

## BOARD'S REPORT

To the Members

Your Directors are pleased to present the 31<sup>st</sup> (Thirty first) Board Report of your Company providing an overview of the business and operations of the Company together with Annual Audited Financial Statements for the Financial Year ('FY') ended March 31, 2019, prepared as per Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act').

### 1. FINANCIAL RESULTS

The financial performance of your Company for the FY ended March 31, 2019 is summarized below:

(₹ In Lacs)

Particulars	Standalone – Year Ended		Consolidated – Year Ended	
	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
Sales & Services	393,788	286,260	616,613	463,416
Other Income	11,219	6,132	5,215	5,416
<b>Total Income</b>	<b>405,007</b>	<b>292,392</b>	<b>621,828</b>	<b>468,832</b>
Total Expenses	403,104	306,585	619,143	478,623
Profit/(Loss) before Tax & Prior Period Item	1,903	(14,193)	2,685	(9,791)
Prior Period Item	170,453	-	156,254	-
<b>Profit/(Loss) before Tax</b>	<b>(168,550)</b>	<b>(14,193)</b>	<b>(153,569)</b>	<b>(9,791)</b>
Profit from continuing operations before tax	(168,550)	(14,193)	(153,569)	(9,791)
Profit/(loss) from discontinuing operations before tax	-	18,986	-	-
- Current tax Continuing operation	1,519	-	2,844	527
- Income tax -prior years	540	(196)	921	(302)
- Deferred tax-Continued operation	(41,667)	(8,785)	(40,993)	(1,526)
- Deferred tax-Discontinued operation	-	10,440	-	-
Profit from continuing operations after tax	(128,942)	(5,212)	(116,341)	(8,490)
Profit/(loss) from discontinuing operations after tax	-	8,546	-	-
<b>Profit/(Loss) after Tax</b>	<b>(128,942)</b>	<b>3,334</b>	<b>(116,341)</b>	<b>(8,490)</b>
Profit/(Loss) for the Year	(128,942)	3,334	(116,341)	(8,490)
Add: Balance brought forward	18,427	(139,328)	20,233	(126,776)
Adjustment for Non-controlling interest	-	-	1,851	986
Adjustment for depreciation	-	-	-	-
Transferred from securities premium (capital reduction)	-	154,340	-	154,340
Add: Re-measurement of post-employment benefits	195	81	531	173
Less: Dividend paid during the year	(9,206)	-	(9,206)	-
Less: Dividend distribution tax on dividend	(1,892)	-	(1,892)	-
Amount available for appropriations	(121,418)	18,427	(106,767)	20,233
Balance Carried Forward	(121,418)	18,427	(106,767)	20,233

There have been no material changes and commitments that have occurred after close of the FY till the date of this report which affect the financial position of the Company. Based on the internal financial control framework and compliance system established in the Company and verified by the statutory and internal auditors and reviews performed by the management and / or the Audit Committee of the Board, your Board is of the opinion that Company's internal financial controls were adequate and effective during the FY 2018-19.

## 2. DIVIDEND

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as applicable to the top 500 Listed Companies, the Board of your Company has Dividend Distribution Policy. The said Policy of the Company sets out the parameters and circumstances that will be taken into account by the Board in determining whether or not to distribute dividend to its shareholders, the quantum of profits and/or retained profits earned by the Company to be distributed as dividend. The policy is available on the website of the Company viz. <http://www.dishd2h.com/corporate-governance/>.

Pursuant to the approval of the Board of Directors at its meeting held on October 25, 2018, your Company paid an interim dividend of Re. 0.50/- (Paisa Fifty Only) per equity share of face value of Re. 1/- (Rupees One Only) each on fully paid up equity shares and proportionate amount on partly paid up equity shares to the extent paid up, to the shareholders whose name appeared in the Register of Members as on Tuesday, November 6, 2018, being the record date fixed for this purpose.

The Board has not recommended any final dividend and the interim dividend of Re. 0.50/- (Paisa Fifty Only) per equity share, declared by the Board in its meeting held on October 25, 2018 shall be considered as the final dividend for the FY 2018-19. Thus, the total dividend for the FY 2018-19 remains at Re. 0.50/- (Paisa Fifty Only) per equity share with a total cash outflow of ₹ 11,098 Lakhs, including tax on dividend.

Your Company is in due compliance with the Dividend Distribution policy as approved by the Board.

## 3. BUSINESS OVERVIEW

Consumption of Entertainment, Infotainment, news and other genre of channels has become a basic need for people. Cutting across the spectrum of age, geography, sex, social and income levels, it's consumption is leapfrogging, both in terms of frequency and volume. It is a marvelous cycle where demand is getting fueled by a huge spurt in content creation and both consumption as well as creation getting enabled by ubiquitous technology. Today, anyone can create and anyone can consume. As per PwC Global Entertainment & Media Outlook 2019, India would remain the fastest growing territory, surging at a CAGR of 11.28% to reach US\$64 Billion by 2023 and TV subscription (81% share of M&E sector) will remain by far the biggest market.

We think this propensity to consume will positively impact the propensity to pay and that augurs extremely well for the entire industry. The willingness to pay would go hand in hand with the ability to pay. Indian economy growth is expected to continue outpacing the global economy by a wide margin. The World Bank has retained its forecast of India's growth rate at 7.5% for the current financial year Vs a global growth rate estimate of 2.6% for 2019-20. This growth would translate into more money in the hand of subscribers.

This pattern of increasing spend on entertainment can be seen today across segments such as box office collections, theatre, sports, OTT and of course DTH. Subscribers today are consuming more and more entertainment from multiple sources. To capitalize upon this opportunity your company has launched the innovative "Dish Smrt Stick". It is a wi-fi dongle which enables existing "Dish Nxt HD+" set top boxes to connect with the internet and stream online content onto the subscribers TV set. These launches are a part of our strategic plans to attract digital and tactical digital consumers. Your Company plans to launch more such innovative devices in FY 2019-20.

To cue in innovation and technology, not only did we plan a slew of products, but also re-launched our brand in the market using none other than the popular youth icon Ranveer Singh. Ranveer, who is known for his energy, versatility, vivaciousness and mass appeal complemented our objective of being recognized as a contemporary brand. We are confident that this relationship will go a long

way in bringing alive our 'dishkiyaon' avatar, and strengthening the bond with the consumer.

Another innovative launch, with the vision of strengthening our overall presence in the market was 'Watcho', our offering in the OTT segment. The app comes with a rich library of Live TV, Original shows, short-films and much more. This is an industry-first product that gives your Company a competitive advantage. This platform goes beyond providing differentiated content by doubling up as a platform to share content and potentially earn revenue out of that.

In the three decades since private broadcast and distribution took off, the year 2018-2019 was a landmark as it saw the most comprehensive overhaul of rules and regulations for the industry. It has brought about a level playing field which will bode well for all the players. Players with low service standards would need to upgrade, input pricing would become equal for all players and the consumer has indeed become the king will be able to choose and pay only for the channel which is required.

The DTH industry always suffered from an input price imbalance when compared to the cable industry. This anomaly has now been corrected and finally subscribers will choose on the basis of content and the quality of service.

A by-product of the New Tariff Order, has been content reduction on the Free to Air platform. Our brands are exceptionally strong in the rural Hindi speaking markets and we hope to garner a majority of subscribers, when they start looking for options.

During the year under review, your company made profit before tax and exceptional items to the tune of ₹ 1,903 lacs verses previous year loss of ₹14,193 lacs. On top of it, the total revenue of your company grew to ₹405,407 lacs verses previous year revenue of ₹292,392 lacs. This was achieved with sustained focus on the customer satisfaction, good offering of bundled channels and value added services to the subscribers. Customer service and satisfaction continued to be the focal point of your company. The digital recharge collections of your Company has crossed 45% of the total recharge collections during the period under review.

The Ministry of Information and Broadcasting, Government of India (MIB) *vide* its letter dated June 25, 2019 has granted an interim extension to the DTH License of the Company upto December

31, 2019 or till the date of notification of 'New DTH guidelines', whichever is earlier.

It is our constant endeavor to provide value to our subscribers and maximize value for shareholders. This is the yin and yang mantra powering the operations of your company.

#### **4. SCHEME OF ARRANGEMENT AMONG VIDEOCON D2H LIMITED ("TRANSFEROR COMPANY") AND DISH TV INDIA LIMITED ("TRANSFeree COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

The previous financial year was a landmark year for Dish TV, with the completion of Amalgamation of Videocon D2H Limited with and into Company, which became effective on March 22, 2018, with October 1, 2017 being the appointed date.

The Board of your Company and the Board of Videocon D2H Limited, at their respective meetings held on November 11, 2016, approved the Scheme of Arrangement amongst Videocon D2H Limited and Dish TV India Limited and their respective shareholders and creditors ('Scheme'), for amalgamation of Videocon D2H Limited into and with Dish TV India Limited.

The National Stock Exchange of India Limited and BSE Limited provided 'No Objection' to the said Scheme on March 1, 2017 and March 2, 2017 respectively. The said Amalgamation was also approved by the Competition Commission of India (CCI) *vide* its approval dated May 4, 2017. On May 12, 2017, in a meeting convened by the National Company Law Tribunal (NCLT), the Equity Shareholders of the Company had also approved the Scheme for amalgamation of Videocon D2H Limited into Dish TV India Limited. Subsequently, the Mumbai Bench of the Hon'ble NCLT, at a hearing held on July 27, 2017, approved the said Scheme and the appointed date for the Scheme was therein fixed as October 1, 2017. Further, the Ministry of Information and Broadcasting ('MIB'), the nodal Ministry *vide* its order dated December 15, 2017 approved the aforesaid Amalgamation. Taking further steps for effecting the said Scheme, the Companies (Videocon D2H Limited and Dish TV India Limited), on March 22, 2018, filed the Copy of the order dated July 27, 2017 passed by the Hon'ble National Company Law Tribunal (NCLT) along with the Approved Scheme with the Registrar of Companies, Mumbai, Maharashtra. Accordingly,

upon completion of all the steps pursuant to the aforementioned Scheme read with the NCLT Order, Videocon D2H Limited has merged into and with Dish TV India Limited on March 22, 2018, which was the Effective date of the Scheme.

Three well recognized and powerful brands – ‘*dishtv*’, ‘*d2h*’ and ‘*Zing*’ are 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. *Zing* on the other hand has been the undisputed leader when it comes to having tailor-made packages for regional audiences. Identifying the strengths of each brand, the company has been targeting growth while maintaining healthy competition and encouraging synergy in backend operations.

## 5. SUBSIDIARIES AND ASSOCIATE COMPANIES

As on March 31, 2019, your Company has 1 (One) Wholly Owned Subsidiary, 2 (Two) Subsidiary Companies as mentioned in note no. 41 to the standalone financial statements for the FY 2018-19. There has been no material change in the nature of business of the subsidiaries.

### Subsidiary in Sri Lanka:

Your Company, upon the approval of Board of Directors, incorporated a Joint Venture (‘JV’) Company with Satnet (Private) Limited, a Company incorporated under the Laws of Sri Lanka, in the name and style of ‘Dish T V Lanka (Private) Limited’ for providing Direct to Home Services in Sri Lanka, on April 25, 2012 with a paid-up share capital of one (1) million Sri Lankan Rupees. Your Company holds 70% of the paid-up share capital and Satnet (Private) Limited holds 30% of the paid-up share Capital in Dish T V Lanka (Private) Limited. Dish T V Lanka (Private) Limited had commenced the operations under the requisite licenses and permissions obtained from regulatory authorities. The Company has also been registered as a Board of Investment (‘BOI’) approved Company in Sri Lanka. The registration with BOI grants various benefits to the Company.

### Subsidiary in India:

#### 1. Dish Infra Services Private Limited

Your Company, upon the approval of Board of Directors and the Members of the Company, acquired the entire share capital of Xingmedia

Distribution Private Limited (‘Xingmedia’) on March 24, 2014. Upon requisite approvals, the name of Xingmedia was changed to ‘Dish Infra Services Private Limited’ (‘Dish Infra’).

Post the approval of members of the Company by way of a Special Resolution passed by Postal Ballot on February 3, 2015, the non-core business of the Company (undertaking pertaining to the provision of infra support services to the subscribers for facilitating the DTH services including the instruments which are required for receiving DTH signals such as set top boxes (STB), dish antenna, Low Noise Boxes (LNB) and other customer related services including call centre services and repairs) has been transferred to Dish Infra with effect from April 1, 2015.

In compliance with the provision(s) of Regulation 24 of the Listing Regulations, your Board had appointed Mr. Lakshmi Chand, an Independent Director of the Company as an Independent Director on the Board of Dish Infra Services Private Limited. Upon Resignation of Mr. Chand with effect from August 17, 2017, your Board, upon nomination by the Company, appointed Dr. (Mrs.) Rashmi Aggarwal as an Independent Director on the Board of Dish Infra (Company’s material non-listed Indian Subsidiary) with effect from August 17, 2017.

Post the approval of members of the Company by way of a Special Resolution, passed with requisite majority on September 25, 2017, and with the completion of Amalgamation of Videocon D2H Limited with and into Company, which became effective on March 22, 2018, with the view to harmonize the existing business model of the Company, the Non-Core Business undertaking of Infra Support Services (including set top boxes, dish antenna etc., and related services) of Videocon D2H Limited together with respective assets and liabilities (including employees/contracts etc. pertaining to such business), were transferred to Dish Infra from the close of the business hours of March 31, 2018.

Further, during the year under review, your Company also approved the conversion of receivables from Dish Infra into shares and

made further investment to the tune of ₹ 3,000 Crores in the equity share capital of Dish Infra by setting off the amount of Company's receivables from Dish Infra.

## 2. C&S Medianet Private Limited

Your Company, upon the approval of Board of Directors incorporated an Associate Company in the name and style of 'C&S Medianet Private Limited' on May 5, 2016. C&S Medianet Private Limited's initial paid up capital was ₹ 100,000. Your Company acquired 48% of the initial capital *i.e.* 4,800 equity shares of Face Value of 10/- each and Siti Networks Limited acquired 48% of the initial capital *i.e.* 4,800 equity shares of Face Value of 10/- each of C&S Medianet Private Limited.

The said Company acts as a knowledge center for the distribution industry by assisting them in various business facets including packaging, content acquisition, regulatory interaction etc. The said Company has duly commenced its operations during the FY 2017-18.

During the previous year, your Company upon approval of the Board has changed the nomination on the Board of C&S Medianet Private Limited by appointing Mr. Ravi Bhushan Puri (DIN: 06686381) as the Nominee Director in place of Mr. Mukesh Mittal.

During the year under review, your Company upon approval of the Board of Directors on October 25, 2018, purchased/acquired additional 300 (Three Hundred) equity shares of C&S Medianet. Consequent to the said acquisition, the percentage stake of the Company in C&S Medianet increased from 48% to 51% and C&S Medianet became the subsidiary of the Company with effect from November 1, 2018.

Your Company funds its subsidiary (ies), from time to time, as per the fund requirements, through loans, guarantees and other means to meet the working capital and other business requirements.

Apart from the above, there is no other Subsidiary / Joint-venture/Associate within the meaning of 2(6) and 2(87) of the Act, of the Company.

## Audited Accounts of Subsidiary Companies:

Your Company has prepared the Audited Consolidated Financial Statements in accordance with Section 129(3) of the Act read with the applicable Indian Accounting Standards and Listing Regulations. The statement pursuant to Section 129(3) of the Act and Rule 5 of Companies (Accounts) Rules, 2014, highlighting the summary of the financial performance of the subsidiaries is annexed to this Report.

