



Parag Mehta
General Manager
Corporation Finance Department
Division of Issues and Listing-II
Phone: +91 22 2644 9360
Fax: +91 22 2644 9035. Email: paragb@sebi.gov.in

भारतीय प्रतिभूति
और विनिमय बोर्ड
**Securities and Exchange
Board of India**

CFD/DIL/IG/PB/MKS/172369/2009
August 7, 2009

Dish TV India Ltd.
FC-19, Sector-16A
Film City
Noida - 201 301

**Sub: Request for 'Interpretative Letter' under Securities and Exchange
Board of India (Informal Guidance) Scheme, 2003**

Ref: Your letter dated 13.05.09.

- 1.0 Please refer to your letter referred above seeking 'interpretative letter under the SEBI (Informal Guidance) Scheme, 2003.
- 2.0 From the facts represented in your letter under reference the following is noted for the purpose of the present interpretive letter -
 - a. M/s. Dish TV India Ltd. (the Company) is a listed company having its shares listed on the Bombay Stock Exchange (BSE), National Stock Exchange of India Ltd (NSE) and Calcutta Stock Exchange Association Ltd (CSE).
 - b. The equity shares of Dish TV were listed on April 18, 2007 on Bombay Stock Exchange (BSE) and National Stock Exchange of India Ltd (NSE) and on June 06, 2007 on Calcutta Stock Exchange (CSE) pursuant to a Scheme of Arrangement between Zee Telefilms Ltd (currently known as "Zee Entertainment Enterprises Ltd"), Siti Cable Network Ltd, New Era Entertainment Network Ltd, ASC Enterprises Ltd (renamed as "Dish TV India Ltd").
 - c. SEBI had granted relaxation from the applicability of Rule 19(2)(b) of Securities Contracts (Regulation) Rules, 1957 for listing of shares of the Company vide letter dated February 09, 2007. In compliance with the requirements of Clause 8.3.5.1 of the SEBI (DIP) Guidelines, 178921913 equity shares of Re.1/- each of Dish TV held by the promoters were locked-in for a period of 3 years from the date of listing and therefore, these shares are locked-in till April 17, 2010.

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- d. As part of restructuring of Promoters' shareholding in Dish TV, one of the Promoters viz., Veena Investments Pvt Ltd (Veena), proposes to acquire in the aggregate 3,75,14,855 equity shares held by other companies belonging to the promoter group which are currently under lock-in, subject to the extant guidelines. Particulars of lock-in shares proposed to be acquired by Veena inter se from other promoter companies subject to continuity of such lock-in provisions are as follows:

Name of Shareholder	No. of shares held	No. of shares proposed to be acquired by Veena
Premier Finance & Trading Co. Ltd.	3,62,68,431	1,28,59,855
Prajatma Trading Co. Pvt. Ltd.	7,96,09,638	99,37,500
Ganjam Trading Co. Pvt. Ltd.	1,68,76,987	1,47,17,500

3.0 In view of the above, your queries predominantly relate to the following:-

- Whether provision of Clause 4.16.1(b) of Chapter IV 'Promoters Contribution and Lock-In Requirement' of DIP Guidelines permitting inter se transfer of lock-in shares between promoters shall also apply in the case of lock-in shares issued and listed pursuant to schemes falling under Clause 8.3.5 of SEBI (DIP) Guidelines.
- Whether inter se transfer of lock-in shares between the promoters of Dish TV, subject to compliance of applicable guidelines is permitted and therefore not restricted under any guidelines issued by SEBI from time to time.
- If permitted, the processes and additional compliances, if any, required on behalf of the Company and / or its promoter shareholder (s).

4.0 Our views on the issues referred by you are as under –

- Clause 4.16.1 (b) contemplates *inter se* transfer between promoters of those locked-in shares that have been locked-in pursuant to a public issue of shares. Clause 4.16 (b) does not contemplate *inter se* transfer of shares between promoters that are locked-in pursuant to a relaxation given by SEBI under clause 8.3.5 of the DIP Guidelines from the applicability of Rule 19 (2)(b) of the SCRA.



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- b. The relaxation to the Company from the applicability of Rule 19 (2)(b) of the SCRA was given under clause 8.3.5 of chapter VIII. For being eligible for an exemption under this clause, Clause 8.3.5.1 (viii) lays down a pre-condition that the promoters' shares shall be locked-in to the extent of 20% of the post merger capital of the unlisted company, for a period of 3 years from the date of listing of the shares of the company. Clause 8.3.5 does not envisage any exception or deviation from this pre-condition and does not contemplate *inter se* transfer amongst promoters in cases where a relaxation has been given by SEBI under clause 8.3.5 of the DIP Guidelines.
- 5.0 This position is based on the representation made to the division in your aforesaid letter under reference. Different facts or condition might require different results. This letter does not express decision of the Board on the question referred.
- 6.0 Please note that this position is only with respect to the interpretation of Clause 4.16.1(b) and Clause 8.3.5.1 (viii)(b) of SEBI (DIP) Guidelines, 2000 regarding lock-in requirements of promoters shares of Dish TV India Ltd and does not affect the applicability of any other law or requirement.

Yours faithfully,


Parag Basu