hampered the gross domestic output, resulting in GDP growth of 6.7% as compared to 7.1% in FY 2017. The medium-term forecasts for growth and consumption in the Indian economy, however, look promising.

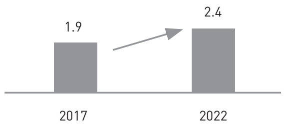


Figure: Global media and entertainment (M&E) industry revenue[ii]

The global media and entertainment (M&E) industry revenue is expected to see a 4.4%[iii] CAGR rise over the five-year forecast period, reaching US$2.4 trillion[iv] in 2022 from US$1.9 trillion[v] in 2017, while the Indian industry is expected to grow at 10.6%[vi] to exceed INR 2,910,000[vii] million by 2021.

Indian M &E industry

The M&E industry continues to grow at a rate faster than the GDP growth rate, reflecting growing disposable income led by stable economic growth and changing demographics.

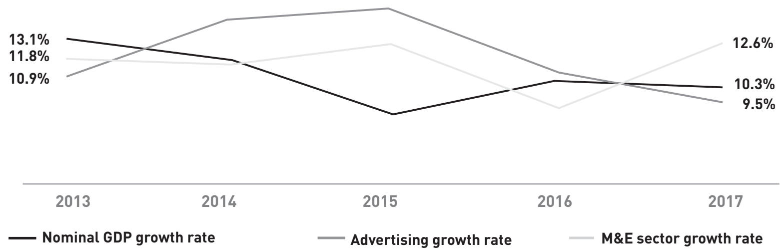


Figure: Sector growth vs nominal GDP growth[viii]

The expenditure on M&E is a reflection of the growing disposable income of Indian households. The M&E industry continues to perform in line with the Indian economy led by stable economic growth. The per capita GDP has

[i]Source: World Bank Global Economic Report
[ii,iii,iv,v]Source: PWC Global Entertainment & Media Outlook 2018-2022
[vi,vii]Source: PWC Global Entertainment & Media Outlook 2017-2021
[viii]Source: Central Statistical Organisation and FICCI-EY Report 2018 "Remaining India's M&E sector"

grown at over 6% since 2012 and has led to increased spends by consumers. We are moving towards a scenario where subscription revenues are not being impacted by economic shifts and slowdowns, as witnessed in 2017. The quality of subscription revenues has significantly improved and will provide for stable growth until 2020.

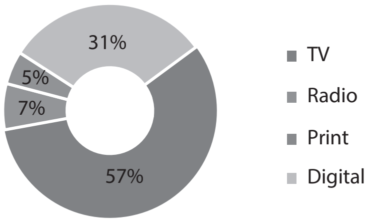
> India produces the highest number of hours of content globally, across 2,000 films, 800+ television channels, 250+ radio stations, 100,000+ newspaper and magazine editions and thousands of live events

The M&E sector grew almost 13%[ix] in the last year to INR 1.5 trillion[x]. Given the current growth trajectory, the sector is expected to cross INR 2 trillion by 2020 at a CAGR of 11.6%[xi]. All segments of the M&E sector are showing growth, consolidation and innovation.

The TV industry grew from INR 594 billion in 2016 to INR 660 billion in 2017, growth of 11.2% (9.8% net of taxes)[xii]. While advertising grew to INR 267 billion[xiii] comprising 40% of revenues, distribution grew to INR 393 billion[xiv], 60% of the total revenues. At a broadcaster level, however, subscription revenues (including international subscription) made up approximately 28%[xv] of revenues.

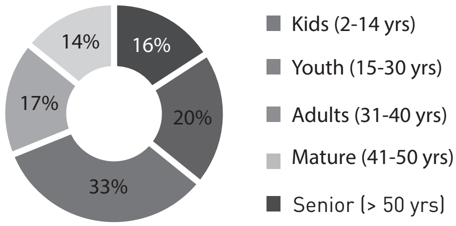
Although over 30%[xvi] of households in India are yet to access television (TV) screens, we assume that these households, being at the bottom of the pyramid, will tend to move first towards free and sachet products once they have access to TVs. In 2017, the number of TV viewing households reached 183 million[xvii], of which 83%[xviii] were the paid ones, which means there still exists an untapped market.

Figure: Average time spent per day on media by an adult[xix]



> TV remains the most popular form of entertainment having a 57% share across all age groups in the country.

Figure: Share of TV viewership across age groups[xx]

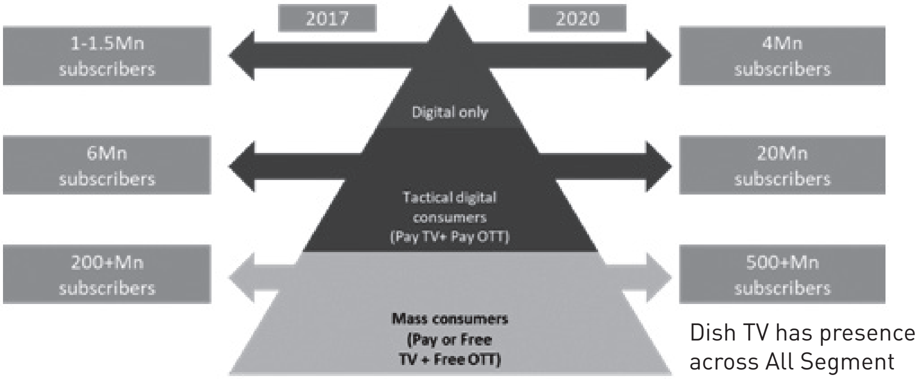


> Contrary to popular perception, the youth contributes a massive 33% share of TV viewership, and has seen growth of 22% over the year.