As required under the Indian Accounting Standards, issued by the Institute of Chartered Accountants of India ('ICAI') and applicable provisions of the Listing Regulations, the Audited Consolidated Financial Statements of the Company reflecting the Consolidation of the Accounts of its subsidiaries are included in this Annual Report. Further, a statement containing the salient features of the financial statements of the subsidiaries in the prescribed format AOC -1 is appended to this report.

In accordance with Section 136 of the Act, the audited financial statements including the consolidated financial statements and related information of the Company and audited accounts of the subsidiaries are available on the website of the Company *viz.* <http://www.dishd2h.com>. These documents will also be available for inspection during business hours at the Registered Office of the Company

Your Company also has a policy for determining Material Subsidiaries in terms of the applicable regulations. As on March 31, 2019, the Company has only one Material Subsidiary *viz.* Dish Infra Services Private Limited. The Policy for determining Material Subsidiaries is available on the Company's website *viz.* <http://www.dishd2h.com> and is accessible at <http://www.dishd2h.com/media/1324/policyonmaterialsubsidiary.pdf>.

## 6. CAPITAL STRUCTURE

During the year under review, your Company:

- Issued and allotted 17,080 (Seventeen Thousand and Eighty) fully paid equity shares, upon exercise of Stock Options by the eligible Employees of the Company, pursuant to the

Employee Stock Option Scheme - 2007 ('ESOP - 2007') of the Company and these shares were duly admitted for trading on both the stock exchanges viz. NSE and BSE.

- Upon receipt of valid second call money from the concerned shareholders in respect of Rights Issue, the Company converted 121 (One Hundred and Twenty One) equity shares from Re. 0.75/- (Paisa Seventy Five) each paid up to Re. 1/- (Rupee one Only) each fully paid up.

Pursuant to the issue and allotment of equity shares under ESOP scheme, and conversion of partly paid equity shares, the paid-up share capital of your Company during the year has increased from:

- ₹ 1,84,12,57,234.75/- (Rupees One Eighty Four Crore Twelve Lakh Fifty Seven Thousand Two Hundred Thirty Four and Seventy Five Paisa Only) *(comprising of 184,12,36,752 (One Eighty Four Crore Twelve Lakh Thirty Six Thousand Seven hundred and Fifty Two) fully paid up equity shares of Re.1/- (Rupee one Only) each, 14,567 (Fourteen Thousand Five Hundred and Sixty Seven) equity shares of Re.1/- (Rupee one Only) each, paid up Re.0.75 (Paisa Seventy Five Only) per equity share & 19,115 (Nineteen Thousand One Hundred and Fifteen) equity shares of Re.1/- (Rupee one Only) each, paid up Re.0.50 (Paisa Fifty Only) per equity share)* to
- ₹ 1,84,12,74,345/- (Rupees One Eighty Four Crore Twelve Lakh Seventy Four Thousand Three Hundred and Forty Five) *comprising of 1,841,253,953 fully paid up equity shares of Re.1/- (Rupee one Only) each, 14,446 (Fourteen Thousand Four Hundred and Forty-Six) equity shares of Re.1/- (Rupee one Only) each, paid up Re.0.75 per equity share & 19,115 (Nineteen Thousand One Hundred and Fifteen) equity shares of Re.1/- (Rupee one Only) each, paid up Re.0.50 (Paisa Fifty Only) per equity share)*

Further, during the year under review, there was no change in the authorised share capital of the Company. The authorised share capital of the Company is ₹ 6,500,000,000/- (Rupees Six hundred and Fifty Crore Only) divided into 6,500,000,000 (Six hundred and Fifty Crore) Equity shares of Re.1/- (Rupee One Only) each.

## Listing of Company's Securities

Your Company's fully paid up equity shares continue to be listed and traded on National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE'). Both these Stock Exchanges have nationwide trading terminals and hence facilitates the shareholders/investors of the Company in trading the shares. The Company has paid the annual listing fee for the FY 2019-20 to the said Stock Exchanges.

The Company has also paid the annual maintenance fee to the Luxembourg Stock Exchange in respect of its Global Depository Receipts ('GDR') program for the year 2019.

Further, consequent to amalgamation of Videocon d2h Limited into and with the Company, your Company had issued new Global Depository Receipts (the "GDRs") to the holders of American Depository Shares ("ADSs") of Videocon D2H Limited which are listed on the Professional Securities Market ("PSM") of the London Stock Exchange. Necessary fees in relation to the GDR's of the Company listed on London Stock Exchange has also been paid.

## Depositories

Your Company has arrangements with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'), the Depositories, for facilitating the members to trade in the fully paid up equity shares of the Company in Dematerialized form. The Annual Custody fees for the FY 2019-20 has been paid to both the Depositories.

## Open Offer by World Crest Advisors LLP

World Crest Advisors LLP, a body corporate, along with Veena Investments Private Limited and Direct Media Distribution Venture Private Limited, Persons Acting in Concert ("PAC") (all forming part of Promoter and Promoter group of the Company), vide Letter of Offer dated June 20, 2018 made an Open Offer to all the Public Shareholders of the Company to acquire upto 50,02,24,893 (Fifty Crore Two Lakh Twenty Four Thousand Eight Hundred and Ninety Three only) equity Shares of the Company, representing 26% (Twenty Six Percent) of the Emerging Share Capital of the Company, at an offer price of ₹ 74/- (Rupees Seventy Four only) per equity share. The Public Announcement in relation to the aforesaid offer was made on April 12, 2018

and Detailed Public Announcement was published on April 18, 2018 in Financial Express, Jansatta and Mumbai Lakshadeep Newspaper editions. The Draft Letter of Offer ("DLoF") was filed with SEBI on April 25, 2018. Recommendations of the Committee of Independent Directors of the Company was duly published on June 26, 2018 in Financial Express, Jansatta and Mumbai Lakshadeep Newspaper editions, in terms of applicable provisions.

In terms of Letter of offer, the offer was made open from Monday, July 2, 2018 to Friday, July 13, 2018. On completion of the offer period and in compliance with applicable provisions, World Crest Advisors LLP acquired in aggregate 44,62,38,855 (Forty Four Crores Sixty Two lakh Thirty Eight Thousand Eight Hundred and Fifty Five) equity shares of the Company.

The total shareholding of World Crest after the aforesaid acquisition aggregated to 53,77,38,955 (Fifty Three Crore Seventy Seven Lakh Thirty Eight Thousand Nine Hundred and Fifty Five) equity shares of face value of Re. 1 (Rupees One Only) each of the Company amounting to 29.2% (Twenty Nine and Two percent) of the paid up share capital of the Company. The total shareholding of World Crest as on the date of this report is 50,72,35,875 (Fifty Crore Seventy Two Lakh Thirty Five Thousand Eight Hundred and Seventy Five) amounting to 57.54% (Fifty Seven and Fifty Four percent) of the paid up share capital of the Company.

## 7. EMPLOYEE STOCK OPTION SCHEME

Your Company had instituted an Employees Stock Option Scheme (ESOP - 2007) to motivate, incentivize and reward employees. In compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time, your Board has authorized the Nomination and Remuneration Committee ["NRC"] (formerly 'Remuneration Committee') to administer and implement the Company's Employees Stock Option Scheme (ESOP - 2007) including deciding and reviewing the eligibility criteria for grant and /or issuance of stock options under the Scheme. The ESOP Allotment Committee of the Board or Board considers, reviews and allots equity shares to the eligible Employees exercising the stock options under the Employee Stock Option Scheme (ESOP - 2007) of the Company.

With a view to launch a new ESOP Scheme, the NRC at its meeting held on August 17, 2017, decided not to make any fresh grant of options under Employee Stock Option Scheme (ESOP - 2007) of the Company, and proposed to withdraw the Scheme by canceling the remaining stock options which are yet to be granted under the scheme. Accordingly, no fresh grant of options was made during the year under review under the ESOP-2007 scheme of the Company. However, the Company allotted 17,080 (Seventeen Thousand and Eighty) fully paid equity shares, upon exercise of the stock options by eligible Employees under the scheme.

Further, the NRC at its meeting held on August 17, 2018 with an objective to attract, retain, motivate, incentivize and to attract and retain the best talent recommended a new ESOP Scheme - "ESOP 2018" for the employees. The said scheme was approved by the shareholders of the Company at its thirtieth (30<sup>th</sup>) Annual General Meeting held on September 28, 2018. Further, extension of benefits of the scheme to the employee(s) of subsidiary companies and to any future holding company was also approved by Shareholders *vide* Postal Ballot Notice dated October 25, 2018.

During the period under review, the NRC of the Board at its meeting held on October 25, 2018 granted 3,360,000 (Thirty Three Lakh Sixty Thousand) stock options to eligible Employee as per the ESOP - 2018 Scheme of the Company. Further, the NRC of the Board at its meeting held on May 24, 2019 granted 860,000 (Eight Lakh Sixty Thousand) stock options to eligible Employees as per the ESOP - 2018 Scheme of the Company.

Applicable disclosures relating to Employees Stock Options as at March 31, 2019, pursuant to Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time, is annexed to this report and is also available on the website of the Company at <http://www.dishd2h.com/corporate-governance/>. The ESOP Schemes of the Company are in compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

A certificate from M/s. Walker Chandio & Co. LLP, Chartered Accountants, Statutory Auditors, to the effect that the ESOP Schemes of the Company

has been implemented in accordance with the Securities and Exchange Board of India Guidelines and as per the resolution passed by the members of the Company, as prescribed under Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, shall be placed before the shareholders at the ensuing Annual General Meeting and be available for inspection at the Annual General Meeting of the Company. Copy of the same shall also be available for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and Public holidays) between 2.00 P.M. to 4.00 P.M. up to the date of Annual General Meeting of the Company.

## 8. RIGHT ISSUE OF SHARES & UTILISATION OF PROCEEDS THEREOF

The Company had come with a Right Issue in FY 2008-09 for 518,149,592 (Fifty One Crore Eighty One Lakh Forty Nine Thousand Five Hundred and Ninety Two) equity shares of Re. 1/- (Rupees One Only) each, issued at ₹ 22/- (Rupees Twenty Two Only) per share (including premium of ₹ 21/- (Rupees Twenty One Only) per share), payable in three (3) installments. Out of the total Right Issue size of ₹ 113,992.91 Lakh, the Company has received a sum of ₹ 113,988.68 Lakh towards the share application and call money(s) as at March 31, 2019.

The details of utilization of Rights Issue proceeds are placed before the Audit Committee and the Board on a quarterly basis.

The Board at its meeting held on May 28, 2009 approved to make changes in the manner of usage of right issue proceeds and the utilization of rights issue proceeds as on March 31, 2019, is as under:

Particulars	Amount (₹ In Lakhs)
Repayment of loans	28,421.44
Repayment of loans received after launch of the Rights Issue	24,300.00
General Corporate Purpose	34,722.72
Acquisition of Consumer Premises Equipment (CPE)	26,000.00
Right Issue Expenses	544.52
<b>Total</b>	<b>113,988.68</b>

## 9. GLOBAL DEPOSITORY RECEIPT

The Board of your Company at its meeting held on November 11, 2016 had approved the Scheme

of Arrangement amongst Videocon D2H Limited and Dish TV India Limited and their respective Shareholders and Creditors ('Scheme').

Videocon D2H Limited (the transferor Company in terms of Scheme) had American Depository Shares ("ADSs") which were listed on Nasdaq Global Market ("NASDAQ"). In terms of the scheme, the said ADSs were voluntarily delisted from the NASDAQ and deregistered with the U.S. Securities and Exchange Commission ("SEC"). Accordingly, consequent to effectiveness of the scheme the said ADS were delisted from NASDAQ.

In terms of the Scheme, the ADS holders of Videocon D2H Limited had an option to elect and to either receive the shares of Dish TV India Limited or the GDR to be issued by Dish TV India Limited. Accordingly, the ADS holders of Videocon D2H Limited were issued Global Depository Receipts (the "GDRs") of Company. The effective date of issuance of GDRs was April 12, 2018, and the same were listed on the Professional Securities Market ("PSM") of the London Stock Exchange on April 13, 2018.

Post receipt of all necessary approval(s) and in compliance of order Passed by Hon'ble National Company Law Tribunal ("NCLT") dated July 27, 2017 for Amalgamation of Videocon D2H Limited into and with the Company, the Board at its meeting held on March 26, 2018, approved the issuance of 27,70,95,615 (Twenty Seven Crore Seventy Lakh Ninety Five Thousand Six hundred and Fifteen) Global Depository Receipts (the "GDRs") to the holders of ADSs of Videocon D2H Limited (each GDR representing one equity share of the Company, exchanged at a rate of approximately 8.07331699 new GDRs for every one Videocon D2H Limited ADS (rounded off up to eight decimal places). The underlying equity shares against each of the GDR's were issued in the name of the Depository viz. Deutsche Bank Trust Company Americas.

During the year under review, out of the total 27,70,95,615 (Twenty Seven Crore Seventy Lakh Ninety Five Thousand Six hundred and Fifteen) GDRs issued by the Company upon completion of merger, the Investors have cancelled 8,79,09,843 (Eight Crore Seventy Nine Lakh Nine Thousand Eight Hundred and Forty Three) GDRs in exchange for underlying equity shares of the Company, accordingly as on March 31, 2019 the outstanding GDRs of the Company are 18,91,85,772 (Eighteen Crore Ninety One Lakh Eighty Five Thousand Seven Hundred and Seventy Two).



## 10. REGISTERED OFFICE

The Registered Office of the Company is presently situated at 18<sup>th</sup> Floor, A Wing, Marathon Futurex, N M Joshi Marg, Lower Parel, Mumbai-400 013, Maharashtra.

## 11. REGISTRAR & SHARE TRANSFER AGENT

The Registrar & Share Transfer Agent ('RTA') of the Company is Link Intime India Private Limited. The Registered office of Link Intime India Private Limited is situated at C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083, Maharashtra.

## 12. CORPORATE GOVERNANCE AND POLICIES

We believe, 'Corporate Governance' is a journey rather than a destination. Our understanding to an effective Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last. We believe that a Company is a public entity of society and hence, we consider our stakeholders as partners in our journey forward. We are committed to ensure their well-being despite the challenges and economic volatilities, for sustained corporate growth.

In order to maximize shareholder value on a sustained basis, your Company has been constantly reassessing and benchmarking itself with well-established Corporate Governance practices besides strictly complying with the requirements of Listing Regulations, applicable provisions of the Act and applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

In terms to the requirement of Regulation 34 read with Schedule V of the Listing Regulations, a detailed report on Corporate Governance along with Compliance Certificate issued by M/s. Jayant Gupta and Associates, Practicing Company Secretary is attached and forms an integral part of this Annual Report. Management Discussion and Analysis Report and Business Responsibility Report as per the Listing Regulations are presented in separate sections forming part of the Annual Report. The said Reports will also be available on the Company's website [www.dishd2h.com](http://www.dishd2h.com) as part of the Annual Report.

In compliance with the requirements of the Act and the Listing Regulations, your Board has approved various Policies including Code of Conduct for Board of Directors and Senior Management, Policy for determining material subsidiaries, Code of

internal procedures and conduct for prohibition of insider trading in securities of Dish TV India Limited, Policy for preservation of documents & archival of records on website, Policy for determining material event, Policy for fair disclosure of unpublished price sensitive information, Corporate Social Responsibility Policy, Whistle blower & Vigil mechanism, Related Party Transaction Policy, Dividend distribution policy and Nomination and Remuneration Policy. These policies and codes along with the Directors familiarisation programme and terms and conditions for appointment of independent directors are available on Company's website viz. [www.dishd2h.com](http://www.dishd2h.com) and is accessible at <http://www.dishd2h.com/corporate-governance/>.

In compliance with the requirements of Section 178 of the Act, the NRC of your Board has fixed the criteria for nominating a person on the Board which inter alia include desired size and composition of the Board, age limits, qualification / experience, areas of expertise and independence of individual.

