

## BOARD'S REPORT

To the Members

Your Directors are pleased to present the 32<sup>nd</sup> (Thirty Second) 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, 2020, 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, 2020 is summarized below:

(₹ In Lacs)

Particulars	Standalone – Year Ended		Consolidated – Year Ended	
	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
Sales & Services	151,800	393,788	355,634	616,613
Other Income	16,048	11,219	1,361	5,215
<b>Total Income</b>	<b>167,848</b>	<b>405,007</b>	<b>356,995</b>	<b>621,828</b>
Total Expenses	159,759	403,104	344,180	619,143
Profit/(Loss) before Tax & Exceptional Item	8,089	1,903	12,815	2,685
Exceptional Item	191,916	170,453	191,550	156,254
<b>Profit/(Loss) before Tax</b>	<b>(183,827)</b>	<b>(168,550)</b>	<b>(178,735)</b>	<b>(153,569)</b>
Profit from continuing operations before tax	(183,827)	(168,550)	(178,735)	(153,569)
- Current tax	-	1,519	-	2,844
- Income tax -prior years	-	540	-	921
- Deferred tax-Continued operation	(44,418)	(41,667)	(13,251)	(40,993)
Profit from continuing operations after tax	(139,409)	(128,942)	(165,484)	(116,341)
<b>Profit/(Loss) after Tax</b>	<b>(139,409)</b>	<b>(128,942)</b>	<b>(165,484)</b>	<b>(116,341)</b>
Profit/(Loss) for the Year	(139,409)	(128,942)	(165,484)	(116,341)
Add: Balance brought forward	(121,418)	18,427	(106,767)	20,233
Adjustment for Non-controlling interest	-	-	1,602	1,851
Restatement of prior period items	-	-	-	(1,943)
Add: Re-measurement of post-employment benefits	60	195	71	531
Less: Dividend paid during the year	-	(9,206)	-	(9,206)
Less: Dividend distribution tax on dividend	-	(1,892)	-	(1,892)
Amount available for appropriations	(260,767)	(121,418)	(270,578)	(106,767)
Balance Carried Forward	(260,767)	(121,418)	(270,578)	(106,767)

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. There has been no material change in the nature of business 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 2019-20.

## 2. OUTBREAK OF COVID-19

Dish TV has continued to operate and provide DTH services to its customer without any disruptions subsequent to the outbreak of Coronavirus (COVID-19) and consequential lock down across the Country. To keep the accounts of subscribers active, the Company extended services by 3 to 5 days without any additional service charges to ensure uninterrupted TV viewing experience even when the due date has passed. The Company also launched 'Friends and Family Recharge', 'Special online recharge' offers and educated subscribers on the different alternate modes of recharges available. Three platform services, Kids Active, Ayushman Active and Fitness Active, which would meet the needs of the entire family were offered on free preview basis for the subscribers. The Company also launched D2H Stay Home Stay safe Stay entertained campaign and exciting contests like d2h Funentainemnt and d2h Alag Hi Tasveer etc. which saw widespread participation.

The COVID-19 pandemic has had a high impact on Indian businesses and has already caused adverse impact on the economic activities. However, the television consumption spiked to reach high numbers. Though the future course of the pandemic is unpredictable, TV as a medium has a significant scope for further penetration in India. Though this will not have impact on television distribution, but if it continues for a longer period of time then it may impact the disposable income due to changes in lifestyle and expenses on healthcare. Average subscription ticket size and average revenue per user could remain on the lower side as consumers may want to be conservative due to the uncertain environment. However, with consumer sentiment remaining cautious to spend, it could cause migration of subscribers from costlier mediums like IPTV to more pocket-friendly options like DTH and cable TV. Dish TV sees opportunity in this adversity and looks forward to leverage its pan-India reach, strong rural connect, brand strength, OTT platform - Watcho to build resilience and closer connect with consumers. The Company's post-COVID operational plan incorporates the touchless way of getting new acquisitions, installations and service.

## 3. DIVIDEND

With a view to conserve the resources for future business requirements and expansion plans, your

Board have not recommended any dividend on the equity shares of the Company for the year under review. The Board of Directors of the Company had approved and adopted a Policy on Distribution of Dividend, as amended from time to time, to comply with Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). 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. <https://www.dishd2h.com/>.

## 4. BUSINESS OVERVIEW

Dish TV India is India's First and amongst Asia's largest Direct-to-Home (DTH) Digital Entertainment Service provider. Your Company has taken television viewing to the next level through the latest digital technology. Dish TV with its multiple brands and platforms of delivering content at an extremely competitive cost is one of the preferred choice for subscribers, when the decision is based on convenience, availability and cost.

Your Company have always worked on offering innovative entertainment solutions and superlative experience to customers. Dish TV's connected android boxes fulfil the need of customers seeking new age media entertainment. Your Company has now gone beyond the realm of devices with the introduction of its OTT entertainment app 'Watcho', which will help us keep the existing customers enthusiastic and also on-boarding of new subscribers in its network. Dish TV has launched a content streaming solution 'd2h Magic' allowing customers to access digital video streaming and OTT apps on their existing d2h set top box. The partnering with leading technology platforms like Amazon, Fire TV Stick and Huawei App Store and being embedded in our very own Dish Smrt Stick, Smrt Kit, Magic Stick, Smrt Hub and Stream, will provide further opportunities to grow business.