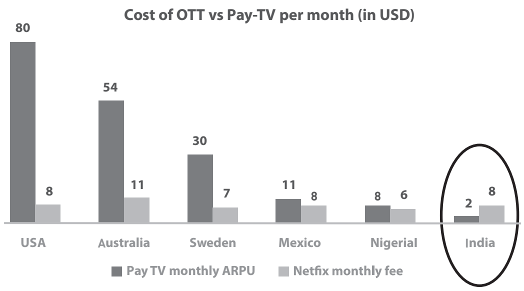
A new customer segmentation is, expected to emerge mainly due to the proliferation of digital infrastructure, which will enable shifts in the consumption pattern based on the ability to pay, rather than gender, age or geography.

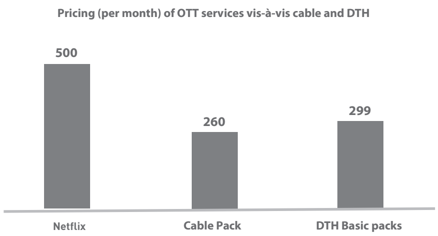
[ix,x,xi,xii,xiii,xiv,xv,xvi,xvii,xviii] Source: FICCI-EY Report 2018 "Remaining India's M&E sector"
[xix,xx] Source: Company Presentation

The new/emerging customer segmentation[xxi]



Globally, OTT cost is low compared to traditional pay TV platforms. High, fixed broadband penetration coupled with low OTT subscription cost has led to adoption of the OTT content. India is an exception to this phenomenon where OTT cost is more than pay TV, and high OTT streaming costs could pose a major hindrance to OTT proliferation.





Regulatory changes: As per the recent Interconnection Regulations & Tariff Order issued by the Telecom Regulatory Authority of India (TRAI), broadcasters will now have to declare the monthly MRP of each channel and the bouquets, with the condition that no pay channel, which is part of a bouquet, is priced above INR 19. Free-to-air (FTA) and pay channels would be segregated into different bouquets. The order would ultimately impact end customers favourably and go a long way in regulating channel pricing. It will also give the real and apparent choice to the customer.Television Distribution industry has been plagued by differential pricing offered by the Broadcasters to DTH and MSO's however the new Regulations & Tariff Order will harmonise the pricing for all the distribution platform operators, ensuring a level playing field in the television distribution space in India. DishTV was the first in the industry to partially, and voluntarily, roll out the provisions of the TRAI tariff order by offering cost-effective àla carte'Mera Wala Pack' or 'Mera Apna Pack' channels to its subscribers.

The Goods and Services Tax (GST), a groundbreaking tax reform in India, came into effect during the year. Further, the GST would provide check on any kind of tax avoidance in the informal cable sector would definitely help reduce irrational competition and bring respite to the M&E sector from subsuming of entertainment tax, input tax credit for distributors and elimination of dual tax. The Company falls under the bracket of 18% GST.

Financial performance

On March 22, 2018, the mega amalgamation between DishTV India Limited and Videocon D2H Limited was completed, and became applicable with effect from October 1, 2017. The financials of the amalgamated entity

[xxi]Source: FICCI-EY Report 2018 "Remaining India's M&E sector"

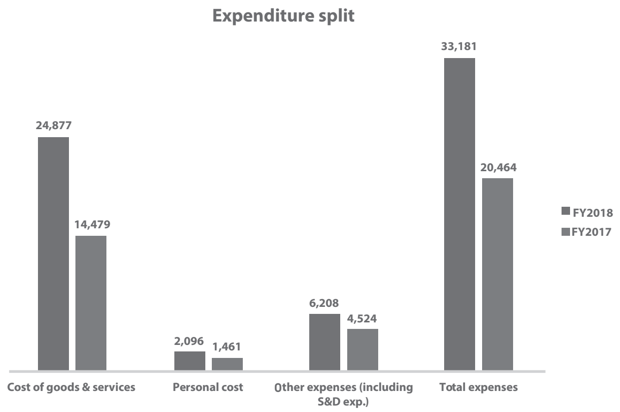
DishTV India Limited, for the year ended March 31, 2018, represent 12 months' financial performance of DishTV India Limited and six months' financial performance of Videocon D2H Limited; thus, the financial performance numbers for FY 2018 of the merged entity are incomparable with the corresponding period last year.

Revenue from operations

The company, on a consolidated basis, reported a total income of INR 46,883.2 mn for FY 2018. Revenue from operations stood at INR 46,341.6 mn as against INR 30,143.8 mn for FY 2017.

Operating expenses

Operating expenses increased to INR 24,766.0 mn in FY 2018 from INR 14,372.4 mn in FY 2017. The increase was due to increased business volume and merger related expenses.