Further, in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations') on prevention of insider trading, your Company has instituted a comprehensive Code of Conduct for regulating, monitoring and reporting of trading by Insiders. The said Code lays down guidelines, which advise Insiders on the procedures to be followed and disclosures to be made in dealing with the shares of the Company and cautions them on consequences of non-compliances. Your Company has further put in place a Code of practices and procedures of fair disclosures of unpublished price sensitive information. Both the aforesaid codes are in line with the PIT Regulations and were revised in line with the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 ('Amendment Regulations'). The said codes are applicable to all Directors, KMPs and other Designated Persons, as identified in the Code, who may have access to unpublished price sensitive information of the Company. The Company has also complied with the other requirements of Amendment Regulations.

The Audit Committee of the Board has been vested with powers and functions relating to Risk Management which inter alia includes (a) review of risk management policies and business processes to ensure that the business processes adopted

and transactions entered into by the Company are designed to identify and mitigate potential risk; (b) laying down procedures relating to Risk assessment and minimization; and (c) formulation, implementation and monitoring of the risk management plan.

Your Company in line with the amendments to the Listing Regulations has constituted the Risk Management Committee, who shall assess the Company's risk profile, acceptable level of risk, develop and maintain risk management framework and such other functions as may be entrusted to it by the board which shall specifically cover the cyber security.

### **13. DIRECTORS' & KEY MANAGERIAL PERSONNEL**

#### **Directors**

As on March 31, 2019, your Board comprised of Six (6) Directors including Three (3) Independent Directors, Two (2) Executive Directors and One (1) Non-Executive Non-Independent Director. During FY 2018-2019, your Board met 6 (six) times details of which are available in the Corporate Governance Report annexed to this report.

During the year under review, Mr. Arun Duggal, an Independent Director has resigned from the Board of the Company with effect from May 18, 2018 on account of his other professional obligations and commitments due to which he would not have been able to devote, in future, the time that is needed as the Director of the Company. Mr. Duggal had also confirmed that there was no material reason, other than that mentioned hereinabove in respect of his resignation. Your Board took note of the said resignation at its meeting held on May 29, 2018 and placed on record its appreciation for the contributions made by him during his tenure.

Further, during the year under review, your Board has inducted Mr. Shankar Aggarwal as an Independent Director (Additional) with effect from October 25, 2018.

In terms of Section 161 of the Act, Mr. Shankar Aggarwal shall hold office up to the date of the ensuing Annual General meeting. The Company has received a notice in writing from a member of the Company under Section 160 of the Act proposing appointment of Mr. Shankar Aggarwal as the Director of the Company. Your Board basis the recommendation of NRC recommends the appointment of Mr. Shankar Aggarwal as an

Independent Director not liable to retire by rotation for a period of Five (5) years from the date of appointment *i.e.* October 25, 2018 to October 24, 2023.

Further, in compliance with the necessary provisions and amendments to the Listing Regulations and the Act, your Board subsequently inducted, Mr. Anil Kumar Dua, the Group Chief Executive Officer (CEO) of the Company, as an Executive Director (Additional) on the Board of the Company, with effect from March 26, 2019.

In terms of Section 161 of the Act, Mr. Anil Kumar Dua shall hold office up to the date of the ensuing Annual General meeting. The Company has received a notice in writing from a member of the Company under Section 160 of the Act, proposing appointment of Mr. Anil Kumar Dua as the Director of the Company. Your Board basis the recommendation of NRC recommends the appointment of Mr. Anil Kumar Dua as a Whole-time Director (designated as Executive Director), subject to the approval of the members, for a period of 3 (three) years from March 26, 2019 to March 25, 2022, who will be liable to retire by rotation.

Further, the members of the Company at their 29<sup>th</sup> Annual General Meeting held on September 28, 2017, approved the re-appointment of Mr. Bhagwan Das Narang as an Independent Director of the Company for a Second term of 5 (Five) years from the date of the 29<sup>th</sup> Annual General Meeting upto the date of 34<sup>th</sup> Annual General Meeting of the Company to be held in the Calendar Year 2022. Mr. Narang is presently aged 74 years and in terms of Regulation 17(1A) of the Listing Regulations, approval of the shareholders by way of a special resolution is required for the continuation of directorship of the Non-executive Director of the Company who has attained the age of 75 years. Accordingly, the continuation of Directorship of Mr. Narang as the Independent Director of the Company, for his existing second term would require prior approval of members by way of special resolution. Requisite approval, by way of Special resolution, in continuation of original resolution passed by members of the Company at the 29<sup>th</sup> Annual General Meeting held on September 28, 2017, for continuing the existing term of Mr. Bhagwan Das Narang as an Independent Director forms part of Notice of the ensuing Annual General Meeting of the Company.

Further, Mr. Ashok Mathai Kurien, Non-Executive Non-Independent Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and, being eligible has offered himself for re-appointment. Your Board recommends his re-appointment.

During the year under review, there was no change in the Key Managerial Personnel of the Company. In compliance with the requirements of Section 203 of the Act, as on the date of this report, Mr. Jawahar Lal Goel, Managing Director and Chairman, Mr. Anil Kumar Dua, Group Chief Executive Officer and Executive Director, Mr. Rajeev Kumar Dalmia, Chief Financial Officer and Mr. Ranjit Singh, Company Secretary and Compliance Officer of the Company, are Key Managerial Personnel of the Company.

#### **Chairman & Managing Director**

Mr. Jawahar Lal Goel, continues to be the Chairman and Managing Director of the Company. Under the leadership of Mr. Goel, the Company has continuously maintained growth in terms of revenue as well as continued its stronghold on the Direct to Home (DTH) market share. The Company has made considerable progress in all the spheres and has achieved tremendous growth and acquired goodwill and reputation in the business. Mr. Goel has spearheaded the organization with strong zeal and commitment, despite strong competitive intensity, regulatory challenges and technological upheavals.

Mr. Goel has led your Company in a highly competitive and volatile market to not just consolidate its market leadership but also in shaping the future of your Company into a modern, technology & innovation-driven organisation.

#### **Board Diversity**

As on March 31, 2019, your Board comprises of Six (6) Directors out of which Three (3) are Independent Directors (including (1) Women Director). The Company recognizes and embraces the importance of a diverse Board in its success. The Board has also adopted the Board Diversity Policy.

#### **Board Meetings**

The Board met Six (6) times during the FY, the details of which are given in the Corporate Governance Report which forms part of this Annual Report. The intervening gap between any two (2) meetings was within the period prescribed by the Act and the Listing Regulations.

#### **Declaration by Independent Directors**

Independent Directors provide declarations both at the time of appointment and on or before the first Board Meeting of the FY, confirming that they meet the criteria of independence as prescribed under Section 149 of the Act and Regulation 16 and 25 of the Listing Regulations, in addition to their affirmation on the compliance with the Company's code of conduct. Your Company has received the said declarations from all the Independent Directors. In the opinion of the Board, Independent Directors fulfil the conditions specified in the Act, Rules made thereunder and the Listing Regulations and are Independent of the management.

#### **Separate Meeting of the Independent Directors**

In accordance with the provisions of Schedule IV to the Act and Regulation 25(3) of the Listing Regulations, separate meeting of the Independent Directors of the Company was held on March 26, 2019 to discuss relevant items including the agenda items as prescribed under the applicable laws. The meetings were attended by all the Independent Directors of the Company.

#### **Board Evaluation**

In line with the Corporate Governance Guidelines of your Company, a formal evaluation of the performance of the Board, its Committees, the Chairman and the individual Directors was carried out for the FY 2018-19 on March 26, 2019. The Board evaluation framework has been designed in compliance with the requirements specified under the Act, the Listing Regulations, and in accordance with the Guidance Note on Board Evaluation issued by SEBI on January 5, 2017.

The Independent Directors of your Company, in a separate meeting held without presence of other Directors and management, evaluated the performance of the Chairman & Managing Director and other Non-Independent Directors along with the performance of the Board / Board Committees based on various criteria recommended by the NRC and 'Guidance Note on Board Evaluation' dated January 5, 2017 issued by the Securities and Exchange Board of India. A report on such evaluation done by the Independent Directors was taken on record by the Board and further your Board, in compliance with requirements of the Act, evaluated performance of all the Directors, Board / Board Committees based on various parameters

including attendance, contribution etc. The details of the evaluation process are set out in the Corporate Governance Report which forms part of this Report.

## **Policy on Directors' appointment and remuneration**

In compliance with the requirements of Section 178 of the Act, the NRC of your Board had fixed the criteria for nominating a person on the Board which *inter alia* include desired size and composition of the Board, age limit, qualification / experience, areas of expertise and independence of individual. Your Company has also adopted a Remuneration Policy, salient features whereof is annexed to this report.

Further, pursuant to provisions of the Act, the NRC Committee of your Board has formulated the Nomination and Remuneration Policy for the appointment and determination of remuneration of the Directors, Key Management Personnel, Senior Management and other Employees of your Company. The NRC Committee has also developed the criteria for determining the qualifications, positive attributes and independence of Directors and for making payments to Executive Directors of the Company.

The NRC Committee takes into consideration the best remuneration practices in the industry while fixing appropriate remuneration packages and for administering the long-term incentive plans, such as ESOPs. Further, the compensation package of the Director, Key Management Personnel, Senior Management and other employees are designed based on the set of principles enumerated in the said policy. Your Directors affirm that the remuneration paid to the Directors, Key Management Personnel, Senior Management and other employees is as per the Nomination and Remuneration Policy of your Company.

The remuneration details of the Executive Director, Chief Executive Officer, Chief Financial Officer and Company Secretary, along with details of ratio of remuneration of Director to the median remuneration of employees of the Company for the FY under review are provided as Annexure to this Report.

## **Familiarisation Programme for Independent Directors**

Your Company regularly provides orientation and business overview to its Directors by way of detailed presentations by the various business &

functional heads at Board meetings and through other interactive programs.

During the year under review, to familiarize the Directors with strategy, operations and functions of the Company, the senior managerial personnel made presentations about Company's strategy, operations, product offering, market, technology, facilities and risk management. The Directors were also provided with relevant documents, reports and internal policies to enable them to familiarise with your Company's procedures and practices, from time to time, besides regular briefing by the members of the senior leadership team.

Also, the Board including all Independent Directors were given a detailed presentation on March 26, 2019 by Ernst & Young LLP on key applicable amendments to the Listing Regulations, the Act, and key roles and responsibilities of Directors.

Further, at the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining their duties and responsibilities as a Director.

Detail of familiarisation program organized for Independent Directors during FY under review form part of Corporate Governance Report annexed hereto and are also posted on the Company's website viz. <http://www.dishd2h.com/> and can be viewed on the following link: <http://www.dishd2h.com/corporate-governance/>

## **Committees of the Board**

In compliance with the requirements of the Act and the Listing Regulations, your Board has constituted various Board Committees including Audit Committee, NRC, Stakeholder's Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee.

During the period under review, in view of resignation of Mr. Arun Duggal, Independent Director, from the Board and committees thereof with effect from May 18, 2018, the Board at its meeting held on May 29, 2018 re-constituted the Composition of Board Committees.

As on March 31, 2019 the Audit Committee of Board consisted of Mr. Bhagwan Das Narang, an Independent Director as the Chairman of the Committee and Mr. Ashok Mathai Kurien, Non-Executive Non Independent Director and Dr. (Mrs.) Rashmi Aggarwal, Independent Director as its members.

Further, consequent to appointment of Mr. Shankar Aggarwal as an Additional Independent Director of the Company with effect from October 25, 2018, the Board at its meeting held on May 24, 2019 re-constituted the Composition of Board Committees with Mr. Shankar Aggarwal, Independent Director as its member with effect from July 01, 2019.

As on the date of this report, the Audit Committee of the Board consists of Mr. Bhagwan Das Narang, an Independent Director as the Chairman of the Committee and Mr. Ashok Mathai Kurien, Non-Executive Non Independent Director, Dr. (Mrs.) Rashmi Aggarwal, Independent Director and Mr. Shankar Aggarwal, Independent Director as its members.

Further, during the year under review, in line with the amendments to the Listing Regulations, the Board has constituted the Risk Management Committee with Mr. Bhagwan Das Narang, an Independent Director as the Chairman of the Committee, Mr. Jawahar Lal Goel, Managing Director, Mr. Shankar Aggarwal, Independent Director, Dr. (Mrs.) Rashmi Aggarwal, Independent Director, Mr. Veerender Gupta, Chief Technology Officer and Mr. Rajeev Kumar Dalmia, Chief Financial Officer as its members.

Details of the constitution of the Board Committees, in accordance with regulatory requirements, have been uploaded on the website of the Company viz. <http://www.dishd2h.com> Details of scope, constitution, terms of reference, number of meetings held during the year under review along with attendance of Committee Members therein form part of the Corporate Governance Report annexed to this report.

#### **Vigil Mechanism/ Whistle Blower Policy**

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Vigil Mechanism/Whistle Blower policy which provides a robust framework for dealing with genuine concerns & grievances. The policy provides access to Directors/ Employees/Stakeholders of the Company to report concerns about unethical behavior, actual or suspected fraud of any Director and/or Employee of the Company or any violation of the code of conduct. The policy safeguards whistleblowers from reprisals or victimization, in line with the Amendment Regulations and to make the policy much more robust necessary changes were carried

to the Whistle Blower policy. Further during the year under review, no case was reported under the Vigil Mechanism. In terms of the said policy, no personnel has been denied access to the Audit Committee of the Board. The said policy is accessible on <http://www.dishd2h.com/corporate-governance/>.

#### **Cost Records**

Your Company is required to maintain the Cost Records as specified by the Central Government under sub-section (1) of Section 148 of the Act read with Notification No. GSR. 695(E) dated July 14, 2016 of the Ministry of Corporate Affairs.

Your board at its meeting held on May 29, 2018 had re-appointed M/s Chandra Wadhwa & Co., (Firm Registration No. 000239), Cost Accountants, to carry out Audit of Cost Records of the Company for the Financial Year 2018-19. The Cost Auditors have issued their report for the Financial Year 2018-19, which has been taken on record by the Audit / Board of the Company at its meeting held on July 30, 2019.

#### **14. CORPORATE SOCIAL RESPONSIBILITY**

In compliance with requirements of Section 135 of the Act, your Company has a duly constituted Corporate Social Responsibility (CSR) Committee.

Mr. Arun Duggal, Independent Director and Member of the committee resigned from the Board and Committees thereof with effect from May 18, 2018 due to professional obligations and commitments. Post resignation of Mr. Arun Duggal, the Committee comprises of four (4) members including two (2) Independent Directors.

As on March 31, 2019 the CSR Committee of Board consisted of Mr. Bhagwan Das Narang, an Independent Director as the Chairman of the Committee, Mr. Jawahar Lal Goel, Managing Director, Mr. Ashok Mathai Kurien, Non-Executive Non Independent Director and Dr. (Mrs.) Rashmi Aggarwal, Independent Director as its members.

Further, consequent to appointment of Mr. Shankar Aggarwal as an Independent Director (Additional) of the Company with effect from October 25, 2018 the Board at its meeting held on May 24, 2019 re-constituted the CSR Committee with Mr. Shankar Aggarwal, Independent Director as its member with effect from July 1, 2019.

Accordingly, as on the date of this report CSR Committee of Board consists of Mr. Bhagwan Das Narang, an Independent Director as the Chairman

of the Committee, Mr. Jawahar Lal Goel, Managing Director, Mr. Ashok Mathai Kurien, Non-Executive Non Independent Director, Dr. Rashmi Aggarwal, and Mr. Shankar Aggarwal, Independent Director as its member.