Entertainment is a fundamental need of our lives and we look at multiple modes to suit our needs. Covid-19 has fuelled demand for at-home

entertainment and consequently television and streaming platforms have seen significant growth, which is likely to persist in future as well. With the home entertainment left as only choice during lockdowns subsequent to COVID-19 pandemic, the Company witnessed significant jump in recharges with digital mediums. Unified Payments Interface (UPI) and e-wallets became the preferred online, real-time payment modes over cash and physical outlets for subscribers recharging their DTH accounts. Increasing proportion of renewals through digital mediums should be the new normal in the post-COVID-19 world. During this tough time, Dish TV is adding fun and entertaining moments to the lives of its customers through innovative new products, services, special programmes and exciting offers. Further, the return of fresh content on GEC and sporting action can be expected to be a strong stimulus for recharges going forward.

During the year under review, your Company, on the basis of consolidated financial statements of FY 2019-20, made profit before tax and exceptional items to the tune of ₹ 1,282 million versus ₹ 269 million in FY 2018-19. Post the end of the Financial Year 2019-20, and upto the date of this report, the Company has on a consolidated basis made a loan repayment to the tune of ₹ 520 Crores. This was achieved with sustained focus on the customer satisfaction, good offering of bundled channels and value added services to the subscribers. Your Company will continue to focus on customer services and satisfaction.

With consumer sentiment remaining cautious and slowdown in economy, all businesses including the television distribution industry would have to find new ways to attract and retain customer loyalty. Though, subscription-based revenues could improve over a period of time, as people get more and more accustomed to consume content at home and seek a greater variety of content. However, availability of new content could prove to be a key factor in retaining and increasing the subscriber base for subscription-based platforms. Dish TV sees opportunity in this adversity and looks forward to leverage its pan-India reach, brand strength, OTT platform - Watcho and its execution by running a tight ship to build resilience and closer connect with consumers.

## **SUBSIDIARIES AND ASSOCIATE COMPANIES**

As on March 31, 2020, your Company has 1 (One) Wholly Owned Subsidiary viz. Dish Infra Services Private Limited and 2 (Two) Subsidiary Companies viz. Dish T V Lanka (Private) Limited and C&S Medianet Private Limited, as mentioned in note number 39 to the standalone financial statements for the FY 2019-20. 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 TV 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. Owing to adverse market condition, unfavourable taxation regime, high competition and a very small market size, the operations of Dish T V Lanka (Private) Limited has not been in line with the desired projections and accordingly the operations of the Company has been suspended. The Company is evaluating the available options for reorganization / restructuring. 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:**

#### **i. Dish Infra Services Private Limited**

Dish Infra Services Private Limited is a wholly owned subsidiary of Dish TV India Limited *i.e.* 100% shareholding is held by Dish TV India Limited.

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. The business of the Company is to plan, establish, develop, provide, operate, maintain and market various support services for cable or satellite based communications, networking services, broadcasting, broadcasting content services, direct-to-home services, direct-to-home related services, satellite based transmission services and provide advertising agency service, marketing service, distribution services and related support services to such companies as engaged in above activities.

Further, 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.

In compliance with the provision(s) of Regulation 24 of the Listing Regulations, your Board had, appointed Dr. (Mrs.) Rashmi Aggarwal as an Independent Director on the Board of Dish Infra (Company's material non-listed Indian Subsidiary).

**ii. C&S Medianet Private Limited**

C&S Medianet Private Limited is a subsidiary of Dish TV India Limited i.e. 51% shareholding is held by Dish TV India 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 had commenced its operations during the FY 2017-18.

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 section 2(87) and section 2(6) 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. 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 subsidiaries pursuant to sub-section 3 of Section 129 of the Companies Act, 2013 ('the Act') in the prescribed form AOC-1 is appended to this Board 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. <https://www.dishd2h.com/>. Your Company also has a policy for determining Material Subsidiaries in terms of the applicable regulations. As on March 31, 2020, 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. <https://www.dishd2h.com/>.

## 5. CAPITAL STRUCTURE

During the year under review, there was no change in the Capital Structure of the Company. Accordingly, as at March 31, 2020 the Capital structure stand as follows:

- 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 ₹1/- (Rupee One Only) each.
- The Paid-up Share Capital of the Company is ₹ 1,841,274,345/- (Rupees One Eighty Four Crore Twelve Lakh Seventy Four Thousand Three Hundred and Forty Five Only) comprising of 1,841,253,953 fully paid up equity shares of ₹1/- (Rupee one Only) each, 14,446 (Fourteen Thousand Four Hundred and Forty-Six) equity shares of ₹1/- (Rupee one Only) each, paid up ₹0.75 per equity share and 19,115 (Nineteen Thousand One Hundred and Fifteen) equity shares of ₹1/- (Rupee one Only) each, paid up ₹0.50 (Paisa Fifty Only) per equity share.

### 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 2020-21 to the said Stock Exchanges.

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 have 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 2020-21 has been paid to both the Depositories.