Employee benefit expenses

Overall employee benefit expenses increased to INR 2,096.1 mn in FY 2018 from INR 1,460.8 mn in FY 2017. The increase was due to merger with Videocon D2H Limited.

Finance cost

Finance cost for FY 2018 stood at 3,963.7 mn as against INR 2,292.3 mn for FY 2017. The increase was due to the increased debt arising out of merger with Videocon D2H Limited.

Depreciation and amortization expense

Depreciation and amortization expense increased to INR 10,717.2 mn in FY 2018 from INR 6,908.0 mn in FY 2017. The increase was due to increase in the Net Block acquired under the merger with Videocon D2H Limited.

Profit and loss for the year

The Company, on a consolidated basis, recorded a loss of INR 849.0 mn in FY 2018 as against a profit of INR 821.3 mn in FY 2017. The loss was due to expense related to merger and provision of deferred tax.

Cash

Cash and cash equivalent stood at INR 3,019.6 mn for FY 2018 as against INR 1,733.2 mn for FY 2017. The increase was due to higher operating income.

Provisions

The provisions increased from INR 13,991.3 mn in FY 2017 to INR 27,886.5 mn in FY 2018. This increase was due to regulatory dues and change in accounting treatment.

BUSINESS PERFORMANCE

Mega merger

During FY 2018, Dish TV India Limited achieved yet another milestone by completing its amalgamation with Videocon d2h on March 22, 2018 to become India's largest DTH operator, both in terms of subscriber base and revenue.

- Free cash flow of INR 2.5 billion generated
- The Company replaced debt of Videocon's d2h with low cost debt.
- The merged company reported combined operating revenues of INR 46.34 billion in FY2018.

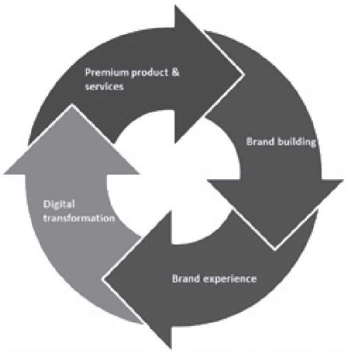
Combined strength: 23 mn subscribers and 37% market share in DTH Segment

The merged company's subscriber base is a blend of urban, semi-urban and rural subscribers. After the merger, the rural to urban ratio of the subscriber base has changed from 75:25 to 65:35, and the increased discretionary spending across categories would be a benefit. A healthier urban mix would be advantageous to the revenue pool while at the same time a stable, paying rural base would provide a buffer against alternative technologies.

Our aspiration has been to strengthen the merged entity by adopting the best practices of both the companies. Three well recognized and powerful brands – *'dishtv', 'd2h'* and *'Zing'* are now being marketed under the Dish TV India Limited umbrella with each being favourably positioned in its key target markets. While *dishtv* has always had a high top-of-the-mind consumer brand recall, *d2h* has had the advantage of having high brand loyalty in trade circles.

Separate sales teams with uniform structures are not only complementing but also productively competing with each other in the market

On the customer service front, the company is continuously taking steps towards a faster, better and more efficient service model, which is absolutely unmatchable, to bring in 'customer delight'. DishTV is targeting 400 company-managed service centres and around 4,500 company technicians equipped to make more than 1 million home visits every month. In order to cross-utilise critical infrastructure for synergies, the aim is to achieve a faster turnaround time for customer query resolution.



Our Company expects to achieve significant cost and revenue synergies from the merger with Videocon d2h in FY 2019. This would emanate from synergies due to capex, interest cost, content cost, administrative expenses and call center expenses.

The merger would also provide the advantage of multiple satellite strategy resulting into being able to provide all the channels to the subscribers. This move will help increase our bandwidth to offer more channels and regional content. Of course, Zing brand continues to remain the undisputed leader when it comes to tailor-made packages for regional audiences. The main emphasis will be on cost rationalisation and streamlining operations and brands, technically, as well as administratively. The reach of sales and distribution has increased considerably and now the brands of your Company have presence in almost each and every district of India, both in terms of brand awareness and shops/outlets. Despite competition, regulatory changes, emergence of new-age technologies and shifting consumer preferences, the company has been growing consistently, in terms of volume as well as value. The increase in the number of subscribers after the merger is expected to help the Company command increased share of advertisement and carriage revenue.