Your Company has adopted a unified approach towards CSR wherein contributions are pooled in, to fund high cost long-term projects that help build Human capital and create lasting impact on the society. The Committee has approved the CSR policy with Education, Health Care, Women Empowerment and Sports as its primary focus area. The Company makes the CSR Contribution to 'Subhash Chandra Foundation' (a Section 8 Company), for various CSR activities including Contribution to skill development and livelihood enhancement project through "Project Samridh", development of facilities for promotion of education, undertaking Rural transformation Initiative in SABKA Cluster of Hisar District (H.R), developing Sports Skills through establishing Sports Centers and Youth development through Life Skill Program.

A detailed report on CSR activities initiated by the Company during the year under review, in compliance with the requirements of the Act, is annexed to this report.

## 15. POSTAL BALLOT

During the year under review, your Company sought the approval of the Shareholders through Postal Ballot on the below matters:

- Postal Ballot Notice dated October 25, 2018, seeking Shareholders consent through Special Resolution for:
  - For extension of benefits of Dish TV India limited 'Employees Stock Option Scheme 2018' ("ESOP 2018") - for employees of the Subsidiary Company(ies) of the Company
  - For extension of benefits of Dish TV India limited 'Employees Stock Option Scheme 2018' ("ESOP 2018") -for employees of any future holding Company of the Company

The said notice along with the postal ballot form and Business Reply Envelopes were duly sent to the shareholders and your Company also offered E-Voting facility as an alternate option for voting by the shareholders, which enabled them to cast their votes electronically, instead of Physical Postal Ballot Form. The said resolution was passed with requisite majority and the result of the same was declared on November 30, 2018

The procedure prescribed under Section 110 of the Act read with the Companies (Management and Administration) Rules 2014, was adopted for conducting the Postal Ballot.

Further, details related to the Postal Ballot procedure adopted, voting pattern and result thereof have been provided under the General Meeting Section of 'Report on Corporate Governance.

## 16. AUDITORS

### Statutory Auditors

At the 26<sup>th</sup> Annual General Meeting of the Company held on September 29, 2014, M/s. Walker Chandiook & Co. LLP, Chartered Accountants, having Registration No 001076N/N-500013 were appointed as the Statutory Auditors of the Company to hold office till the conclusion of the 29<sup>th</sup> Annual General Meeting. Further, at 29<sup>th</sup> Annual General Meeting held on September 28, 2017 the members had re-appointed M/s. Walker Chandiook & Co. LLP, Chartered Accountants, as the Statutory Auditors' of the Company, for second term of Five (5) consecutive years *i.e.* to hold office from the date of 29<sup>th</sup> Annual General Meeting until the conclusion of the 34<sup>th</sup> Annual General Meeting of the Company to be held in the calendar year 2022, subject to ratification by the Shareholders every year.

Pursuant to the recent Notification issued by the Ministry of Corporate Affairs on May 7, 2018 amending Section 139 of the Act and the Rules framed thereunder, the mandatory requirement for ratification of appointment of Auditors by the Members at every Annual General Meeting has been omitted. Accordingly, the notice of ensuing Annual General Meeting does not include the proposal for seeking shareholders' approval for ratification of statutory auditors' appointment. The Company has received certificate of eligibility from M/s Walker Chandiook & Co LLP, Chartered Accountants, in accordance with the provisions of the Act read with rules thereunder and a confirmation that they continue to hold valid peer review certificate as required under the Listing Regulations.

### Secretarial Auditor

During the year, the Board re-appointed Mr. Jayant Gupta, Practicing Company Secretary, (holding ICSI Certificate of Practice No. 9738), proprietor of M/s Jayant Gupta & Associates, Company Secretaries as the Secretarial Auditor of the Company for conducting the Secretarial Audit for the FY 2018-19 in accordance with Section 204 of the Act and

the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 made thereunder.

Dish Infra Services Private Limited, the unlisted material subsidiary of your company, appointed Anjali Yadav & Associates, Practicing Company Secretary (holding ICSI Certificate of Practice No. 7257), as its Secretarial Auditor to conduct the Secretarial Audit for the FY 2018-19. The said Audit has been conducted in accordance with Section 204 of the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 made thereunder and in compliance to Regulation 24A of the Listing Regulations. The said report does not contain any qualification, reservation or adverse remarks.

Additionally, in line with SEBI Circular dated February 8, 2019, an Annual Secretarial Compliance Report confirming compliance of all applicable SEBI Regulations, Circulars and Guidelines by the Company was issued by the Secretarial Auditor and filed with the Stock Exchanges.

The reports of Statutory Auditor and Secretarial Auditor forming part of this Annual report do not contain any qualification, reservation or adverse remarks. During the year the Statutory Auditors have not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under the applicable provisions of the Act.

#### **Cost Auditor**

In compliance with the requirements of Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, M/s Chandra Wadhwa & Co., (Firm Registration No. 000239), Cost Accountants, were appointed to carry out Audit of Cost Records of the Company for the FY 2018-19. The Board of your Company on the basis of the recommendation of the Audit Committee, had approved the re-appointment of M/s Chandra Wadhwa & Co., (Firm Registration No. 000239), Cost Accountants, as the Cost Auditors for the FY ending March 31, 2020.

Requisite proposal seeking ratification of remuneration payable to the Cost Auditor for the FY 2019-20 by the Members as per Section 148 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014, forms part of the Notice of ensuing Annual General Meeting.

#### **Internal Auditor**

Protiviti Advisory India Member LLP was the internal auditor of the Company for the FY 2018-19. The Audit Committee at its meeting held on May 24, 2019 recommended to the Board for re-appointment of Protiviti Advisory India Member LLP as the Internal Auditor of the Company for the FY 2019- 20. Basis the recommendation of the Audit Committee, the Board, at its meeting held on May 24, 2019 has re-appointed Protiviti Advisory India Member LLP as the Internal Auditor of the Company for the FY 2019-20.

#### **Reporting of frauds by Auditors**

During the year under review, the Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under Section 143(12) of the Act.

### **17. DISCLOSURES:**

- i. **Particulars of Loans, guarantees and investments:** Particulars of Loans, guarantees and investments made by the Company required under Section 186(4) of the Act and the Listing Regulations are contained in Note no. 70 to the Standalone Financial Statement.
- ii. **Transactions with Related Parties:** In terms of the applicable statutory provisions, the related party transactions are placed before the Audit Committee for its approval and statements of all related party transactions are placed before the Audit Committee for its review on a quarterly and yearly basis, specifying the nature, value and terms and conditions of the transactions along with arms-length justification. All Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. During the year under review, there have been no materially significant related party transactions as defined under Section 188 of the Act and Regulations 23 of the Listing Regulations and accordingly no transactions are required to be reported in Form AOC-2 as per Section 188 of the Act.
- iii. **Disclosure under Section 197(14) of the Act:** Neither Mr. Jawahar Lal Goel, Managing Director & Chairman of the Company nor Mr. Anil Kumar Dua, Group Chief Executive Officer of the Company receive any remuneration or commission from its holding or subsidiary company.

- iv. Secretarial Standards:** Pursuant to the provisions of Section 118 of the Act, the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- v. Risk Management:** Your Company follows a comprehensive system of Risk Management. It has adopted a policy and procedure for rapid identification, definition of risk mitigation plans and execution. Actions include adjustments in prices, dispatch plan, inventory build-up, and active participation in regulatory mechanisms. Many of these risks can be foreseen through systematic tracking. Your Company has also defined operational processes to ensure that risks are identified and the operating management are responsible for identifying and implementing mitigation plans for operational and process risk. Key strategic and business risks are identified and managed by senior management team. The Risks and their mitigation plans are updated and reviewed periodically by the Audit Committee and integrated in the Business plan for each year. In line with the amendments to the Listing Regulations, the Company has constituted the Risk Management Committee. The details of Constitution, scope and meetings of the Risk Management Committee forms part of the Corporate Governance Report. In the opinion of the Board there are no risks that may threaten the existence of the Company.
- vi. Internal Financial Controls and their adequacy:** Your company has an effective internal control and risk mitigation system, which is constantly assessed and strengthened with standard operating procedures and which ensures that all the assets of the Company are safeguarded & protected against any loss, prevention and detection of frauds and errors, ensuring accuracy and completeness of the accounting records, timely preparation of reliable financial information and that all transactions are properly authorized and recorded. The Company has laid down procedures to inform audit committee and board about the risk assessment and mitigation procedures, to ensure that the management controls risk through means of a properly defined framework. The Audit Committee evaluates the internal financial control system periodically and deals with accounting matters, financial reporting and periodically reviews the Risk Management Process.
- Based on internal financial control framework and compliance systems established in the Company, the work performed by statutory, internal and secretarial auditors and reviews performed by the management and/or relevant Audit and other Committees of the Board, your Board is of the opinion that the Company's internal financial controls were adequate and effective during the FY 2018-19. During the year, no reportable material weakness in the design or operation was observed.
- vii. Deposits:** Your Company has not accepted any public deposit under Chapter V of the Act.
- viii. Transfer to Investor Education and Protection Fund:** During the year under review, the Company was not required to transfer any amount to Investor Education and Protection Fund.
- During the FY 2017-18, in compliance with the requirements of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) as amended, your Company had transferred an amount of ₹ 573,250 (Rupees Five Lakh Seventy Three Thousand Two Hundred and Fifty Only) to Investor Education and Protection Fund on account of unpaid sale proceeds of Fraction shares under the Scheme of Arrangement pending for seven (7) or more years. The said amount can be claimed by the Shareholders from IEPF authority after following process prescribed in IEPF Rules.
- ix. Unclaimed Dividend/Shares:** As on March 31, 2019, your Company had an outstanding balance of 63,622 (Sixty Three Thousand Six hundred and Twenty Two) unclaimed shares lying in the Suspense Account of the Company. Necessary steps were taken in Compliance with the Listing Regulations, for sending the necessary reminders to the claimant of the said shares, at the address available in the data base of the Depository/Company.



Further, the Interim Dividend declared by the Company which remains unpaid or unclaimed, has been transferred by the Company to "Dish TV India Limited – unpaid Interim Dividend FY 2018-19" account and will be due for transfer to the Investor Education and Protection Fund on completion of seven (7) years.

- x. **Transfer to General Reserve:** During the FY under review, no amount has been transferred to the General Reserve of the Company
- xi. **Extract of Annual Return:** The extract of Annual return in form MGT-9 as required under Section 92(3) of the Act read with Companies (Management & Administration) Rules, 2014 is annexed to this report.
- xii. **Sexual Harassment:** The Company has zero tolerance for Sexual Harassment at workplace. The company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has constituted Internal Complaint(s) Committee functioning at various locations to redress complaints regarding sexual harassment and has adopted a Policy on prevention of Sexual Harassment in line with the provisions of 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013'. During the year under review, no complaint was received by the Company.
- xiii. **Regulatory Orders:** No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future.

## 18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Your Company is in the business of providing Direct-to- Home ('DTH') services. Since the said activity does not involve any manufacturing activity, most of the Information required to be provided under Section 134(3) (m) of the Act read with the Companies (Accounts) Rules, 2014, are not applicable.

However, the information, as applicable, are given hereunder:

### Conservation of Energy:

Your Company, being a service provider, requires minimal energy consumption and every endeavor is made to ensure optimal use of energy, avoid wastages and conserve energy as far as possible.

### Technology Absorption:

In its endeavor to deliver the best to its viewers and business partners, your Company is constantly active in harnessing and tapping the latest and best technology in the industry.

### Foreign Exchange Earnings and Outgo:

During the year under review, your Company had foreign exchange earnings of ₹ 718 Lakhs and outgo of ₹ 7,254 Lakhs.

## 19. RATINGS

During the Financial Year under review, CARE (Credit Analysis and Research Limited), a Credit rating agency had assigned CARE A1 (CARE A One) for Short Term Bank Facilities of the Company. CARE had revised the said rating to CARE A3 (CARE A Three) and then revised the same to CARE A3+ (CARE A Three Plus) for Short Term Bank Facilities of the Company, in the month of July 2019. CARE has revised the rating, basis the recent developments including operational and financial performance of the Company for FY19 (Abridged) and the observation of the credit rating agency regarding removal of support of Essel group built into the ratings due to the weakened financial flexibility at the Essel group level. Instruments with this rating are considered to have moderate degree of safety regarding timely payment of financial obligations.

## 20. HUMAN RESOURCE MANAGEMENT

Human Resource Management has been one of the key priorities for your company over the last financial year. The merger presented your company with multiple opportunities for refreshing the people practices. While harmonizing people practices, the strategic approach had been to adopt best aspects of both companies, align to the market-best practices and build a future ready organization.

In an endeavor to build an organization that is agile and highly efficient, your company has undergone a complete restructuring exercise. The new structure has been designed, keeping in mind the

business priorities and long term strategic goals of your company. A general principle was to combine non-customer facing functions to attain synergies but retain customer facing functions and processes as both brands shall be operating separately in the market. We have consolidated number of circles and offices in phased manner for better operational performance and cost efficiency. Circle Business Head for each Circle are now responsible for the P&L of the Circle, reporting to the respective Business Head.

While aligning the new structure, a flatter organization was created with 5 Bands and 10 Levels from erstwhile ~15 levels to enable empowerment across levels, effective communication, collaboration and faster decision making. Further, the legacy 'designations' created significant layers in the organization. So it was decided to move away from traditional titles and adopt a role based titling nomenclature. To bring synergies in policies and people processes, your company adopted the best practices of both the organizations as well as the industry and overhauled the existing policies.

To achieve synergy benefits and higher productivity, we conducted manpower optimization exercise during the year to identify redundant roles through structured process reengineering, identifying redundant/duplicate roles, organizational structure realignment and optimum span of control.

In order to create value based organization to deliver sustainable performance over time, values were redefined through a culture survey conducted by a third party. These values have been amalgamated to align the overall value system to the business strategy and vision. Your company believes that it's not just important for all employees to understand the essence of these values, but also imbibe them and live by them every single day. Therefore, workshops have been conducted for employees across the country so they understand and exhibit these values in their work and behaviour.

Our core values are integrated with 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 organizational performance and engagement levels. Values will also be integrated in the hiring philosophy and reward & recognition programs.

Your Company has created a favorable work environment following the SAMWAD philosophy

which encourages innovation, meritocracy and team collaboration. This year we have achieved the highest ever employee engagement scores which is at par with to best in class. The Company is committed to nurturing, enhancing and retaining talent through superior Learning & Organization Development interventions.

With all these changes, your company is fully geared up in its quest for future success and capitalize on a host of new opportunities ahead.

Your Directors place on record their appreciation for the significant contribution made by all employees, who through their competence, dedication, hard work, co-operation and support have enabled the Company to cross milestones on a continual basis.

#### **Particulars of Employees**

As on March 31, 2019, the total numbers of permanent employees on the records of the Company were 486 (Four hundred and Eighty Six). The information required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, along with statement showing names and other particulars of the employees drawing remuneration in excess of the limits prescribed under the said rules is annexed to this report.

#### **21. DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of and pursuant to Section 134 of the Act, in relation to the Annual Financial Statements for the FY 2018-19, your Directors state and confirm that:

- a) The Financial Statements of the Company comprising of the Balance Sheet as at March 31, 2019 and the Statement of Profit & Loss for the year ended on that date, have been prepared on a going concern basis;
- b) In the preparation of these Financial Statements, the applicable accounting standards had been followed and there are no material departures;
- c) Accounting policies selected were applied consistently and the judgments and estimates related to the financial statements have been made on a prudent and reasonable basis, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019,

and, of the profit of the Company for the year ended on that date;

- d) Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Act, to safeguard the assets of the Company and for preventing and detecting fraud and other irregularities;
- e) Requisite internal financial controls were laid down and that such financial controls are adequate and operating effectively; and
- f) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

## 22. BUSINESS RESPONSIBILITY REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

The Business Responsibility Report ('BRR') has been prepared and forms part of the Annual Report as Annexure. The Report provides an overview of initiatives taken by your Company.