## 6. 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 had 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. 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 withdrew the Scheme by cancelling the stock options which were yet to be granted under the scheme.

Further, the Company 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 year under review, the Nomination and Remuneration Committee ("NRC") of your Company 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. The ESOP Allotment Committee of the Board or the Board considers reviews and allots equity shares to the eligible Employees exercising the stock options under the Employee Stock Option Scheme of the Company.

Applicable disclosures relating to Employees Stock Options as at March 31, 2020, 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 viz. <https://www.dishd2h.com/>. The ESOP Schemes of the Company are in compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

The Statutory Auditors of the Company M/s. Walker Chandio & Co. LLP, Chartered Accountants, have certified that the Company's Employee Stock Option Scheme has been implemented in accordance with Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the resolution passed by the shareholders.

#### 7. 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 ₹ 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 ₹ 113,988.69 Lakh towards the share application and call money(s) as at March 31, 2020.

The details of utilization of Rights Issue proceeds are placed before the Audit Committee and the Board on a quarterly basis. The status of utilization of rights issue proceeds as on March 31, 2020, 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	34,722.73
Acquisition of Consumer Premises Equipment (CPE)	26,000.00
Right Issue Expenses	544.52
<b>Total</b>	<b>113,988.69</b>

#### 8. 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').

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 277,095,615 (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.

Out of the total 277,095,615 (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 162,357,687 (Sixteen Crore Twenty Three Lakh Fifty Seven Thousand Six Hundred and Eighty Seven) GDRs, in exchange for underlying equity shares of the Company. Accordingly, as on March 31, 2020 the outstanding GDRs of the Company are 114,737,928 (Eleven Crore Forty Seven Lakh Thirty Seven Thousand Nine Hundred and Twenty Eight) GDRs.

#### 9. 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 - 400013, Maharashtra.

## 10. 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.

## 11. CORPORATE GOVERNANCE AND POLICIES

The Company's principles of Corporate Governance are based on transparency, accountability and focus on the sustainable long-term growth of the Company. Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. Our understanding to an effective Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last.

In order to maximize shareholder value on a sustained basis, your Company constantly assesses and benchmarks itself with well-established Corporate Governance practices besides strictly complying with the requirements of Listing Regulations, applicable provisions of the Act.

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 Listing Regulations are presented in separate sections forming part of this Annual Report. The said Business Responsibility Report will also be available on the Company's website <https://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, 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 are reviewed by the Committees / Board from time to time. 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. <https://www.dishd2h.com/>

In compliance with the requirements of Section 178 of the Act, the Nomination and Remuneration Committee (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, requisite skill set and independence of individual.

Further, in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations'), as amended from time to time, on prevention of insider trading, your Company has 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. 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 codes are available on Company's website viz. <https://www.dishd2h.com/>

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 has a Risk Management Committee, which assess the Company's risk profile, acceptable level of risk, assess cyber security, develop and maintain risk management framework. The said Committee also performs such other functions as may be entrusted to it by the board, from time to time.

## 12. DIRECTORS' & KEY MANAGERIAL PERSONNEL

As on March 31, 2020, your Board comprised of Six (6) Directors including Three (3) Independent Directors, Two (2) Executive Directors and One (1) Non-Executive Non-Independent Director, including one Independent Woman Director. During the year under review, there was no change in the Directors or Key Managerial Personnel of the Company.

Your Company has obtained a Certificate from M/s. Jayant Gupta and Associates, Practicing Company Secretary pursuant to Regulation 34(3) read with Schedule V para C clause 10(i) of the SEBI Listing Regulations that none of the Directors on the Board of the Company were debarred or disqualified from or continuing as Director on the Board by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other Statutory Authority. The said Certificate is attached and forms an integral part of this Annual Report.

In accordance with the provisions of Section 152(6) of the Act, Mr. Anil Kumar Dua (DIN-03640948), retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment. Your Board recommends his re-appointment. As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at this AGM are given in the Annexure to the AGM Notice.

During the year under review, there was no change in the Key Managerial Personnel of the Company. In compliance with the requirements of Section 2 (51) and 203 of the Act read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as on date of this report, Mr. Jawahar Lal Goel, Chairman & Managing Director, 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 the Key Managerial Personnel's of the Company.

### Chairman & Managing Director

Mr. Jawahar Lal Goel, continues to be the Chairman and Managing Director of the Company. Mr. Goel was initially appointed as the Managing Director of the Company on January 6, 2007 and thereafter re-appointed as the Managing Director of the Company from time to time.

At the 30<sup>th</sup> Annual General Meeting of the Company held on September 28, 2018, Mr. Goel was re-appointed as the Managing Director of the Company for a period from January 6, 2019 to December 16, 2019 (both days inclusive).

In terms of amended Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified *vide* Notification dated May 9, 2018, top 500 listed entities had to ensure that with effect from April 1, 2020 the Chairperson of the Board shall be a non-executive Director.

While the Board was inclined for re-appointing Mr. Goel for a longer term, however, in order to comply with the above regulatory provisions, the Board of Directors of the Company at their Meeting held on December 12, 2019, approved the re-appointment of Mr. Goel as the Managing Director of the Company for a period from December 17, 2019 to March 31, 2020 (both days inclusive). The said re-appointment was subject to the approval of shareholders of the Company, in terms of applicable provisions.