Focus on high definition (HD) channels

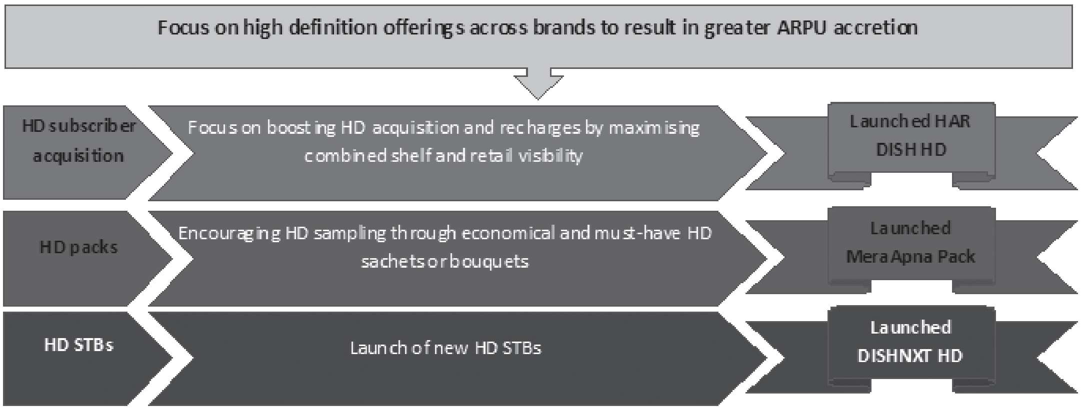
New Initiatives

- Unveiling of new generation cardless HD set-top box 'DISHNXT HD' with five times better picture quality, new user interface and multilingual support.
- Tie-ups with major TV original equipment manufacturers (OEMs)
- Packaging and pricing initiatives to leverage digitalisation opportunity in Tamil Nadu.
- Launch of a new annual plan, 'Sentamizh',under d2h brand for new acquisitions in Tamil Nadu to enable significant gain in share of gross additions.
- Launch of five new Value Added Services (VAS)
  - d2h Nachle (Dance)
  - Jyotish Duniya (Astrology)
  - Evergreen Classic Active (Hindi classics),
  - Aapla Manoranjan (Marathi entertainment)
  - Thirai Ulagam (Tamil movies)

HD grew with digitisation, on the back of increased sale of large television screens wherein the viewing experience requires higher quality content. HD audience contributes to higher revenues for distribution companies due to the premium pricing that such channels command. The HD subscriber base of the Company is at 3.5 million as of 31 March 2018, which is 15% of the total subscriber base. The Company dominates the market in this segment by offering one of the largest portfolios comprising 66 HD channels in the Indian DTH industry.

- Launch of a new TV campaign, 'HAR DISH HD', for all Dish TV customers to get free access to HD channels, thus moving HD from a niche to a mass product.
- Launch of a first-of-its-kind service in the industry titled 'Mera Apna Pack', enabling customers to opt for such channel(s) as the consumer wants to watch.
- channels by just paying INR 8.5 per channel and INR 17 per HD channel, thus empowering them with freedom of choice, affordability and reachability.

The number of HD households is expected to grow from 13 mn to 25-30 mn in the next five-six years, thus presenting a huge expansion opportunity for the Company. The Company would soon launch new HD set-top boxes with better picture quality and more user-friendly features. This premium segment is expected to increase the average revenue per user (ARPU) and, thus, ultimately impact the topline positively.



Digital push

Customers are adopting the 'digital' offering in every aspect of a transaction life cycle, from initiation to culmination including researching for a product/service, buying the product/service, availing post-sales service and also providing feedback and reviews, all online on company websites/e-commerce websites/social media and others. Dish TV is trying to reach these 'digital' customer touch points strategically at every point of transaction.

Upholding our legacy to be the first in the industry, our Company was the first DTH service brand to be listed on Flipkart, the e-commerce giant, thus strengthening our foothold on e-commerce portals and enhancing our reach, ease of use and additional comfort to our customers. Dish TV continues to maintain market dominance among mainstream ecommerce portals with >40% market share.

First DTH brand to sell subscription via E-commerce.

- The Company took a leap in technology by launching the world's first AI-enabled pay TV chatbot 'Advanced Dish TV Interface(ADI)', to enhance customer experience – a step towards customer engagement that goes beyond mere clicks.
- All the equipment,hardware and broadcast stations are now high efficiency video coding (HEVC) compliant, increasing efficiency in terms of cost and allowing access to more channels and better picture quality for customers.
- Dish TV initiated digitisation of below the line (BTL) via augmented reality (AR) for rural marketing which has been well received and has also won a couple of prestigious awards.The company has integrated set-top boxes with Amazon Echo, a virtual assistant developed by Amazon Inc., for interactive engagement and customer delight.
- Dish TV has been among the first to integrate WhatsApp into the DTH system for the convenience of its customers.

The Company has undertaken various search engine optimization (SEO) initiatives during the year to optimise digital search platforms which have subsequently generated additional sales for the Company. The Company became the first DTH brand to initiate search options in Hindi language for its customers. The Company website has undergone a complete makeover which has also catalyzed the growth in customer acquisition on the digital platform, most of which are new HD subscriptions.

Technology

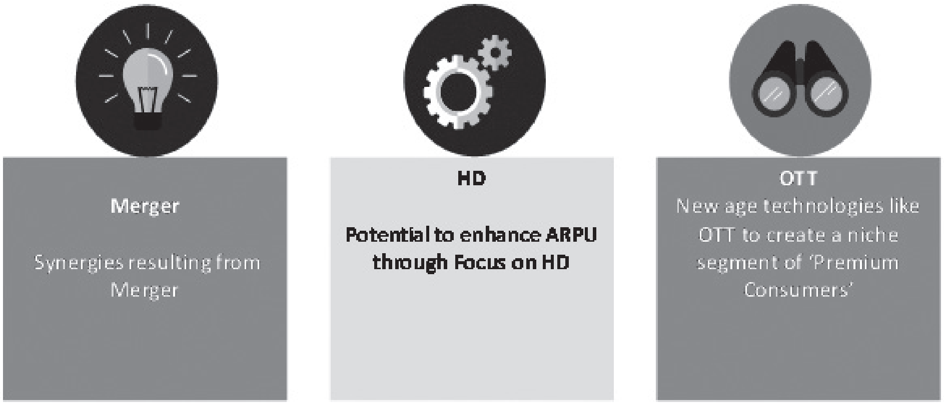
We strongly believe that technology will be the game changer going forward for our industry and we are all geared up to adapt technological advancements and stay ahead of the curve. The Company is investing in the upgrade of technology to be ahead of market players and achieve a balanced customer base.