The Management Discussion and Analysis report as provided under the Listing Regulations is separately attached hereto and forms an integral part of this Annual Report. The said report gives details of the overall industry structure, economic developments, performance and state of affairs of your Company's business and other material developments during the FY under review.

## 23. INDUSTRIAL OPERATIONS

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the leadership position in the industry. It has taken various steps to improve productivity across the organization.

## 24. CAUTIONARY STATEMENT

Statements in this Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute 'forward looking statements' within the meaning of applicable laws and regulations and actual results might differ.

## 25. ACKNOWLEDGEMENT

It is our strong belief that caring for our business constituents has ensured our success in the past and will do so in future. Your Directors value the professionalism and commitment of all employees of the Company and place on record their appreciation of the contribution made by employees of the Company and its subsidiaries at all levels that has contributed to your Company's success. Your Directors acknowledge with sincere gratitude the co-operation and support extended by the Central and State Governments, the Ministry of Information and Broadcasting ('MIB'), the Department of Telecommunication ('DOT'), Ministry of Finance, the Telecom Regulatory Authority of India ('TRAI'), the Stock Exchanges and other stakeholders including employees, subscribers, vendors, bankers, investors, service providers as well as other regulatory and government authorities.

Your Board also takes this opportunity to express its deep gratitude for the continued co-operation and support received from its valued stakeholders.

For and on behalf of the Board

**Jawahar Lal Goel**

Chairman & Managing Director  
DIN: 00076462

**B. D. Narang**

Independent Director  
DIN: 00826573

Place: Noida

Date: July 30, 2019

## ANNEXURE TO BOARD'S REPORT

### Statement containing salient features of the Financial statement of Subsidiaries or Associate Companies or Joint Ventures as on March 31, 2019 in Form AOC – 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

#### Part A: Subsidiaries

(₹ in Lakhs)

Name of the subsidiary	Dish Infra Services Private Limited (formerly known as Xingmedia Distribution Private Limited)	Dish T V Lanka (Private) Limited*	C&S Medianet Private Limited**
Date since when subsidiary was acquired	March 24, 2014	April 25, 2012	November 1, 2018 <sup>§</sup>
Reporting period for the subsidiary / JV concerned, if different from the holding company's reporting period	March 31, 2019	March 31, 2019	March 31, 2019
Reporting currency and Exchange rate as on March 31, 2019, in case of Foreign Subsidiaries	INR	Sri Lankan Rupees (LKR) 1 Sri Lankan Rupee = ₹ 0.394810	INR
Share Capital	311,801	4	1
Reserves & surplus	10,127	(17,649)	(14)
Total Assets	779,996	2,750	144
Total Liabilities	779,996	2,750	144
Investments	NIL	NIL	NIL
Turnover	234,889	1,105	686
Profit before taxation	5,181	(6,162)	(6)
Provision for taxation	2,417	2	NIL
Profit after taxation	2,764	(6,164)	(6)
Proposed Dividend	NIL	NIL	NIL
Extent of Shareholding (In Percentage)	100%	70%	51%

\* Dish T V Lanka (Private) Limited is a Company Incorporated in Sri Lanka

\*\* and § Until October 31, 2018, C&S Medianet Private Limited was Associate & Joint Venture Company of Dish TV India Limited, C&S Medianet Private Limited became Subsidiary of Dish TV India Limited on November 1, 2018.

#### Notes:

- The Company does not have any subsidiary(s) which are yet to commence operations.
- The Company does not have any subsidiary(s) which is liquidated or sold during the financial year 2018-19
- The Company does not have any Associate / Joint Venture as on March 31, 2019, accordingly, Part- B i.e. Information pertaining to Associates and Joint Ventures is not applicable and does not form part of the Annexure.

For and on behalf of the Board

**Jawahar Lal Goel**  
Chairman & Managing Director  
DIN: 00076462

**B. D. Narang**  
Independent Director  
DIN: 00826573

# ANNEXURE TO BOARD'S REPORT

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	Pursuant to Section 135 of the Companies Act, 2013, the Corporate Social Responsibility ('CSR') Committee of the Board had approved a CSR Policy with the primary focus on Education, Healthcare, Women Empowerment, Sports etc. Besides these focus areas, the Company may also undertake any other CSR activities listed in Schedule VII of the Companies Act, 2013. The CSR policy is available on the website of the Company at the following link: <a href="http://dishd2h.com/media/1099/dish-csr-policy.pdf">http://dishd2h.com/media/1099/dish-csr-policy.pdf</a>
2. The Composition of the CSR Committee	As on March 31, 2019 the CSR Committee of the Board of Directors comprised of 4 Directors. Mr. B. D. Narang, Independent Director (as Chairman of the Committee), Mr. Jawahar Lal Goel, Managing Director, Dr. (Mrs.) Rashmi Aggarwal, Independent Director and Mr. Ashok Mathai Kurien, Non-Executive Director are the members of the CSR Committee.  Further, Mr. Shankar Aggarwal, Non-Executive – Independent Director (Additional) was inducted as a member of the Committee with effect from July 1, 2019.  Accordingly, as on date of this report the CSR Committee comprises of 5 Directors with Mr. B. D. Narang, Independent Director as the Chairman of the Committee, Mr. Jawahar Lal Goel, Managing Director, Dr. (Mrs.) Rashmi Aggarwal, Independent Director, Mr. Ashok Mathai Kurien, Non-Executive Director and Mr. Shankar Aggarwal, Independent Director (Additional) as its Members.
3. Average net profit of the Company for last three financial years	₹ 22,328.89 Lacs
4. Prescribed CSR expenditure (two percent of the amount as in item 3 above)	₹ 446.58 Lacs
5. Details of CSR spent during Financial Year	
a) Total amount to be spent for the Financial Year	₹ 446.58 Lacs
b) Amount unspent, If any	Nil
c) Manner in which the amount is spent during the financial Year	As detailed herein

(₹ In Lacs)

CSR Projects or Activities Identified	Sector in which the project is Covered	Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
Skill development and livelihood enhancement project	Contribution to "Project Samridh" to enable livelihood opportunity for the youth and develop a collaborative network of industry, skill training providers and government authorities with an objective to bridge the unemployment gap	Jharkhand, Chhattisgarh & Haryana	22.11	22.11	22.11	Subhash Chandra Foundation

(₹ In Lacs)

CSR Projects or Activities Identified	Sector in which the project is Covered	Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
Educational Development	Development of student's interest and competencies in the domain of Science and Mathematics by facilitating suitable infrastructure and support in teachers' development of apt teaching techniques	Hisar, Haryana	206.31	206.31	228.42	Subhash Chandra Foundation
Integrated Rural Development	Undertaking Rural transformation Initiative in SABKA Cluster of Hisar District	Hisar, Haryana	134.10	134.10	365.52	Subhash Chandra Foundation
Youth Sport and Life-skill program	Developing Sports Skills through establishing Sports training Centers and Youth development by providing Life Skills, leadership training & and livelihood opportunities in sport	Hisar, Haryana (Villages including Adampur village, Mandi Adampur, Sadalpur etc)	84.06	84.06	446.58	Subhash Chandra Foundation
<b>Total</b>			<b>446.58</b>	<b>446.58</b>	<b>446.58</b>	

Note: The amount is spent through the implementing agency named Subhash Chandra Foundation

### Responsibility Statement

The CSR Committee certifies that the implementation and monitoring of the CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Place: Noida  
Dated: July 30, 2019

**Jawahar Lal Goel**  
Managing Director  
DIN: 00076462

**B. D. Narang**  
Independent Director (Chairman-CSR Committee)  
DIN: 00826573

# ANNEXURE TO BOARD'S REPORT

**FORM NO. MR-3**

## **SECRETARIAL AUDIT REPORT**

(For the Financial Year ended March 31, 2019)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

**The Members**

**Dish TV India Limited**

**18<sup>th</sup> Floor, A-Wing, Marathon Futurex,**

**N M Joshi Marg, Lower Parel,**

**Mumbai - 400 013, Maharashtra**

I have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by Dish TV India Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended on March 31, 2019 according to the provisions of:

- i. The Companies Act, 2013 ("the Act"), Companies Act, 1956 (to the extent applicable) and the Rules made thereunder including any re-enactment thereof;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009/2018;
  - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (*Not Applicable to the Company during the Audit period*);

- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client *(Not Applicable to the Company during the Audit period)*;
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 *(Not Applicable to the Company during the Audit period)*; and
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit period).

**I further report that**, having regard to the compliance system prevailing in the Company and based on the representation made by the management of the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company:

- (a) The Cable Television Networks (Regulation) Act, 1995 and the Rules made thereunder;
- (b) The Telecom Regulatory Authority of India Act, 1997;
- (c) The Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017;
- (d) The Telecommunication (Broadcasting And Cable) Services Standards of Quality of Service And Consumer Protection (Addressable Systems) Regulations, 2017;
- (e) The Telecommunication (Broadcasting and Cable) Services (Addressable Systems) Tariff Order, as applicable.

I have also examined compliance with Secretarial Standards with regard to Meeting of Board of Directors(SS-1) and General Meetings (SS-2), issued by The Institute of Company Secretaries of India (ICSI).

During the audit period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. I further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit as same are subject to review by the Statutory Auditors and other designated professionals.

**I further report that:**

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- b) The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- c) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- d) As per the minutes of meetings duly recorded and signed by the Chairman, the decisions of the Board and committees were carried through with unanimous consent and no dissenting views have been recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that during audit period under review:**

- a) The Company has allotted 17,080 fully paid up equity shares of ₹ 1/- each upon exercise of Stock Options granted under the Employee Stock Option Scheme - 2007 of the Company. These shares were duly admitted for trading on the Stock Exchanges where the shares of the Company are listed;



- b) The Company sought and obtained Members' approval at the 30<sup>th</sup> Annual General Meeting of the Company held on September 28, 2018 for Dish TV India Limited 'Employees Stock Option Scheme 2018' ("ESOP 2018") for the Employees of the Company.
- c) The Hon'ble National Company Law Tribunal, Mumbai Bench vide order dated July 27, 2017 had approved the amalgamation of Videocon D2H Limited into and with the Company and the Company had issued fully paid up equity Shares of the Company of Re. 1/- (one each), on March 26, 2018, to the eligible equity shareholders of Videocon D2H Limited in exchange. However, out of the total issue of 857,785,642 fully paid equity shares, the Board of the Company allotted 775,256,159 fully paid Equity Shares of Re.1/- each and allotment of 82,529,483 equity shares was kept in abeyance owing to counter claims lodged with the Company. Subsequently, the Hon'ble National Company Law Tribunal, Mumbai Bench vide Order dated April 26, 2018 and Hon'ble Delhi High Court vide order dated August 2, 2018 directed the Company to keep the allotment of 82,529,483 fully paid Equity Shares of ₹ 1/- each in abeyance and to maintain a status quo in the matter till further orders in this regard.
- d) Paid interim dividend of ₹ 0.50 per fully paid equity share of Re. 1 each.
- e) Appointed Mr. Anil Kumar Dua as Executive Director of the Company for a period of 3 (three) years with effect from March 26, 2019.
- f) The Company sought and obtained Members' approval through Postal Ballots for:
  - (i) Extension of benefits of Dish TV India Limited 'Employees Stock Option Scheme 2018' ("ESOP 2018") – for employees of the Subsidiary Company(ies) of the Company;
  - (ii) Extension of benefits of Dish TV India Limited 'Employees Stock Option Scheme 2018' ("ESOP 2018") – for employees of any future Holding Company of the Company.

This report is to be read with my letter of even date which is annexed as Annexure and forms integral part of this report.

For **Jayant Gupta and Associates**

**(Jayant Gupta)**  
**Practicing Company Secretary**  
**FCS : 7288**  
**CP : 9738**

Place : New Delhi  
 Date : July 30, 2019

## **Annexure to the Secretarial Audit Report of Dish TV India Limited for Financial Year ended March 31, 2019**

To,  
**The Members**  
**Dish TV India Limited**

### **Management Responsibility for Compliances**

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Jayant Gupta and Associates**

**(Jayant Gupta)**  
**Practicing Company Secretary**  
**FCS : 7288**  
**CP : 9738**

Place : New Delhi  
Date : July 30, 2019

# ANNEXURE TO BOARD'S REPORT

## Extract of Annual Return

As on Financial Year ended on March 31, 2019

(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014)

### I. REGISTRATION & OTHER DETAILS:

i)	Corporate Identity Number (CIN)	L51909MH1988PLC287553
ii)	Registration Date	August 10, 1988
iii)	Name of the Company	Dish TV India Limited
iv)	Category/Sub-category of the Company	Company Limited by Shares / Indian Non-Government Company
v)	Address of the Registered office & contact details	18 <sup>th</sup> Floor, A Wing, Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai - 400 013 Tel No.: 022 - 7106 1234
vi)	Whether Listed	Yes
vii)	Name, Address and contact details of the Registrar and Transfer Agent	Link Intime India Private Limited Unit: Dish TV India Limited, C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai - 400 083 Tel. No.+91-22-49186270 Fax- +91-22-49186060

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Business activities contributing 10% or more of the total turnover of the Company

S. No.	Name & Description of main products/services	NIC Code of the Product /service (As per 2008)	% to total turnover of the company
1	Direct-to-Home ('DTH') service	61309	99.42%

### III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

S. No.	Name, Address and CIN of the Company	% of Shares Held	Applicable Section of the Companies Act, 2013
<b>A</b>	<b>Holding Company - NIL</b>		
<b>B</b>	<b>Subsidiary Company - Indian</b>		
	Dish Infra Services Private Limited Essel House, B-10, Lawrence Road, Industrial Area, Delhi - 110 035 CIN: U74140DL2014PTC264838	100	2(87)(ii)
<b>C</b>	<b>Subsidiary Company - Indian</b>		
	C&S Medianet Private Limited Essel House, B-10, Lawrence Road, Industrial Area, Delhi - 110035 CIN: U74999DL2016PTC299125	51	2(87)(ii)
<b>D</b>	<b>Subsidiary Company - Overseas</b>		
	Dish T V Lanka (Private)Limited 86/4, Negombo Road, Kandana, Sri Lanka Company No.: PV 85639	70	2(87)(ii)

**Note:** CIN / GLN is not applicable for overseas subsidiary

Until October 31, 2018, C&S Medianet Private Limited was Associate & Joint Venture Company of Dish TV India Limited. It became a Subsidiary of Dish TV India Limited on November 1, 2018.

## IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

### i) Categorywise Shareholding

S. No.	Category of Shareholder	No. of Shares held at the beginning of the year (April 1, 2018)				No. of Shares held at the end of the year (March 31, 2019)				% change during the year
		Demat	Physical	Total	%	Demat	Physical	Total	%	
<b>A</b>	<b>Promoters &amp; Promoter Group:</b>									
1	Indian									
	a) Bodies Corporates	543,307,182	0	543,307,182	29.51	1,031,805,519	0	1,031,805,519	56.04	26.53
	b) Individual	7,94,750	0	7,94,750	0.04	7,94,750	0	7,94,750	0.04	(0.00)
	<b>Sub Total (A) (1)</b>	<b>544,101,932</b>	<b>0</b>	<b>544,101,932</b>	<b>29.55</b>	<b>1,032,600,269</b>	<b>0</b>	<b>1,032,600,269</b>	<b>56.08</b>	<b>26.53</b>
2	Foreign									
	a) Bodies Corporate	35,172,125	0	35,172,125	1.91	35,172,125	0	35,172,125	1.91	(0.00)
	<b>Sub Total (A) (2)</b>	<b>35,172,125</b>	<b>0</b>	<b>35,172,125</b>	<b>1.91</b>	<b>35,172,125</b>	<b>0</b>	<b>35,172,125</b>	<b>1.91</b>	<b>(0.00)</b>
	<b>Total Promoter Shareholding*</b>	<b>579,274,057</b>	<b>0</b>	<b>579,274,057</b>	<b>31.46</b>	<b>1,067,772,394</b>	<b>0</b>	<b>1,067,772,394</b>	<b>57.99</b>	<b>26.53</b>
<b>B</b>	<b>Public Shareholding:</b>									
1	Institutions									
	a) Mutual Funds	73,637,571	575	73,638,146	3.999	13,451,908	575	13,452,483	0.731	(3.27)
	b) Alternate Investment Funds	0	0	0	0	178,000	0	178,000	0.010	0.01
	c) Banks/FI	71,34,686	0	7,134,686	0.39	2,192,899	0	2,192,899	0.12	(0.27)
	d) Central Govt./State Government	0	0	0	0	0	0	0	0	0.00
	e) FIs	223,707,897	6325	223,714,222	12.15	276,044,041	6,325	276,050,366	14.99	2.84
	f) Foreign Bank	277,095,616	0	277,095,616	15.05	1	0	1	0.00	(15.05)
	<b>Sub Total (B)(1)</b>	<b>581,575,770</b>	<b>6900</b>	<b>581,582,670</b>	<b>31.59</b>	<b>291,866,849</b>	<b>6,900</b>	<b>291,873,749</b>	<b>15.85</b>	<b>(15.73)</b>
2	Non Institutions									
	a) Bodies corporates	574,782,201	0	574,782,201	31.22	147,757,552	0	147,757,552	8.02	(23.19)
	b) Individual holding shares upto ₹ 1 lakhs in nominal value	48,587,855	2,13,177	48,801,032	2.65	48,889,959	1,95,687	49,085,646	2.67	0.02
	c) Individuals holding share above ₹ 1 lakhs nominal value	34,571,121	0	34,571,121	1.88	76,436,676	0	76,436,676	4.15	2.27
	d) NBFCs registered with RBI	0	0	0	0	452,019	0	452,019	0.02	0.02
	e) Others									
	OCB	8,883	0	8,883	0	468,883	0	4,68,883	0.03	0.02
	Foreign bodies	16,782,705	0	16,782,705	0.91	10,288,680	0	10,288,680	0.56	(0.35)
	NRI	5,251,462	209,514	5,460,976	0.30	7,736,015	206,639	79,42,654	0.43	0.13
	Trust	6,789	0	6,789	0.00	23,489	0	23,489	0.00	0.00
	<b>Sub Total (B)(2)</b>	<b>679,991,016</b>	<b>422,691</b>	<b>680,413,707</b>	<b>36.95</b>	<b>292,053,273</b>	<b>402,326</b>	<b>292,455,599</b>	<b>15.88</b>	<b>(21.07)</b>
	<b>Total Public Shareholding</b>	<b>1,261,566,786</b>	<b>429,591</b>	<b>1,261,996,377</b>	<b>68.54</b>	<b>583,920,122</b>	<b>409,226</b>	<b>584,329,348</b>	<b>31.73</b>	<b>(36.80)</b>
<b>C</b>	<b>Shares held by Custodian for GDRs</b>									
	Public	0	0	0	0	18,91,85,772	0	18,91,85,772	10.27	10.27
	<b>Grand Total (A+B+C)</b>	<b>1,840,840,843</b>	<b>429,591</b>	<b>1,841,270,434</b>	<b>100</b>	<b>1,840,878,288</b>	<b>409,226</b>	<b>1,841,287,514</b>	<b>100</b>	<b>0.00</b>

\* The details of the change in Promoter Shareholding is provided in Note-1 [Date wise Increase/Decrease in Promoters Shareholding]

**ii) Promoter & Promoter Group Shareholding**

S. No.	Name of Promoter	Shareholding at the beginning of the year (April 1, 2018)			No. of Shares held at the end of the year (March 31, 2019)			% Change in shareholding during the year
		Number of Shares	% to total shares of the Company	% of shares pledged/encumbered to Capital	Number of Shares	% to total shares of the Company	% of shares pledged/encumbered to Capital	
1	Direct Media Distribution Ventures Private Limited	457,212,260	24.83	17.16	427,803,288	23.23	22.06	-1.60
2	Veena Investments Private Limited	86,094,822	4.68	3.69	79,129,822	4.30	4.29	-0.38
3	World Crest Advisors LLP	100	0.00	0.00	524,872,409	28.51	28.51	28.51
4	Agrani Holdings (Mauritius) Limited	35,172,125	1.91	0.00	35,172,125	1.91	0.00	0.00
5	Jawahar Lal Goel	176,800	0.01	0.00	176,800	0.01	0.00	0.00
6	Sushila Devi	585,750	0.03	0.00	585,750	0.03	0.00	0.00
7	Nishi Goel	11,000	0.00	0.00	11,000	0.00	0.00	0.00
8	Priti Goel	11,000	0.00	0.00	11,000	0.00	0.00	0.00
9	Suryansh Goel	5,100	0.00	0.00	5,100	0.00	0.00	0.00
10	Jai Goel	5,100	0.00	0.00	5,100	0.00	0.00	0.00
<b>Total Promoter Shareholding#</b>		<b>57,9274,057</b>	<b>31.46</b>	<b>20.85</b>	<b>1,067,772,394</b>	<b>57.99</b>	<b>54.86</b>	<b>26.53</b>

# The details of the change in Promoter Shareholding is provided in Note-1 (Date wise Increase/Decrease in Promoters Shareholding)

**iii) Change in Promoters Shareholding**

Particulars	Share holding at the beginning of the Year (April 1, 2018)		Cumulative Share holding during the Year	
	Number of Shares	% of Equity Capital	Number of Shares	% of Equity Capital
At the beginning of the year	579,274,057	31.46		
Date wise increase/decrease in shareholding with reason	<b>Refer Note -1</b>			
At the end of the year			1,067,772,394	57.99

**Note 1: Date wise increase/decrease in Promoter's shareholding with reason\***

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year (April 1, 2018)		Transactions during the year		Cumulative Shareholding at the end of the year (March 31, 2019)	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No. of Shares Held	% of Total Shares of the Company
1	Veena Investments Private Limited	86,094,822	4.68				
	On Market Sale			25 Jan 2019	(6,490,000)	79,604,822	4.32
	On Market Sale			08 Feb 2019	(475,000)	79,129,822	4.30
	At the end of the year					<b>79,129,822</b>	<b>4.30</b>
2	Direct Media Distribution Ventures Private Limited	457,212,260	24.83				
	On Market Sale			25 Jan 2019	(12,562,472)	444,649,788	24.15
	On Market Sale			01 Feb 2019	(2,140,000)	442,509,788	24.03
	On Market Sale			08 Feb 2019	(10,195,000)	432,314,788	23.48
	On Market Sale			08 Mar 2019	(2,711,500)	429,603,288	23.33
	On Market Sale			22 Mar 2019	(1,800,000)	427,803,288	23.23
	At the end of the year					<b>427,803,288</b>	<b>23.23</b>

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year (April 1, 2018)		Transactions during the year		Cumulative Shareholding at the end of the year (March 31, 2019)	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No. of Shares Held	% of Total Shares of the Company
	World Crest Advisors LLP	100	0.00				
	On Market Purchase			20 Apr 2018	91,500,000	91,500,100	4.97
	Open Offer			27 Jul 2018	446,238,855	537,738,955	0.00
3	On Market Purchase			29 Sep 2018	3,000,000	540,738,955	0.00
	On Market Sale			25 Jan 2019	(12,711,546)	528,027,409	0.00
	On Market Sale			01 Feb 2019	(31,55,000)	524,872,409	0.00
	At the end of the year					<b>524,872,409</b>	<b>28.51</b>

\* Apart from the reported above Promoters, there is no change in number of shares held by rest of the Promoters during the beginning of the year and at the end of the year.

#### iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs)

Particulars	Shareholding at the beginning of the year (April 1, 2018)		Shareholding at the end of the year (March 31, 2019)	
	No. of shares	% of the Equity Capital	No. of shares	% of the Equity Capital
Deutsche Bank Trust Company Americas	\$ 277,095,615	15.05	189,185,772	10.27
Amansa Holdings Private Limited	\$ 44,194,773	2.40	51,892,331	2.82
Direct Media Solutions LLP	\$ 52,150,278	2.83	47,128,556	2.56
East Bridge Capital Master Fund I Ltd	@ 0	0.00	41,088,547	2.23
Ivy Icon Solutions LLP	@ 0	0.00	32,000,000	1.74
Ashish Dhawan	\$ 16,800,000	0.91	28,957,491	1.57
T. Rowe Price International Discovery Fund	\$ 26,182,264	1.42	26,182,264	1.42
BNP Paribas Arbitrage	@ 4,497,708	0.24	23,307,310	1.27
Manaaska Fashions LLP	\$ 17,000,000	0.92	11,490,000	0.62
Jay Properties Private Limited	@ 10,131,000	0.55	10,131,000	0.55
Electroparts India Pvt.Ltd.	# 122,072,040	6.63	100,935	0.01
Solitaire Appliances Private Limited	# 101,760,932	5.53	15	0.00
Greenfield Appliances Private Limited	# 101,760,931	5.53	15	0.00
Waluj Components Private Limited	# 101,275,125	5.50	13	0.00
<b>TOTAL</b>	<b>874,920,666</b>	<b>47.52</b>	<b>461,464,249</b>	<b>25.06</b>

#### Note:

- The Shares of the Company are substantially held in dematerialised form and are traded on a daily basis and hence date wise increase/decrease in shareholding is not indicated
- \$ denotes common top 10 Shareholders as on April 1, 2018 and March 31, 2019  
# denotes top 10 Shareholders only as on April 1, 2018  
@ denotes top 10 Shareholders only as on March 31, 2019
- Shares held in multiple accounts having same PAN are consolidated for the purpose of this disclosure.

**v) Change in Shareholding of the Directors and Key Managerial Personnel**

Details of changes in the shareholding of Directors of the Company who held/hold Equity Shares of the Company are as mentioned herein.

Name of the Director / KMP	Shareholding at the beginning (April 1, 2018)		Changes			Cumulative shareholding during the year (01.04.2018 - 31.03.2019)	
	Number of Shares	% of Equity Capital	Date	Increase / Decrease in no. of Shares	Reason	Number of Shares	% of Equity Capital
Mr. Jawahar Lal Goel Chairman & Managing Director	176,800	0.01	NA	NA	NA	176,800	0.01
Mr. Bhagwan Das Narang Independent Director	7,500	0.00	NA	NA	NA	7,500	0.00
Mr. Ashok Mathai Kurien Non-Executive Director	1,174,150	0.06	NA	NA	NA	1,174,150	0.06
Mr. Arun Duggal Independent Director*	7,500	0.00	NA	NA	NA	7,500	0.00

Apart from the above, none of the other Directors / KMP of the Company held any equity shares of the Company either at the beginning of the year or at the end of the year or dealt in the equity shares of the Company during financial year ended March 31, 2019

\*Mr. Arun Duggal has resigned from the Board of Directors of the Company with effect from May 18, 2018

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	(₹ in Lakhs)
				Total Indebtedness
<b>Indebtness at the beginning of the financial year:</b>				
Principal Amount	12,403	2,406	0	14,809
Interest due but not paid	0	0	0	0
Interest accrued but not due	0	0	0	0
<b>Total</b>	<b>12,403</b>	<b>2,406</b>	<b>0</b>	<b>14,809</b>
<b>Change in Indebtedness during the financial year:</b>				
Additions	50,391	0	0	50,391
Reduction	-12,403	-2,406	0	-14,809
<b>Net Change</b>	<b>37,988</b>	<b>-2,406</b>	<b>0</b>	<b>35,582</b>
<b>Indebtedness at the end of the financial year:</b>				
Principal Amount	50,391	0	0	50,391
Interest due but not paid	0	0	0	0
Interest accrued but not due	0	0	0	0
<b>Total</b>	<b>50,391</b>	<b>0</b>	<b>0</b>	<b>50,391</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-Time Director and/or Manager

(₹ in Lakhs)

Particulars of Remuneration	Name of the MD/WTD/Manager	
	Jawahar Lal Goel (Chairman & Managing Director)	
Gross salary (As per Income tax act):		
Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961		368.15
Value of perquisites u/s 17(2) Income Tax Act, 1961		0.00
Profits in lieu of salary under section 17(3) Income Tax Act, 1961		0.00
Stock Option (gain)		0.00
Sweat Equity		0.00
Commission (as % of profit and/or otherwise)		0.00
Others (Contribution to Provident Fund)		22.59
<b>Total (A)</b>		<b>390.74</b>

Ceiling as per the Act: During the financial year 2018-19, the Company did not have profit as per Section 198 of the Companies Act, 2013, the Ministry of Corporate Affairs vide Notification dated September 12, 2018, eliminated the requirement of obtaining the Central Government approval, accordingly the Company has paid Remuneration to Mr. Jawahar Lal Goel, Managing Director in compliance of Part II, Section II (A) of Schedule V and Resolution passed by members of the Company at the 30<sup>th</sup> Annual General Meeting held on September 28, 2018

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on March 26, 2019 approved the induction of Mr. Anil Kumar Dua (DIN: 03640948), who was hitherto working as Group Chief Executive Officer (CEO) of the Company, on the Board as an Additional Executive Director (designated as Whole-Time Director) of the Company with effect from March 26, 2019. Mr. Dua was employed with the Company in the capacity of Group Chief Executive Officer and accordingly was receiving remuneration from the Company. Upon his appointment as the Executive Director with effect from March 26, 2019, the Board decided that the remuneration drawn by him hitherto as Group Chief Executive Officer, shall continue till March 31, 2019. Accordingly, the details of his remuneration as CEO of the Company for the Year under review is provided in Part C of Para VI. For the period from March 26, 2019 to March 31, 2019, wherein Mr. Dua was also appointed as an Additional Executive Director (designated as Whole-Time Director) of the Company, he was paid pro rata remuneration of his existing remuneration for the said period which is being considered as the remuneration of Mr. Dua as Executive Director & CEO for the said period of 6 days.

### B. Remuneration to other Directors:

(₹ in Lakhs)

Name of Directors	Sitting Fees	Commission	Others	Total
<b>Independent Directors</b>				
Arun Duggal*	0	0	0	0
Bhagwan Das Narang	10.20	0	0	10.20
Dr. (Mrs) Rashmi Aggarwal	8.70	0	0	8.70
Shankar Aggarwal**	3.75	0	0	3.75
<b>Total</b>	<b>22.65</b>	<b>0</b>	<b>0</b>	<b>22.65</b>
<b>Non-Executive Directors</b>				
Ashok Kurien	5.85	0	0	5.85
<b>Total</b>	<b>5.85</b>	<b>0</b>	<b>0</b>	<b>5.85</b>
<b>Grand Total</b>	<b>28.50</b>	<b>0</b>	<b>0</b>	<b>28.50</b>

#### Overall Ceiling as per Act

Not Applicable as only sitting fees is being paid by the Company to Non-Executive Directors and Independent Directors. Pursuant to Section 197(5) of the Companies Act, 2013 read with Rule 4 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company may pay sitting fee up to ₹ 1 lakh per meeting of the Board or committee thereof.