Subsequent to the above referred Board Meeting, SEBI *vide* its Notification dated January 10, 2020, extended the timeline for implementation of the said regulation to April 1, 2022, in place of April 1, 2020.

In view of the aforesaid amendment in the regulatory provisions, the Board of Directors of the Company at their Meeting held on February 12, 2020, approved the re-appointment of Mr. Goel as the Managing Director of the Company, on the same terms as applicable hitherto, for the period from April 1, 2020, to March 31, 2022 (both days inclusive). The said re-appointment was also subject to the approval of shareholders of the Company, in terms of applicable provisions.

Mr. Goel is the Prime architect in establishing India's first and most modern and advanced technological infrastructure for the implementation of Direct to



Home (DTH) services. He has been the leader in pioneering the DTH services in India and instrumental in establishing Dish TV as a prominent brand and established player. During Mr. Goel's tenure the Company has made commendable progress in all spheres of its business operations. The performance of the Company has been improving on year on year basis under the leadership of Mr. Goel.

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.

Requisite proposal seeking your approval for his re-appointment as Managing Director and also terms thereof forms part of the Notice of ensuing Annual General Meeting. Your Board recommend the proposal for approval of Shareholders.

### **Board Diversity**

Adequate diversity on the Board is essential to meet the challenges of business globalisation, rapid deployment of technology, greater social responsibility, increasing emphasis on corporate governance and enhanced need for risk management. The Board enables efficient functioning through differences in perspective and skill, and fosters differentiated thought processes at the back of varied industrial and management expertise, gender, knowledge and geographical backgrounds. The Board recognises the importance of a diverse composition and has adopted a Board Diversity Policy which sets out its approach to diversity.

The Company recognizes and embraces the importance of a diverse Board in its success.

### **Board Meetings**

The meetings of the Board are scheduled at regular intervals to discuss and decide on matters of business performance, policies, strategies and other matters of significance. The schedule of the meetings is circulated in advance, to ensure proper planning and effective participation. In certain exigencies, decisions of the Board are also accorded through circulation.

The Board met Seven (7) times during the FY 2019-20, 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 Directors/Independent Directors**

All Directors of the Company have confirmed that they are not debarred from holding the office of Director by virtue of any SEBI Order or order of any other such authority. The Directors, Key Managerial Personnel and Senior Management have affirmed compliance with the Code of Conduct laid down by the Company.

In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

A declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, along with a declaration as provided in the Notification dated October 22, 2019, issued by the Ministry of Corporate Affairs (MCA), regarding the requirement relating to enrollment in the Data Bank for Independent Directors, has been received from all the Independent Directors, along with declaration made under Section 149(6) of the Act.

### **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 27, 2020 without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairman & Managing Director of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board

that is necessary for the Board to effectively and reasonably perform their duties.

### **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 during the Financial Year 2019-20. 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 Nomination & Remuneration Committee (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**

The Board Familiarisation Programme comprises of the following: -

- Induction Programme for new Independent Directors;
- Immersion sessions on business, functional issues and paradigm of the Industry; and
- Strategy session.

All new Independent Directors are taken through an induction and Familiarisation Programme when they join the Board of your Company. The induction programme covers the Company's history, background of the Company and its growth over the last few years, various milestones in the Company's existence, the present structure and an overview of the business and functions.

Independent Directors of the Company have also been familiarized with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company through induction programs at the

time of their appointment as Directors and also through familiarization programs. To familiarize the Directors with strategy, operations and functions of the Company, the senior managerial personnel make presentations about Company's strategy, operations, product offering, market, technology, facilities, regulatory changes and risk management.

The Board including all Independent Directors are provided with relevant documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices from time to time besides regular briefing by the members of the Senior Management Team. The Board including all Independent Directors on March 27, 2020 were briefed and apprised on Prohibition of Insider Trading Regulations and updates on Companies Act, 2013.

The said details of the Familiarization Programme(s) imparted to independent directors is also available on the Company's website viz. <https://www.dishd2h.com/>.

### **Committees of the Board**

In compliance with the requirements of the Act, Listing Regulations and smooth functioning of the Company, your Board has constituted various Board Committees including Audit Committee, NRC, Stakeholder's Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee, Corporate Management Committee, Cost Evaluation and Rationalization Committee, ESOP Allotment Committee and Disciplinary Committee.

As on March 31, 2020 the Audit Committee of the Board comprises of Mr. Bhagwan Das Narang, an Independent Director as the Chairman of the Committee, and Mr. Ashok Mathai Kurien (Non-Executive Director), Dr. (Mrs.) Rashmi Aggarwal (Independent Director) and Mr. Shankar Aggarwal (Independent Director), as its members.

Details of the constitution of the Board Committees, which are in accordance with regulatory requirements, have been uploaded on the website of the Company viz. <https://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 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 have been denied access to the Audit Committee of the Board. The said policy is accessible on the website of the Company viz. <https://www.dishd2h.com/>.

### **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 24, 2019 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 2019-20. The Cost Auditors have issued their report for the Financial Year 2019-20, which has been taken on record by the Audit / Board of the Company at its meeting held on September 2, 2020.