OTT platform

The Company has strategic plans to attract digital and tactical digital consumers. The company is planning to launch its own OTT platform and hybrid set-top boxes (pay TV + pay OTT) to cater to this new segment. Though the segment is at quite a nascent stage, the company plans enter the potential market early on to exploit its large subscriber base.This amount will be invested to produce original and short duration content. The focus is to acquire content in trending genres like adult comedy, online quizzing etc. The platform will also have access to regular channels. The company will be targeting households with existing internet connectionsto build up on the existing infrastructure. The company is also looking at collaborating with local service providers to ensure reaching the last mile.

OUTLOOK AND OPPORTUNITIES

We believe a significant potential for growth exists in acquiring new subscribers both in the short and long terms. While in the short term, digitisation will continue to feed subscriber additions, government schemes focused on bridging the urban-rural divide, increasing farm incomes and electricity connection to rural households will create demand for new televisions and pay TV connections in the years to come. On the customer service front, the company aims to build a state-of-the-art service model.The parliamentary elections in the country are scheduled in 2019 and the Company expects significant rise in advertisement spending which is expected to positively impact the advertisement revenue for the company. In the years ahead, the company expects to outgrow the industry growth rate backed by the launch of new set-top boxes that would be full-HD compliant yet more economical than the existing ones. The company also has ambitious plans to increase its HD customer base inorder to ramp up its ARPU. The revenue would be further fortified through value added services, some of which have already been rolled out across the three brands. With demonetisation, poor rural demand and merger related distractions behind us, we are confident of a sharp turnaround in our operating and financial performance this fiscal.



- Rising incomes and evolving lifestyles are leading to higher demand for aspirational products and services.
- Higher penetration and rapidly growing young population coupled with increased usage of 3G, 4G and portable devices would augment demand.
- Digitisation of cable distribution to improve profitability and ease of institutional finance.
- Increasing liberalisation and tariff relaxation to further drive increase in subscriptions.

THREATS, RISKS AND CONCERNS

- Fall in broadband prices could pose a threat to the DTH industry as it could lead to increased viewership of TV content on larger screens
- Free TV continues to grow and poses a threat

Effective risk management has the potential to minimise the impact of risks and prepare the Company to face challenges and strengthen its processes. The Company is cognizant of the various risks inherent to the business and, hence,has adopted a Risk Management Policy (Policy), as a part of its Risk Management Framework. It outlines the Company's objectives and principles of risk management along with an overview of the process and related roles and responsibilities and also describes the Company's approach towards risk mitigation and defines the risk management framework. A few inherent risks are discussed here.

1. **Post-merger integration risk:** There are risks associated with post-merger integration. The rate of success of execution associated with the merger may impact the expected synergies.

   Risk mitigation strategy: The management is regularly reviewing the post-merger integration plan. Various plans were launched throughout the year to ensure seamless integration on both business and cultural fronts based on customer centricity. The focus has been on imbibing best practices of the Companies and shedding away the non-required ones to make way for adoption of newer practices. Periodic review and corrective measures continue to be taken.

2. **Technology risk:** Technological advancement and emergence of new-age technologies may pose a risk to our business if we do not quickly adapt ourselves to this changing scenario.Our industry is on where technology plays a crucial role and it will keep witnessing technological advancements as we go along.

   Risk mitigation strategy: Your Company is well placed to serve the desired needs of the customers by leveraging on customer relationship and offering newer technologies, products and services. The Company continues to make investments to upgrade our technology with changing times to fulfill our consumer expectations, desire and needs and, hence, stay ahead of the game.

3. **Regulatory risk:** Our industry is a heavily regulated one. Newer regulations may pose a threat if we do not abide by them or may also affect our business model adversely. Transition to the GST regime, new TRAI tariff order,etc. are some of the current risks.

   Risk mitigation strategy: Our aim is to comply with the law and we continue to do that. The Company smoothly transitioned during the GST incorporation phase and has already started following a well thought-through strategy by partially, and voluntarily, adopting the new tariff order with the launch of new àla carte pack. Going forward, we will strive to continue doing business within the boundaries of law.

4. **Competition risk:** Though our industry is high capital intensive and highly regulated, entry of any new competitor poses a risk since it may signal price war within the industry. Highly technology-focused competition like alternative and digital media also poses a risk.