\* Resigned from the Board and Committees thereof with effect from May 18, 2018

\*\* Appointed with effect from October 25, 2018



**C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD:**

(₹ in Lakhs)

Particulars of Remuneration	Key Managerial Personnel			Total
	Rajeev Kumar Dalmia	Anil Kumar Dua	Mr. Ranjit Singh	
	Chief Financial Officer	Group Chief Executive Officer*	Company Secretary	
Gross Salary (As per Income Tax Act) :				
Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	195.92	403.42	69.45	668.79
Value of perquisites u/s 17(2) Income Tax Act, 1961	0.40	0.40	0.40	1.20
Profits in lieu of salary under section 17(3) Income Tax Act, 1961	0.00	0.00	0.00	0.00
Stock Option (gain)	0.00	0.00	0.00	0.00
Sweat Equity	0.00	0.00	0.00	0.00
Commission (as % of profit or otherwise)	0.00	0.00	0.00	0.00
Others (Contribution to Provident Fund)	10.89	18.27	4.16	33.32
<b>Total</b>	<b>207.21</b>	<b>422.09</b>	<b>74.01</b>	<b>703.31</b>

\* Mr. Anil Kumar Dua, the Group Chief Executive Officer of the Company was also appointed as the Whole-Time Director of the Company with effect from March 26, 2019

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES UNDER PROVISIONS OF COMPANIES ACT: None**

Neither the Company nor any of its Directors or Officers in default were penalized/punished for violation of any of the provisions of Companies Act, 1956 or 2013, by any of the regulatory authorities under the Act. Further no application was made by the Company or its Directors or Officers in Default for compounding of any of the provisions of the Act and therefore information in this regard is Nil.

For and on behalf of the Board of Directors

Place: Noida  
Dated: July 30, 2019

**Jawahar Lal Goel**  
Chairman & Managing Director  
DIN: 00076462

**B. D. Narang**  
Independent Director  
DIN: 00826573

## ANNEXURE TO BOARD'S REPORT

**DISCLOSURES PURSUANT TO REGULATION 14 OF THE SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014, READ WITH SEBI CIRCULAR DATED JUNE 16, 2015 ON ESOP DISCLOSURES FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019**

S. No.	Particulars	ESOP Scheme 2007	ESOP Scheme 2018
A)	Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time.	Please refer to Notes No. 51 and 52 of Standalone Financial Statements for the Financial Year ended on March 31, 2019	
B)	Diluted EPS on issue of shares pursuant to ESOP Scheme covered under the regulations in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.	₹ (6.70) <i>[Please refer Note 63 read with note 51 and 52 to the Standalone Financial Statements of the Company for the Financial Year ended on March 31, 2019]</i>	
C)	<b>Details Related to ESOS</b> (i) A description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP including:	The Company has two ESOP Schemes namely, ESOP 2007 and ESOP 2018	
	a) Date of shareholders' approval	August 3, 2007	September 28, 2018 <i>Further, the extension of benefits of the ESOP 2018 to the employee(s) of Subsidiary Companies and to any future Holding Company of the Company was approved by shareholders by requisite majority through Postal ballot mechanism on November 30, 2018.</i>
	b) Total number of options approved under ESOP	42,82,228	1,80,00,000
	c) Vesting requirements	Options granted under ESOP 2007 scheme would vest not less than one year and not more than six years from the date of grant of such options. Vesting of options would be subject to continued employment with the Company and thus the options would vest on passage of time. In addition to this, the Nomination and Remuneration Committee (NRC) may also specify certain performance parameters subject to which the options would vest.	Options granted under ESOP 2018 would vest not earlier than one year and not later than four years from the date of Grant. The vesting shall happen every year equally i.e. 25% of the number of options granted, for 4 years from the date of grant of the option and would be subject to continued employment with the Company. Vesting of options would be subject to passage of time over the vesting schedule and fulfillment of the performance criteria as may be specified by the Compensation Committee i.e. Nomination and Remuneration Committee (NRC).

S. No.	Particulars	ESOP Scheme 2007	ESOP Scheme 2018
		<p>The specific vesting schedule and conditions, if any, subject to which vesting would take place are outlined in the Letter of Grant given to the Grantee at the time of the Grant of Options.</p>	<p>However, NRC may also specify certain performance parameters subject to which the Options would vest. The specific Vesting schedule and Vesting Conditions subject to which Options would vest are detailed in writing and provided to the Option Grantee at the time of the Grant of Options.</p>
	<p>d) Exercise price or pricing formula</p>	<p>The pricing formula as approved by the Shareholders of the Company, shall be the 'market price' as per the applicable regulations. Pursuant to the 'Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014' the 'market price' shall mean the latest available closing price on a recognized stock exchange on which the shares of the Company are listed on the date immediately prior to the relevant date. In case of the Company, the shares are listed on National Stock Exchange of India Limited and BSE Limited, the 'market price' shall be the closing price on the Stock Exchange having higher trading volume.</p>	<p>The pricing formula as approved by the Shareholders of the Company, shall be the 'market price' as per the applicable regulations. Pursuant to the 'Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014' Market Price shall mean latest available closing price on the Recognized Stock Exchange on the date immediately prior to the date of the meeting of the NRC, in which options are granted. If the shares of the Company are listed on more than one stock exchange, then the closing price on the stock exchange having the higher trading volume shall be considered as the market price.</p>
	<p>e) Maximum term of options granted</p>	<p>Options granted under ESOP 2007 scheme shall be capable of being exercised within a period of four years from the date of each Vesting of the respective Stock Options</p>	<p>Options granted under ESOP 2018 scheme shall be capable of being exercised within a period being not more than four years from the date of Vesting of the respective Employee Stock Options</p>
	<p>f) Source of shares (primary, secondary or combination)</p>	<p>Primary</p>	<p>Primary</p>
	<p>g) Variation in terms of options</p>	<p>Pursuant to approval (s) dated August 28, 2008 of Remuneration Committee and Shareholders, the options granted on August 21, 2007 and April 24, 2008 were re-priced at ₹ 37.55 per option.</p> <p>Subject to applicable law, the NRC at its absolute discretion have the right to modify/amend the ESOP 2007 Scheme in such manner and at such time or times as it may deem fit, subject however that any such modification/amendment shall not be detrimental to the interest of the Grantees/ Employees and approval wherever required for such modification/amendment is obtained from the shareholders of the Company in terms of the SEBI Guidelines.</p>	<p>Subject to applicable law, the NRC, may if it deems necessary, vary the terms of ESOP 2018 which are not prejudicial to the interests of the Option Grantees, subject to compliance with the Applicable Laws and Regulations.</p> <p>During the year, no amendment/ modification/ variation has been introduced in terms of options granted by the Company.</p>

S. No.	Particulars	ESOP Scheme 2007	ESOP Scheme 2018
		During the year, no amendment/ modification/ variation has been introduced in terms of options granted by the Company.	
	(ii) Method used to account for ESOS - Intrinsic or fair value	Indian Accounting Standards (Ind-AS) has been adopted by Company in previous financial year and accordingly, the Company has accounted the stock options at Fair Value method. The Company used Intrinsic method earlier.	Indian Accounting Standards (Ind-AS) has been adopted by Company in previous financial year and accordingly, the Company has accounted the stock options at Fair Value method.
	(iii) Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	Indian Accounting Standards (Ind-AS) has been adopted by the Company in current financial year and Company has accounted the stock Options at Fair Value method using the Black-Scholes-Model as detailed in Note No. 51 and 52 in the Notes to Financial Statements for the Financial Year ended on March 31, 2019. Hence, this detail is not applicable as the employee compensation cost computed on stock options is by using the fair value method and same is recognized in the statement of Profit and Loss of Annual Financial Statements.	Not applicable
	(iv) Option Movement during the year		
	Number of options outstanding at the beginning of the period i.e., April 1, 2018	374,850	0
	Number of options granted during FY 2018-19	0	3,360,000
	Number of options forfeited / lapsed during FY 2018-19	99,080	62,000
	Number of options vested during FY 2018-19	91,450	0
	Number of options exercised during FY 2018-19	17,080	0
	Number of shares arising as a result of exercise of options FY 2018-19	17,080	0
	Money realized by exercise of options (INR), if scheme is implemented directly by the company, during FY 2018-19	₹ 937,132	0
	Loan repaid by the Trust during the year from exercise price received	Not Applicable	Not Applicable
	Number of options outstanding at the end of the year i.e., March 31, 2019	258,690	3,298,000
	Number of options exercisable at the end of the year i.e., March 31, 2019	128,450	0
	(v) Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.		Refer below

**ESOP -2007**

Date of Grant	Weighted- average exercise price (Pre repricing) (Rs)	Weighted - average exercise price (Post repricing) (Rs)	Weighted - average Fair Value (Pre repricing) (Rs)	Weighted - average Fair Value (Post repricing) (Rs)
21-Aug-07	75.20	37.55	40.45	21.49
24-Apr-08	63.25	37.55	-	-
28-Aug-08	37.55	37.55	23.87	23.87
28-May-09	47.65	47.65	30.61	30.61
27-Oct-09	41.45	41.45	26.64	26.64
26-Oct-10	57.90	57.90	36.57	36.57
21-Jan-11	58.95	58.95	37.54	37.54
20-Jul-11	93.20	93.20	55.32	55.32
19-Jul-12	68.10	68.10	37.92	37.92
23-May-13	68.00	68.00	35.12	35.12
26-Jul-13	57.10	57.10	30.12	30.12
27-May-14	52.90	52.90	26.71	26.71
29-Oct-14	55.80	55.80	27.54	27.54
20-Mar-15	79.35	79.35	37.27	37.27
26-May-15	84.90	84.90	39.97	39.97
28-Jul-15	117.75	117.75	55.14	55.14
23-May-16	93.90	93.90	42.97	42.97
24-March-17	108.15	108.15	48.03	48.03
24-May-17	95.40	95.40	42.32	42.32

**ESOP -2018**

Date of Grant	Weighted - average exercise price (Pre repricing) (Rs)	Weighted - average exercise price (Post repricing) (Rs)	Weighted -average Fair Value (Pre repricing) (Rs)	Weighted - average Fair Value (Post re-pricing) (Rs)
25-Oct-18	44.85	44.85	13.87	13.87

(vi) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to:	<i>Refer below</i>
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**(a) Senior Managerial Personnel:**

- **ESOP-2007:** During the financial year under review, no stock options were granted under the ESOP-2007 Scheme of the Company. With a view to launch a new ESOP Scheme, the NRC at its meeting held on August 17, 2017, decided not to make any fresh grant of options under Employee Stock Option Scheme (ESOP-2007) of the Company, and proposed to withdraw the Scheme by canceling the remaining stock options which are yet to be granted under the scheme. Accordingly, no fresh grant of options was made during the year under review under the ESOP-2007 scheme of the Company. However, the Company allotted 17,080 (Seventeen Thousand and Eighty) fully paid equity shares, upon exercise of the stock options by eligible Employees under the said scheme.

• **ESOP-2018 :**

Name of Employee	Designation	Options granted during FY 2018-19	Exercise Price
Pushkar Singh Kataria	Chief Human Resources Officer	267,000	₹ 44.85 per option
Veerender Gupta	Chief Customer Experience Officer	186,000	₹ 44.85 per option
Sukhpreet Singh	Corporate Head - Marketing, Dish TV	132,000	₹ 44.85 per option
Virender Kumar Tagra	National Head - Commercial	107,000	₹ 44.85 per option
Sugato Banerji	Corporate Head - Marketing, D2h	94,000	₹ 4.85 per option
Avanti Kanthaliya	Financial Controller	76,000	₹ 44.85 per option
Mukund Cairae	Business Head - Sports & Exclusive Content	91,000	₹ 44.85 per option

(b) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year:

**ESOP - 2007**

Name of Employee	Designation*	Options granted	Year of Grant	Exercise Price	
Arun Kumar Kapoor	Chief Executive Officer	925,900	2007 - 08	₹ 37.55 per option	
Rajeev K Dalmia	Chief Financial Officer	171,100			
Rajiv Khattar	President – Technology	167,950			
Amitabh Kumar	President – Projects	164,700			
Harinder Singh Bhatia	Head – Sales	159,600	2008 - 09	₹ 37.55 per option	
R Iniyar	Head - Operations	24,900			
Salil Kapoor	Chief Operating Officer	142,950	2009-10	₹ 47.65 per option	
Shailendra Goel	DVP – North Zone	81,500		₹ 41.45 per option	
Neeraj Gupta	DVP – Service	75,250		₹ 47.65 per option	
Ashutosh Mishra	Head - Talent Management & HR Excellence	55,600		₹ 41.45 per option	
Ravichandra Mochera	VP – west Zone (Dish Infra Services Pvt. Ltd.)	50,000		₹ 47.65 per option	
Sanjeev Srivastava	VP – Delhi Zone (Dish Infra Services Pvt. Ltd.)	42,400		₹ 47.65 per option	
Rajendra K Jagnani	Head - Commercial Audit & Contract Management	40,000		₹ 47.65 per option	
Shivani Singh	DVP – Content	40,000		₹ 47.65 per option	
Devendra Singh	Head – Dish TV Billing Applications	40,000		₹ 47.65 per option	
R C Venkatesh	Chief Executive Officer	563,400		2010-11	₹ 58.95 per option
Gurpreet Singh	EVP – Sales (Dish Infra Services Pvt. Ltd.)	141,450	₹ 58.95 per option		
Rajesh Sahni	Corporate Head - Service Support & Infrastructure (Dish Infra Services Pvt. Ltd.)	96,400	₹ 57.90 per option		
Sanjiv Chaudhary	VP-Sales (Dish Infra Services Pvt. Ltd.)	76,800	₹ 58.95 per option		
Ajay Kumar David	DVP-South Zone I	55,400	₹ 58.95 per option		
Jaspreet Singh	Circle Business Head (Dish Infra Services Pvt. Ltd.)	54,600	₹ 57.90 per option		
Dilip Jayaram	VP-Advertisement Sales	85,000	2011-12		₹ 93.20 per option
Sailaja Charan Pattanayak	DVP - East Zone (Dish Infra Services Pvt. Ltd.)	40,000			
Abhay S Metkar	Senior VP-Sales	141,450	2012-13		₹ 68.10 per option

Name of Employee	Designation*	Options granted	Year of Grant	Exercise Price
Gurpreet Singh	Business Head – India 1 (Dish Infra Services Pvt. Ltd.)	141,450	2013-14	₹ 68 per option
Salil Srivastava	VP- West Zone (Dish Infra Services Pvt. Ltd.)	52,100		₹ 68 per option
Renjith NK	DVP-South Zone II	52,100		₹ 68 per option
R S Vijay kumar	DVP-South Zone (Dish Infra Services Pvt. Ltd.)	52,100		₹ 57.10 per option
Joy Patra	DVP-call center Operations	42,900		₹ 68 per option
Tarun Nanda	Head - Investor Relations	40,000		₹ 57.10 per option
Digbijaya Mahapatra	VP – Information Technology	55,400	2014-15	₹ 52.90 per option
Vineet Suri	Head - Business Process Excellence	45,400		₹ 52.90 per option
Jeetender S. Bhalla	VP – Call Center Operations (Dish Infra Services Pvt. Ltd.)	42,900		₹ 55.80 per option
Shruti Kumar	Head - Ad Sales, VAS & Carriage	40,000		₹ 79.35 per option
Sunil Kumar Dubey	DVP – Human Resource	23,800		₹ 79.35 per option
Varun Bali	VP – Brand	50,000		₹ 117.75 per option
Kapil Kapoor	DVP- Central Zone	40,000	2015-16	₹ 84.90 per option
Puneet Bajaj	DVP-Recharge Sales (Dish Infra Services Pvt. Ltd.)	40,000		₹ 84.90 per option
Shankar Sundararaman	DVP – Marketing	23,200		₹ 117.75 per option
Abhishek Gupta	Head – Information Technology	55,400		₹ 93.90 per option
Arun Kumar Kapoor	CEO	563,400		₹ 93.90 per option
Sukhpreet Singh	Corporate Head - Marketing, Dish TV	60,000		₹ 108.15 per option
Amit Kumar Sobti	Corporate Head - Customer Experience (Dish Infra Services Pvt. Ltd.)	50,000	2016-17	₹108.15 per option
Jitendera Pandey	Circle Business Head (Dish Infra Services Pvt. Ltd.)	40,000		2017-18

#### ESOP - 2018

Name of Employee	Designation*	Options granted	Year of Grant	Exercise Price
Anil Kumar Dua	Group CEO	650,000	2018-19	₹ 44.85 per option
Rajeev Kumar Dalmia	Chief Financial Officer	394,000		₹ 44.85 per option
Veerender Gupta	Chief Customer Experience Officer	186,000		₹ 44.85 per option
Pushkar Singh Kataria	Chief Human Resources Officer	267,000		₹ 44.85 per option

\* Designations are the designations of the employees who are currently with the Company and in case of the employees who are no longer in the employment with the Company, the designation as on the date of the grant has been mentioned.