## **13. CORPORATE SOCIAL RESPONSIBILITY**

In compliance with requirements of Section 135 of the Act, your Company has a duly constituted Corporate Social Responsibility (CSR) Committee. As at March 31, 2020, the CSR Committee of Board consists of Mr. Bhagwan Das Narang (Independent Director), as its Chairman and Mr. Jawahar Lal Goel (Managing Director), Mr. Ashok Mathai Kurien (Non-Executive Director), Dr. (Mrs.) Rashmi Aggarwal (Independent Director) and Mr. Shankar Aggarwal (Independent Director) as its members.

The Committee has formulated and recommended to the Board, a CSR policy indicating the activity or activities to be undertaken by the Company as per applicable provisions of Section 135 read with Schedule VII of the Act and rules made thereto. During the period under review, the Meeting of Corporate Social Responsibility Committee was scheduled to be held in the Month of March 2020, to monitor the performance of ongoing CSR projects, however, due to COVID-19 Pandemic the meeting was postponed and it will be held in the Financial Year 2019-20. In terms of applicable regulatory provisions, the Company was not required to spend on CSR activities during the Financial Year 2019-20.

#### 14. 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 the 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.

##### Qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report:

The Report given by the Statutory Auditors on the Financial Statements of the Company for the financial year ended on March 31, 2020 forms part of this Annual Report. The auditors of the Company have qualified their report to the extent and as mentioned in the Auditors' Report. The qualification in auditors' report and Management response to such qualification are as under:

Details of Audit Qualification 1, as per Auditors' Report dated July 23, 2020 on the Standalone Financial Results of the Company for the Financial Year 2019-20:

*As stated in note 40 to the accompanying standalone financial statements, the Company has non-current*

*investments in and other non-current loans given to its wholly owned subsidiary company amounting to ₹ 515,340 lacs and ₹ 64,951 lacs respectively. This wholly owned subsidiary company has negative net current assets and has incurred losses in the current year, although it has positive net worth as at 31 March 2020. As described in the aforementioned note, the management, basis its internal assessment, has considered such balances as fully recoverable as at 31 March 2020. However, the management has not carried out a detailed and comprehensive impairment testing in accordance with the principles of Indian Accounting Standard – 36, "Impairment of Assets" and Indian Accounting Standard – 109, "Financial Instruments". In the absence of sufficient appropriate audit evidence to support the management's aforesaid assessment, we are unable to comment upon adjustments, if any, that may be required to the carrying value of these non-current investments and non-current loans as at 31 March 2020 and its consequential impact on the accompanying standalone financial statements.*

##### Management Response:

The Company as at 31 March 2020, has non-current investment (including equity component of long-term loans and guarantees) in and non-current loans to its wholly owned subsidiary, Dish Infra Services Private Limited ("Dish Infra") amounting to ₹ 515,340 lacs and ₹ 64,951 lacs respectively. Dish Infra's net worth is positive although it has incurred losses in current year. Based on internal assessment, Management believes that the realisable amount from Dish Infra will be higher than the carrying value of the non-current investments and other non-current financial assets. Hence, no impairment is considered. The internal assessment is based on the ability of Dish Infra to monetize on its assets, investments in new age technologies, which will generate sufficient cash flows in the future.

Details of Audit Qualification 2, as per Auditors' Report dated July 23, 2020 on the Consolidated Financial Results of the Company for the Financial Year 2019-20:

*As stated in note 9 to the accompanying financial statements, the Company has invested in new technologies, recorded as, intangible assets under development and related capital advances amounting to ₹ 52,500 lacs and ₹ 69,300 lacs respectively. In accordance with Indian Accounting*

*Standard - 36, "Impairment of Assets", the management is required to carry out impairment test of intangible assets under development annually. The management has not carried out a detailed impairment testing for intangible assets under development and related advances, inter alia, involving independent valuation experts, evaluating impact of competition on related business plans and performing sensitivity analysis of future cash flows expected from these assets. In the absence of such aforementioned impairment assessment, we are unable to comment upon adjustments, if any, that may be required to the carrying values of such intangible assets under development and the related advances.*

#### **Management Response:**

During the year, in line with the business plan of investing in new technologies, *inter alia*, Watcho, the OTT platform of the wholly owned subsidiary company, networking equipment, customer premises equipments (CPE), Dish Infra Services Private Limited, a wholly owned subsidiary company has made significant progress in augmenting these new age technologies. The subsidiary company has contracted the aggregators for content and related infrastructure and recorded ₹ 52,500 lacs as intangible assets under development and ₹ 69,300 lacs as related capital advances as of 31 March 2020. The management is confident of concluding all the planned investments by the first half of FY 2020-21. As further described in note 13, the management is confident of the view that COVID-19 will not have any significant negative impact on the ability of the company to implement the business plans related to these new investments and therefore has concluded that no material adjustments is required in the carrying value of intangible assets under development and the related capital advances.

#### **Secretarial Auditor**

During the year, the Board had 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 2019-20 in accordance with Section 204 of the Act and the Companies (Appointment and

Remuneration of Managerial Personnel) Rules, 2014 made thereunder.