   Risk mitigation strategy: The Company has products and services for each economic strata in the country and has balanced presence in rural and urban areas pan India. Our Company will soon launch hybrid set-top boxes and an OTT platform for the new millennial consumers. We have robust customer care support system to resolve any customer concern within four hours of TAT. We continue to be the market leader and enjoy an even bigger share after the merger. Staying focused on 'serving customers' and progressing on technology will enable us to not only protect but also grow our market share.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

The Merger resulted into cultural integration becoming one of the key priorities throughout the last financial year. While integrating people practices, the strategic approach has been to adopt best practices of both the companies, align to the market best practices and build a future-ready organisation. One of the major transformative changes introduced during the year was the alignment to a 'customer centric' organisation structure. Customer Engagement, Inbound & Outbound Operations and Business Process Excellence departments were put together to ensure and deliver holistic customer experience.

To ensure effective merger of the workforce, it was important to leverage the similarities and strengths to evolve the culture of the new organisation. Therefore, values were redefined to serve as a 'cultural glue' to offer mutual understanding, effective communication and significantly increase efficiency of the organisation. In order to build a value-driven organisation, these values are included in the Performance Management System. The focus stems from the fact that a value-based culture not only enhances customer satisfaction and loyalty but also improves the organisational performance and engagement levels. Going forward, alongside the KRAs, these values will be the cultural cornerstones guiding the organisation's actions, be it decision making, people processes or the operations of your Company. These will also be integrated in the hiring philosophy and reward & recognition programs. As of March 31, 2018, there were 596 permanent employees on the rolls of the Company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place an established internal control system commensurate with the size, scale and complexity of the organisation. The internal control system has been designed to ensure orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information. These systems are routinely tested and certified by statutory as well as internal auditors and cover key business areas. Significant audit observations and follow-up actions thereon are reported to the audit committee.

The audit committee reviews adequacy and effectiveness of the Company's internal control environment. The management information system (MIS) forms an integral part of the Company's control mechanism. All operating parameters are monitored and controlled. Any material change in the business outlook is reported to the Board. Material deviations from the annual planning and budgeting, if any, are reported to the Board on a quarterly basis. An effective budgetary control on all capital expenditure ensures that actual spending is in line with the capital budget.

The Company's internal control system provides reasonable assurance that policies, processes, procedure and operational activities facilitate effective and efficient operation, ensure the quality of internal and external reporting and also ensure compliance with applicable laws and regulations. The Company has put in place an internal governance structure with defined roles and responsibilities of every constituent within the system. It has continued its efforts to align all its processes and controls with global best practices.

Protiviti Advisory India LLP was the internal auditor of the Company for FY 2018. The Company's system of internal controls covering CPE procurement & commercial review, RO operations review, major expenses review, HR audit, revenue performance, TRAI, taxation, etc. are reviewed by the internal auditors from time to time and presented to the audit committee.

Although monitoring procedures are part of the overall control system, such procedures are largely independent of the elements they check. The Board, with the assistance of the audit committee, regularly receives and reviews reports on internal controls. The reports from the management provides a balanced assessment of the effectiveness of the internal control system in the areas covered.

ADHERENCE TO THE ACCOUNTING STANDARD

The Company has adopted standard accounting policies under the Indian Accounting Standards ('Ind AS') since 1 April, 2017 as prescribed under section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder and other accounting principles generally accepted in India. Changes in policies, if any, are approved by the audit committee.

FINANCIALS AND FINANCIAL POSITION

Standalone and Consolidated Financials as on March 31, 2018:

Table below presents Standalone & Consolidated Financials for the Current and Previous Financial Year.

Statement of Profit and Loss Account for the year ended 31 March 2018

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2018	2017	2018	2017
Income				
Revenue from Operations	**286,260**	194,539	**463,416**	301,438
Other Income	**6,132**	6,948	**5,416**	6,150
Total Revenue	**292,392**	**201,487**	**468,832**	**307,588**
Expenses				
Purchase of stock in trade (Consumer premises equipment related accessories /spares)	**-**	14	**937**	1,119
Change in inventories of stock- in-trade	**-**	-	**174**	(52)
Operating expenses	**228,032**	131,854	**247,660**	143,724
Employee benefit expense	**8,775**	5,761	**20,961**	14,608
Finance Cost	**14,890**	10,014	**39,637**	22,923
Depreciation & amortization expense	**20,640**	7,766	**107,172**	69,080
Other expenses	**34,248**	20,285	**62,082**	45,237
Total Expenses	**306,585**	**175,694**	**478,623**	**296,639**
Profit before prior period items & tax from continuing operation	**(14,193)**	**25,793**	**(9,791)**	**10,949**
Exceptional items	**-**	-	**-**	-
Profit/ (Loss) before tax from continuing operation	**(14,193)**	**25,793**	**(9,791)**	**10,949**
Tax expense	**(8,981)**	9,004	**(1,301)**	2,737
Profit/ (Loss) after tax for the year from continuing operation	**(5,212)**	**16,789**	**(8,490)**	**8,212**
Profit/ (Loss) before tax from discontinuing operation	**18,986**	-	**-**	-
Tax expense	**10,440**	-	**-**	-
Profit/ (Loss) after tax for the year from discontinuing operation	**8,546**	**-**	**-**	**-**
Profit/ (Loss) for the year	**3,334**	**16,789**	**(8,490)**	**8,212**