(c) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	None
<b>(vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:</b>	
(a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model	Refer below

## ESOP - 2007

Date of Grant	Weighted – average Value of Share price (Rs)	Exercise price (Rs)	Expected volatility	Expected Life (yrs)	Risk Free Interest rate
21-Aug-07	75.20*	75.20*	68.23%	5	8.45%
24-Apr-08	63.25*	63.25*	-	-	-
28-Aug-08	37.55	37.55	68.23%	5	8.48%
28-May-09	47.65	47.65	73.47%	5	6.36%
27-Oct-09	41.45	41.45	71.72%	5	7.35%
26-Oct-10	57.90	57.90	64.89%	5	7.89%
21-Jan-11	58.95	58.95	63.65%	5	8.01%
20-Jul-11	93.20	93.20	60.68%	5	8.23%
19-Jul-12	68.10	68.10	54.32%	5	8.06%
23-May-13	68.00	68.00	48.94%	5	7.32%
26-Jul-13	57.10	57.10	47.93%	5	8.57%
27-May-14	52.90	52.90	43.76%	5	8.63%
29-Oct-14	55.80	55.80	42.44%	5	8.57%
20-Mar-15	79.35	79.35	47.93%	5	8.57%
26-May-15	84.90	84.90	39.92%	5.01	7.84%
28-Jul-15	117.75	117.75	39.49%	5.01	7.84%
23-May-16	93.90	93.90	39.14%	5.00	7.36%
24-March-17	108.15	108.15	38.49%	5.01	6.79%
24-May-17	95.40	95.40	38.42	5.00	6.80%

## ESOP - 2018

Date of Grant	Weighted – average Value of Share price (₹)	Exercise price (Rs)	Expected volatility	Expected Life (yrs)	Risk Free Interest rate
25-Oct-18	36.95	44.85	39.75%	4.5	7.74

Expected Dividends

The shares issued under stock options shall rank *pari-passu*, including the right to receive dividend. Expected dividend payouts to be paid during the life of the option reduce the value of a call option by creating drop in market price of the stock. Adjustments for known dividend payouts over the life of the option are made to the formulae under Black Scholes method. However, in the present case, as the life of the option is greater than one year, there is considerable difficulty in estimating the amount and time of future dividend payouts with certainty. Hence, future dividend payouts have not been incorporated in the valuation analysis.

\* ESOP-2007 were re-priced at ₹ 37.55 on August 28, 2008



(b) the method used and the assumptions made to incorporate the effects of expected early exercise	Not Applicable
(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. Each vest has been considered as a separate grant. The volatility for periods corresponding to the respective expected lives of the different vests, prior to the grant date has been considered. The daily volatility of the Company's stock price on National Stock Exchange of India Limited over these years has been considered.
(d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	Not Applicable

For and on behalf of the Board

**Jawahar Lal Goel**  
Chairman & Managing Director  
DIN: 00076462

**B. D. Narang**  
Independent Director  
DIN: 00826573

Place: Noida  
Dated: July 30, 2019

## ANNEXURE TO BOARD'S REPORT

### Particulars of Remuneration of Employees

{Pursuant to Section 197 of the Act read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

#### A. Particulars of increase in remuneration of each Director and Key Managerial Personnel (KMP) during Financial year 2018-19 along with Ratio of remuneration of Directors to the Median remuneration of employees

Name of Director/Key Managerial Personnel	% increase in Remuneration in FY 2018-19 <sup>#</sup>	Ratio of Director's Remuneration to Median remuneration
<b>Non-Executive Directors</b>		
Mr. Arun Duggal*	NA	NA
Mr. Ashok Kurien	NA	NA
Mr. Bhagwan Das Narang	NA	NA
Dr. (Mrs.) Rashmi Aggarwal	NA	NA
Mr. Shankar Aggarwal**	NA	NA
<b>Executive Director</b>		
Mr. Jawahar Lal Goel	0.12%	52:1
Mr. Anil Kumar Dua <sup>§</sup>	NA	NA
<b>Key Managerial Personnel</b>		
Mr. Jawahar Lal Goel	0.12%	52:1
Mr. Anil Kumar Dua <sup>§§</sup>	17.8%	NA
Mr. Rajeev Kumar Dalmia	8.4%	NA
Mr. Ranjit Singh	6.0%	NA

\* Resigned as Independent Director from the Board on May 18, 2018

\*\* Joined the Board as Additional Independent Director with effect from October 25, 2018

§ Designated as Whole-Time Director with effect from March 26, 2019

§§ Mr. Dua was appointed as Group Chief Executive Officer (Key Managerial Personnel) of the Company on May 17, 2017 and was also designated as Whole-Time Director of the Company with effect from March 26, 2019. The remuneration for the FY 2018-19 includes the Performance Linked incentive paid during the year.

# The % increase in remuneration refers to the % increase in remuneration from FY 2017-18. The remuneration of the Non-Executive Directors' excludes Sitting Fees.

S. No	Requirement	Disclosure
1.	The Percentage increase in median remuneration of employees in FY 2018 – 19	7.45%
2.	Number of permanent employees on the rolls of the Company	486
3.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	<p>The average annual increase in the salaries of employees during the year was 5.1%, while there was an increase of 0.12% in the managerial remuneration (Managing Director's remuneration) during financial year 2018-19.</p> <p>The Company paid remuneration to Mr. Jawahar Lal Goel in terms of the Shareholder approval and approval of the Central Government. Subsequently, the Board of your Company approved the increase in remuneration to upto ₹ 400 Lakhs per annum with effect from November 1, 2016. For the Financial Year 2018-19, the Company has paid Remuneration to Mr. Jawahar Lal Goel, Managing Director in compliance of Part II, Section II (A) of Schedule V and Special Resolution passed by members of the Company at the 30<sup>th</sup> Annual General Meeting held on September 28, 2018.</p>
4.	Affirmation that the remuneration is as per the remuneration policy of the Company	The Company affirms that the remuneration is as per the remuneration policy of the Company

## B. Particulars of Employees

### 1. Particulars of top ten employees of the Company in terms of the remuneration drawn and particulars of employees employed throughout the year & in receipt of remuneration aggregating to ₹ 1.02 Crores or more per annum

S. No.	Name	Age	Designation	Remuneration Total (₹)	Qualification	Exp in Yrs.	Date of Joining	Last Employment
1	Anil Kumar Dua	53	Group CEO and Whole-Time Director	4,22,08,804	BE, MBA	30	17.05.2017 26.03.2019*	OTE Group
2	Jawahar Lal Goel	64	Chairman & Managing Director	3,90,74,198	Entrepreneur	50	06.01.2007	Siti Cable Network Ltd
3	Rajeev Kumar Dalmia	54	Chief Financial Officer	2,07,20,021	CA	33	05.01.2007	South Asian Petro Chemical Ltd
4	Pushkar Singh Kataria	45	Chief Human Resources Officer	1,91,47,724	BE, MDHRM	22	01.08.2017	Reliance Capital Ltd
5	Veerender Gupta	49	Chief Technology Officer	1,39,12,880	B. Com, Certificate in Java Programming	27	01.04.2009	Rama Associates Ltd
6	Sukhpreet Singh	47	Corporate Head - Marketing, Dishtv	1,05,19,635	B.Tech, PGDBM	22	03.05.2016	Samsung Electronics India
7	Virender Kumar Tagra	59	National Head - Commercial	77,00,531	B.Com	38	01.05.2006	Hotline CPT Limited

S. No.	Name	Age	Designation	Remuneration Total (₹)	Qualification	Exp in Yrs.	Date of Joining	Last Employment
8	Ravindra Upadhyay	47	Head - Customer Engagement	76,97,935	CA	23	22.03.2018	Videocon d2h Ltd
9	Ranjit Singh	42	Corporate Head - Secretarial, Legal & Regulatory	74,00,568	B.Com, LLB, CS	17	24.12.2004	Parsec Technologies Limited
10	Avanti Kanthaliya	47	Financial Controller	70,76,534	CA	24	22.03.2018	Videocon d2h Ltd

\* Mr. Dua joined the Board as a Whole-time Director of the Company with effect from March 26, 2019, subject to the approval of the shareholders of the Company.

## 2. Employed for part of the year and in receipt of remuneration aggregating ₹ 8.50 lacs per month.

S. No.	Name	Age	Designation	Remuneration Total (₹)	Qualification	Exp in Yrs.	Date of Joining	Last Employment
1	Gaurav Goel	39	President - BD & Strategy	86,81,229	MBA	14	01.08.2009	Cyquator Media Services Pvt Ltd.

### Notes:

- All appointments are contractual and terminable by notice on either side.
- None of the employees, except Mr. Gaurav Goel is related to any of the Directors.
- Remuneration includes Salary, Allowances, Performance Linked Incentive / Variable pay, Company's contribution to Provident Fund, Leave Travel Allowance, Leave encashment & other perquisites and benefits as per Income Tax Act, 1961 and in case of employees resigned during the year the remuneration includes terminal benefits, if any.
- Performance Linked Incentive: The Performance Linked Incentive of employees is based on clearly laid out criteria and measures, which are linked to the desired performance and business objectives of the organization. The criteria for variable pay, which is paid out annually, includes both financial and non-financial parameters like revenue, customer satisfaction and other strategic goals as decided from time to time.
- None of the employee of the Company was in receipt of remuneration which in the aggregate is in excess of that drawn by Managing Director and also hold by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company.

For and on behalf of the Board

**Jawahar Lal Goel**  
Chairman & Managing Director  
DIN: 00076462

**B. D. Narang**  
Independent Director  
DIN: 00826573

Place: Noida  
Dated: July 30, 2019

# ANNEXURE TO BOARD'S REPORT

## Extract of Remuneration Policy

### 1. OBJECTIVE

This Policy aims to attract, retain and motivate the Members of the Board of Directors, Key Managerial Personnel and Senior Management of the Company. Further, the policy lays down the criteria / guiding principles for compensation package of Directors, Key Managerial Personnel, Senior Management and other employees of the Company.

The Policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

### 2. GUIDING PRINCIPLES

The guiding principle of this Policy is that the remuneration and other terms of engagement / employment shall be competitive enough to ensure that the Company is in a position to attract, retain and motivate right kind of human resource(s) for achieving the desired growth set by the Company's management year on year thereby creating long-term value for all stakeholders of the Company.

While designing the remuneration package, efforts are to be made to ensure that the remuneration matches the level in comparable companies, whilst also taking into consideration requisite competencies, qualifications, industry experience, efforts required and the scope of the work.

Further, the compensation package for Directors, KMPs and other employees are designed based on the following principles:

- a. Aligning KMP and board remuneration with the longer term interests of the company and its shareholders.
- b. Link to long term strategy and annual business performance of the company on key business drivers
- c. Develop a culture of meritocracy.
- d. Minimise complexity and ensure transparency
- e. Reflective of line expertise, market competitiveness so as to attract the best talent.

The Nomination and Remuneration Committee while considering a remuneration package shall ensure that it reflects short and long term performance objectives appropriate to the working of the company and its goals.

The Nomination and Remuneration Committee believes that a successful remuneration policy must ensure that a significant part of the remuneration package should be linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

#### 2.1 Remuneration of Executive Members on the Board:

Subject to the recommendation of the Nomination and Remuneration Committee / Board of Directors and approval by the Members of the Company from time to time, any Executive Member(s) on the Board shall be paid remuneration which shall comprise of fixed monthly basic salary, perquisites such as House Rent Allowance or furnished / unfurnished housing accommodation in lieu thereof, car with or without chauffeur, telephone for office as well as personal use, reimbursement of medical expenses, leave travel allowance, statutory and non-statutory allowances such as education allowances, personal allowances, travel allowances, subscription allowances etc.

In respect of any financial year, the overall managerial remuneration payable by the Company including the remuneration payable to an Executive Director, if any, shall not exceed 11% of net profits of the Company for that financial year. However, the overall managerial remuneration, where there are more than one managerial personnel, shall not exceed 10% of the net profit calculated in the manner provided under the Companies Act, 2013 and Rules framed thereunder, and shall not exceed 5% in case there is only one. The overall remuneration shall be within the limits provided in the Act and subject to approval of the Central Government, if payment of remuneration is in excess of the limits provided in the Act.

In the event of loss or inadequacy of profit in any financial year during the tenure of services, the Company shall make payment of remuneration within the applicable limits prescribed under the Companies Act, 2013 and Rules framed thereunder, as amended from time to time. The remuneration shall be subject to necessary approvals including the approval of the Central Government, if payment of remuneration is in excess of the limits provided in the Act.

Executive Members of the Board, if any, other than the Managing Director, shall be employed under service contracts for a period not exceeding 3 (three) years at a time, on the terms & other conditions as recommended by the Nomination and Remuneration Committee and approved by the Members of the Company at the General Meeting(s). The term of appointment of Managing Director shall be fixed at 3 (three) years and may be re-appointed for such further terms. Executive members of the Board shall not be eligible to receive any sitting fees for attending any meeting of the Board of Directors or Committee thereof.

## **2.2 Remuneration of Non-Executive Members of the Board:**

The Non-Executive member(s) of the Board shall be paid sitting fees for attending the meetings of the Board and / or Committees thereof and reimbursement of expenses for participation in the Board and other meetings. The Board shall decide the sitting fee payable to the Director which shall be subject to the limits prescribed under the applicable laws. Independent Director(s) of the Company shall not be entitled to any stock option of the Company. The performance of the non-executive members of the Board shall be reviewed by the Board on an annual basis.

## **2.3 Remuneration of Executive Management comprising of Key Managerial Personnel, Senior Management and other employees:**

The compensation for the Key managerial personnel, senior management and other employees at Dish TV would be guided by the external competitiveness and internal parity through annual benchmarking.

The performance-linked incentive based on Company performance and performance of the employee concerned each year shall be considered and approved by the Nomination and Remuneration Committee. Additionally, The Nomination and Remuneration Committee of the Board of the company, inter alia, administers and monitors the ESOPs of the company in accordance with the applicable SEBI Guidelines.

Internally, performance ratings of all Employees would be spread across a normal distribution curve. The rating obtained by an employee will be used as an input to determine Merit Pay increases. Merit pay increases will be calculated using a combination of individual performance and organizational performance. Compensation can also be determined based on identified skill sets critical to success of the Company. It is determined as per management's review of market demand and supply.

Employees are assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization

The Nomination and Remuneration Committee will from time to time consider proposals concerning the appointment and remuneration of the Key Managerial Personnel and ensure that the proposed remuneration is in line with industry standards in comparable companies. Such proposals then shall be submitted to the Board for approval. The remuneration of the employees may consist of the following components:

- Basic salary and Allowances
- Performance linked incentive / bonus
- Stock options
- Perquisites as per rules of the Company including Company car, telephone etc.

Executive Management shall not be eligible to receive any remuneration, including sitting fees, for directorships held in any of the Essel Group of Companies, whether listed or otherwise.

## **3. AMENDMENTS**

The Nomination and Remuneration Committee shall periodically review the Policy and carry out such changes as may be required, including changes mandated on account of change in governing regulations.