Copy of the Secretarial Audit report (MR-3) *inter alia* confirming compliance with applicable regulatory requirements by the Company during FY 19-20 is annexed to this report.

Dish Infra Services Private Limited, the unlisted material subsidiary of your company, had appointed Ms. 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 2019-20. 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.

Additionally, in compliance with the requirements of Regulation 24A of Listing Regulations, the Annual Secretarial Compliance Report duly signed by Mr. Jayant Gupta, Practicing Company Secretary (holding ICSI Certificate of Practice No. 9738) has been submitted to the Stock Exchanges within the prescribed timelines. The remarks provided in the report are self-explanatory.

The reports of Statutory Auditor and Secretarial Auditor forms part of this Annual report.

#### **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 2019-20. 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 2020-21 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 2019-20. The Audit Committee at its meeting held on July 23, 2020 recommended to the Board for re-appointment of Protiviti Advisory India Member LLP as the Internal Auditor of the Company for the FY 2020-21. On the basis of the recommendation of the Audit Committee, the Board, at its meeting held on July 23, 2020 has re-appointed Protiviti Advisory India Member LLP as the Internal Auditor of the Company for the FY 2020-21.

### 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.

## 15. 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. 65 & 66 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, Executive Director &

Group Chief Executive Officer of the Company receive any remuneration or commission from company's 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 2019-20. 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.

**ix. Unclaimed Dividend/Shares:** As on March 31, 2020, your Company had an outstanding balance of 61,897 (Sixty one Thousand Eight hundred and Ninety Seven) 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 provided on the website of the Company at <https://www.dishd2h.com/>

**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.

## 16. 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 is 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 ₹ 2,036 Lakhs and outgo of ₹ 5,633 Lakhs.

### **17. CREDIT RATINGS**

During the Financial Year under review, CARE (Credit Analysis and Research Limited), a Credit rating agency had assigned CARE D (Single D) for Short Term Bank Facilities of the Company. CARE had revised the said rating from CARE A4+ (CARE A four plus) for Short Term Bank Facilities of the Company, in the month of December 2019. CARE has revised the rating, on the basis of the recent developments including operational and financial performance of the Company for FY20 (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 be in default or are expected to be in default.

Further, CARE (Credit Analysis and Research Limited), vide its letter dated August 24, 2020, has upgraded the rating from CARE D (CARE Single D) to CARE A4 (A four) for Short Term Bank Facilities of the Company. CARE has enhanced the rating, basis the recent developments including operational and financial performance of the Company for FY20 (Abridged). Instruments with this rating are considered to have minimal degree of safety regarding timely repayment of financial obligation.

### **18. HUMAN RESOURCE MANAGEMENT**

Human Resource Management has been one of the key priorities for your company. While harmonizing people practices, the strategic approach had been to adopt best aspects, align to the market-best practices and build a future ready organization.

The Company believes that the key to excellent business results is a committed talent pool. Human resources are the most critical element responsible for growth and the Company acknowledges their contribution and works towards their satisfaction as a top priority. The HR policies continually strive towards attracting, retaining, and developing the best talent required

for the business to grow. Regular trainings are conducted for the employees to ensure skill upgradation and personal development throughout the various organizational levels.

Dish TV values its talent pool and works hard to retain its best talent by providing ample opportunities to grow. The Company focuses to provide opportunity for the development and enhancing the skill sets of its employees at all levels of the business. Several workshops have been conducted for employees across the country so they understand and exhibit the values of the Company in their work and behaviour. Continuous training program for upgradation of skill and behavioural maturity has been imparted which helped in keeping the optimization and moral of the Organisation at a higher level despite Pandemic situation prevailing all across. Town hall sessions were conducted for better interactivity, understanding issues faced by the employees and providing solutions. Work from Home facility continues seamlessly across the hierarchy of employees and acting as enabler to lessen the adverse impact of pandemic.

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, 2020, the total numbers of permanent employees on the records of the Company were 407 (Four hundred and Seven). 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.

### **19. DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of and pursuant to Section 134 of the Act, in relation to the Annual Financial Statements for the FY 2019-20, your Directors state and confirm that:

- a) The Financial Statements of the Company comprising of the Balance Sheet as at March 31, 2020 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, 2020, 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.

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

Regulation 34 of SEBI Listing Regulations, as amended from time to time, requires top 1,000 listed entities based on market capitalization (calculated as on March 31 of every financial year), a Business Responsibility Report describing the initiatives taken by them from an environmental, social and governance perspective, in the format as specified by the Board from time to time.

The Business Responsibility Report ('BRR') has been prepared and forms part of the Annual Report as an Annexure.

The Management Discussion and Analysis report 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.

## 21. 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.

## 22. 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.

## 23. 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: September 2, 2020

## 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, 2020 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	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
Reporting period for the subsidiary/JV concerned, if different from the holding company's reporting period	March 31, 2020	March 31, 2020	March 31, 2020
Reporting currency and Exchange rate as on March 31, 2020, in case of Foreign Subsidiaries	INR	Sri Lankan Rupees (LKR) 1 Sri Lankan Rupee = ₹ 0.395120	INR
Share Capital	311,801	4	1
Reserves & surplus	(50,590)	(22,982)	(19)
Total Assets	746,626	1,650	131
Total Liabilities	746,626	1,650	131
Investments	NIL	NIL	NIL
Turnover	216,527	491	301
Profit before taxation	16,559	(5,333)	(5)
Provision for taxation	77,287	NIL	NIL
Profit after taxation	(60,728)	(5,333)	(5)
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.