Balance Sheet as at 31 March 2018

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	Audited	Audited	Audited	Audited
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
A. ASSETS				
(1) Non-current assets				
(a) Property, Plant & Equipment	**65,174**	27,645	**363,380**	202,994
(b) Capital work-in-progress	**5,965**	2,210	**67,806**	57,963
(c) Goodwill	**391,138**	-	**627,542**	-
(d) Other intangible assets	**210,004**	1,128	**227,569**	1,235
(e) Financial assets				
(i) Investments	**32,298**	30,321	**15,000**	15,000
(ii) Loans	**13,488**	9,510	**1,534**	986
(iii) Other financial assets	**275**	19	**2,327**	37
(f) Deferred tax assets (net)	**-**	4,377	**60,265**	51,174
(g) Current tax assets (net)	**7,347**	3,835	**10,774**	4,969
(h) Other non-current assets	**12,487**	5,328	**19,310**	13,431
(2) Current Assets				
(a) Inventories	**-**	-	**3,805**	1,308
(b) Financial assets				
(i) Investments	**-**	-	**-**	1,481
(ii) Trade receivables	**12,776**	8,141	**14,599**	8,697
(iii) Cash and cash equivalents	**26,510**	11,969	**30,196**	17,332
(iv) Bank balances other than (iii) above	**12,742**	10,955	**26,104**	11,892
(v) Loans	**164**	1,110	**648**	1,281
(vi) Other financial assets	**330,429**	78,031	**18,407**	4,142
(c) Other current assets	**10,081**	6,684	**27,941**	23,093
Total Assets	**1,130,878**	201,263	**1,517,207**	417,015
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital	**18,413**	10,659	**18,413**	10,659
(b) Other equity	**654,792**	17,096	**657,000**	29,921
(c) Non-controlling Interest	**-**	-	**(1,808)**	(878)
	673,205	27,755	**673,605**	39,702
LIABILITIES				
(1) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	**869**	-	**179,488**	58,133
(ii) Other financial liabilities	**780**	315	**4,483**	10,791
(b) Provisions	**1,392**	1,088	**4,084**	2,307
(c) Deferred Tax Liabilities (net)	**43,911**	-		
(d) Other non-current liabilities	**1,404**	1,295	**12,139**	1,672
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	**12,403**	-	**45,322**	-
(ii) Trade payables	**54,409**	11,851	**67,018**	18,451
(iii) Other financial liabilities	**13,206**	4,577	**144,179**	104,113
(b) Other current liabilities	**50,502**	14,492	**108,023**	41,932
(c) Provisions	**278,797**	139,890	**278,865**	139,913
(d) Current tax liabilities (net)	**-**	-	**1**	1
Total Equity & Liabilities	**1,130,878**	201,263	**1,517,207**	417,015

(₹ in Lakhs)

(A) RESULTS OF OPERATIONS

We are pleased to share the Consolidated Financial information for the year ended March 31, 2018 compared to previous year ended March 31, 2017. At the close of FY 2018, Dish TV India Limited has two Subsidiaries Company i.e., Dish T V Lanka (Private) Limited (Dish Lanka) with 70% equity holding and Dish Infra Services Private Limited with 100% equity holding and one joint venture i.e. C&S Medianet Private Limited with 48% equity holding. Dish TV Lanka (Private) Limited has received the requisite licenses and permissions from regulatory authorities and has commenced its commercial operations. The Consolidated Financial Statements have been prepared after elimination of inter Company transactions, if any.

Revenue from Operations

Revenue from Operations includes Subscription Revenue, Infra support services, Lease rentals, Teleport services, and Bandwidth charges, Sale of CPE & accessories, Advertisement Income & Other operating income. Revenue from Operations increased by ₹ 161,978 lakhs or 53.74% from ₹ 301,438 lakhs in FY 2017 to ₹ 463,416 lakhs in FY 2018.

Other Income

Interest & Other Income decreased by ₹ 734 lakhs or 11.93% from ₹ 6,150 lakhs in FY 2017 to ₹ 5,416 lakhs in FY 2018.

Purchases of stock- in-trade

Purchases of stock –in- trade decreased by ₹ 182 lakhs or 16.26% from ₹ 1,119 lakhs in FY 2017 to ₹ 937 lakhs in FY 2018.

Change in inventories of stock- in-trade

Change in inventories of stock in trade increased by ₹ 226 lakhs or 434.62% from ₹ (52) lakhs in FY 2017 to ₹ 174 lakhs in FY 2018.

Operating expenses

Operating expenses increased by ₹ 103,936 lakhs or 72.32% from ₹143,724 lakhs in FY 2017 to ₹ 247,660 lakhs in FY 2018.

Employee benefit expenses

Overall employee benefit expenses increased by ₹ 6,353 lakhs or 43.49% from ₹ 14,608 lakhs in FY 2017 to ₹ 20,961 lakhs in FY 2018.

Finance Cost

Finance cost increased by ₹ 16,714 lakhs or 72.91% from ₹ 22,923 lakhs in FY 2017 to ₹ 39,637 lakhs in FY 2018, due to Interest charged on others and interest on licenses fee.

Depreciation and amortization expense.