#### 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 2019-20
- The Company does not have any Associate / Joint Venture as on March 31, 2020, 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

Place: Noida  
Dated: September 2, 2020

## 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, 2020, the CSR Committee of the Board of Directors 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 as its Members.
3. Average net profit of the Company for last three financial years	₹ [926.81] Lacs
4. Prescribed CSR expenditure (two percent of the amount as in item 3 above)	In terms of applicable regulatory provisions, on account of absence of average Net Profits for last three financial years, the Company was not required to do any spend under CSR.
5. Details of CSR spent during Financial Year	
a) Total amount to be spent for the Financial Year	NA
b) Amount unspent, If any	NA
c) Manner in which the amount is spent during the financial Year	NA

### 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: September 2, 2020

**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, 2020)

[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, 2020, 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, 2020 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, 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*);

# Dish TV India Ltd

- 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; and *inter alia*, the following regulation thereunder;
  - I. The Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017 along with Amendments;
  - II. The Telecommunication (Broadcasting And Cable) Services Standards of Quality of Service And Consumer Protection (Addressable Systems) Regulations, 2017 along with Amendments;
  - III. The Telecommunication (Broadcasting and Cable) Services (Addressable Systems) Tariff Order, along with Amendments;
  - IV. The Telecommunication (Broadcasting and Cable) Services Register of Interconnection Agreements and all such other matters Regulations, 2019.

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 the year 2017-18, 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 ₹ 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 ₹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. During the audit period under review, no further directions / orders were received for any change in status quo or carrying out the allotment of shares.

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**  
**PR : 759/2020**  
**UDIN: F007288B000648566**

Place : New Delhi  
Date : September 2, 2020

## **Annexure to the Secretarial Audit Report of Dish TV India Limited for Financial Year ended March 31, 2020**

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. The review of some original registers, records and documents of the Company and certain audit procedures were hampered due to government restrictions in view of COVID 19 Global pandemic and reliance has been placed on books, records and documents made available through electronic means and in digital format by the Company.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. 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.
7. 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**  
**PR : 759/2020**

Place : New Delhi  
Date : September 2, 2020

## 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, 2020

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. 47 and 48 of Standalone Financial Statements for the Financial Year ended on March 31, 2020	
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.	₹ (7.25) <i>(Please refer Note 59 read with note 47 and 48 to the Standalone Financial Statements of the Company for the Financial Year ended on March 31, 2020)</i>	
<b>C)</b>	<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 and November 30, 2018 (For the employees) of Subsidiary Companies and any future Holding Company)
	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.  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.	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).  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.



S. No.	Particulars	ESOP Scheme 2007	ESOP Scheme 2018
	d) Exercise price or pricing formula	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.	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.
	e) Maximum term of options granted	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	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
	f) Source of shares (primary, secondary or combination)	Primary	Primary
	g) Variation in terms of options	Pursuant to Shareholders approval dated August 28, 2008, the options granted on August 21, 2007 and April 24, 2008 were re-priced at ₹ 37.55 per option.  During the year, no amendment/ modification/ variation has been introduced in terms of options granted by the Company.	None
	(ii) Method used to account for ESOS - Intrinsic or fair value	Fair Value method	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.	Not Applicable as the Company has accounted for the Stock Option at Fair Value using the Black-Scholes-Merton Model as detailed in Note No. 48 to the Notes to standalone financial statements for FY 2019-20.	Not Applicable as the Company has accounted for the Stock Option at Fair Value using the Black-Scholes-Merton Model as detailed in Note 47 to the Notes to standalone financial statements for FY 2019-20.
	(iv) Option Movement during the year		
	Number of options outstanding at the beginning of the period i.e., April 1, 2019	258,690	3,298,000

S. No.	Particulars	ESOP Scheme 2007	ESOP Scheme 2018
	Number of options granted during FY 2019-20	0	860,000
	Number of options forfeited / lapsed during FY 2019-20	0	973,000
	Number of options vested during FY 2019-20	46,080	608,250
	Number of options exercised during FY 2019-20	0	0
	Number of shares arising as a result of exercise of options FY 2019-20	0	0
	Money realized by exercise of options (INR), if scheme is implemented directly by the company, during FY 2019-20	0	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, 2020	258,690	3,185,000
	Number of options exercisable at the end of the year i.e., March 31, 2020	146,240	608,250
	(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 re-pricing) (₹)	Weighted- average exercise price (Post re-pricing) (₹)	Weighted -average Fair Value (Pre re-pricing) (₹)	Weighted -average Fair Value (Post re-pricing) (₹)
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 (₹)	Weighted – average Fair Value (₹)
25-Oct-18	44.85	13.87
24-May-19	30.45	15.20

(vi) Employee wise details of options granted during the year: *Refer below*

### (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.
- **ESOP-2018 :**

Name of Employee	Designation	Options granted during FY 2019-20	Exercise Price
Rajesh Sahni	Corporate Head - Service Excellence & CC Operations	136,000	₹ 30.45 per option
Himanshu Dhoreliya	Business Head - Content & Alt. Revenue	240,000	₹ 30.45 per option

### (b) Any other employee who received a grant during the year, of options amounting to 5% or more of option granted during that year:

- **ESOP -2007:** During the financial year under review, no stock options were granted under the ESOP -2007 Scheme of the Company.
- **ESOP -2018:** During the financial year under review, below employees were granted stock options, which amounted to 5% or more of the total options granted during the financial year under review.