Depreciation and amortization increased by ₹ 38,092 lakhs or 55.14% from ₹ 69,080 lakhs in FY 2017 to ₹ 107,172 lakhs in FY 2018.

Other Expenses

Other Expenses is increased by ₹ 16,845 lakhs or 37.24% from ₹ 45,237 lakhs in FY 2017 to ₹ 62,082 lakhs in FY 2018.

Profit and Loss before tax

Loss before Tax for the Financial Year 2017-18 ₹ 9,791 lakhs. Profit before Tax for the Financial Year 2016-17 ₹ 10,949 lakhs.

Profit and Loss for the year

Loss for the financial year 2017-18 is ₹ 8,490 lakhs. Profit for financial year 2016-17 ₹ 8,212 lakhs.

(B) FINANCIAL POSITION

(i) Equity and Liabilities

Share Capital

Share capital increased by ₹ 7,754 lakh from ₹ 10,659 lakhs in FY 2017 to ₹ 18,413 lakhs in FY 2018.

Other equity

Other equity Increased by ₹ 627,079 lakhs from ₹ 29,921 lakhs in FY 2017 to ₹ 657,000 lakhs in FY 2018.

Non-current Borrowings

Long Term Borrowings increased by ₹ 121,355 lakhs or 208.75%, from ₹ 58,133 lakhs in FY 2017 to ₹ 179,488 lakhs in FY 2018.

Other financial Liabilities

Other financial Liabilities stood at ₹ 4,483 lakhs as on March 31, 2018 as against ₹ 10,791 lakhs as on March 31, 2017. The decreased was due to decrease in interest accrued on borrowing.

Non-Current Provisions

Non-current Provisions increased by ₹ 1,777 lakhs from ₹ 2,307 lakhs as on March 31, 2017 to ₹ 4,084 lakhs as on March 31, 2018.

Other non-current Liabilities

Other non-current Liabilities includes income received in advance. Other Long Term Liabilities stood at ₹ 12,139 lakhs as on March 31, 2018 as against ₹ 1,672 lakhs as on March 31, 2017.

Current Liabilities

Current Liabilities includes current Borrowings, Trade Payables, Other Financial Liabilities, Other Current Liabilities, current Provisions and Current tax liabilities. Current Liabilities stood at ₹ 643,408 lakhs as on March 31, 2018 as against ₹ 304,410 lakhs as on March 31, 2017.

(ii) Assets

Non-Current Assets

Property, plant & equipment

Tangible assets stood at ₹ 363,380 lakhs as on March 31, 2018 as against ₹ 202,994 lakhs as on March 31, 2017. The increase was due to the Capital Expenditure incurred for CPEs deployment.

Intangible Assets

Intangible assets (including goodwill) stood at ₹ 855,111 lakhs as on March 31, 2018 as against ₹ 1,235 lakhs as on March 31, 2017.

Capital Work-in-Progress

Capital Work-in-Progress increased by ₹ 9,843 lakhs from ₹ 57,963 lakhs as on March 31, 2017 to ₹ 67,806 lakhs as on March 31, 2018.

Non-Current Investments

Non-Current Investments stood at ₹ 15,000 lakhs as on March 31, 2018 as against ₹ 15,000 lakhs as on March 31, 2017.

Deferred tax assets

Deferred tax assets stood at ₹ 60,265 lakhs as on March 31, 2018 as against ₹ 51,174 as on March 31, 2017.

Non-current Loans

Long Term Loans and Advances increased by ₹ 548 lakhs from Rs 986 lakhs as on March 31, 2017 to ₹ 1,534 lakhs as on March 31, 2018.

Other non-current financial assets

Other Long Term financial assets increased by ₹ 2,290 lakhs from Rs 37 lakhs as on March 31, 2017 to ₹ 2,327 lakhs as on March 31, 2018.

Other Non-Current Assets

Other Non-Current Assets (Including Current tax assets) stood at ₹ 30,084 lakhs as on March 31, 2018 as against ₹ 18,400 lakhs as on March 31, 2017.

Current Assets

Current Investments

Current Investments stood at nil as on March 31, 2018 as against ₹ 1,481 lakhs as on March 31, 2017.

Inventories

Inventories stood at ₹ 3,805 lakhs as on March 31, 2018 as against ₹ 1,308 lakhs as on March 31, 2017, registering an increase of 190.90%.

Trade Receivables

Trade Receivables stood at ₹ 14,599 lakhs as on March 31, 2018 as against ₹ 8,697 lakhs as on March 31, 2017.

Cash and Bank Balances

Cash and Bank Balances stood at ₹ 56,300 lakhs as on March 31, 2018 as against ₹ 29,224 lakhs as on March 31, 2017.

Current Loans

Loans and Advances stood at ₹ 648 lakhs as on March 31, 2018 as against ₹ 1,281 lakhs as on March 31, 2017.

Other current financial assets

Other current financial assets stood at ₹ 18,407 lakhs as on March 31, 2018 as against ₹ 4,142 lakhs as on March 31, 2017.

Other Current Assets

Other Current Assets stood at ₹ 27,941 lakhs as on March 31, 2018, registering aincreased of 87.95% over the last year figure of ₹ 23,093 lakhs.