Name of Employee	Designation*	Options granted	Year of Grant	Exercise Price
Rajesh Sahni	Corporate Head - Service Excellence & CC Operations	1,36,000	2019-20	₹ 30.45 per option
Amit Bhasin	Circle Business Head	50,000		
Kirti Mishra	Circle Business Head	50,000		
Jitendera Pandey	Circle Business Head	55,000		
Lakshman Subramaniam	Circle Business Head	62,000		
Sudhin Kumar Bhartiya	Regional Sales Head	68,000		
Sandeep Singh	Circle Business Head	64,000		
Himanshu Dhoreliya	Business Head - Content & Alt. Revenue	2,40,000		
Shruti Kumar	Head - Ad Sales, VAS & Carriage	64,000		

\* 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 (₹)	Exercise price (₹)	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-2007 were re-priced at ₹ 37.55 on August 28, 2008

**ESOP - 2018**

Date of Grant	Weighted – average Value of Share price (₹)	Exercise price (₹)	Expected volatility	Expected Life (yrs)	Risk Free Interest rate
25-Oct-18	36.95	44.85	39.75%	4	7.74
24-May-19	31.20	30.45	47.98%	4	6.91

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.
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# Dish TV India Ltd

(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: September 2, 2020

## 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 2019-20 along with Ratio of remuneration of Directors to the Median remuneration of employees

Name of Director/Key Managerial Personnel	% increase in Remuneration in FY 2019-20 <sup>#</sup>	Ratio of Director's Remuneration to Median remuneration
<b>Non-Executive Directors</b>		
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	(0.19%)	47:1
Mr. Anil Kumar Dua	(2.1%)	50:1
<b>Key Managerial Personnel</b>		
Mr. Jawahar Lal Goel	(0.19%)	47:1
Mr. Anil Kumar Dua	(2.1%)	50:1
Mr. Rajeev Kumar Dalmia	13.1%	NA
Mr. Ranjit Singh	24.1%	NA

<sup>#</sup> The % increase in remuneration refers to the % increase in remuneration from FY 2018-19. 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 2019 - 20	10.27%
2.	Number of permanent employees on the rolls of the Company	407
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	The average annual increase in the salaries of employees during the year was 4.4%, while there was a marginal decrease in the managerial remuneration during financial year 2019-20, as detailed above.
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	54	Group CEO and Executive Director	4,13,30,387	BE, MBA	31	17.05.2017 26.03.2019*	Ote Group
2	Jawahar Lal Goel	65	Chairman & Managing Director	3,90,00,804	Entrepreneur	49	06.01.2007	Siti Cable Network Ltd
3	Rajeev Kumar Dalmia	55	Chief Financial Officer	2,34,30,169	CA	34	05.01.2007	South Asian Petro Chemical Ltd
4	Veerender Gupta	50	Chief Technology Officer	1,55,03,854	B. Com, Certificate in Java Programming	28	01.04.2009	Rama Associates Ltd
5	Sukhpreet Singh	48	Corporate Head - Marketing, DishTV	1,11,02,749	B. Tech, PGDBM	23	03.05.2016	Samsung Electronics India
6	Abhishek Gupta	42	Head - Information Technology	92,54,964	B.E, MBA	19	02.02.2015	Ericsson India Global Services Pvt. Ltd.
7	Ranjit Singh	43	Corporate Head - Secretarial, Legal & Regulatory	91,86,056	B.Com, L.LB, CS	18	24.12.2004	Parsec Technologies Limited
8	Virender Kumar Tagra	60	National Head - Commercial	86,35,324	B.Com	39	01.05.2006	Hotline CPT Limited
9	Ravindra Upadhyay	48	Head - Customer Engagement	83,99,270	CA	24	22.03.2018	Videocon d2h Ltd
10	Ashutosh Mishra	48	Head - Human Resources	72,47,485	BE, MBA	26	10.10.2007	E-City Bioscope Entertainment Pvt. Ltd

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

### 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	Date of leaving	Last Employment
1	Pushkar Singh Kataria	46	Chief Human Resources Officer	1,17,54,167	BE, MDHRM	23	01.08.2017	03.09.2019	Reliance Capital Ltd
2	Avanti Kanthaliya	48	Financial Controller	76,13,185	CA	25	01.04.2018	21.08.2019	Videocon d2h Ltd
3	Himanshu Dhoreliya	45	Business Head - Content & Alt. Revenue	71,21,169	MBA	21	01.09.2019	31.05.2020	C&S Medianet Pvt. Ltd
4	Narendra Kumar Kothari	49	Regional Commercial Head	62,40,502	CA	23	01.04.2018	31.10.2019	Videocon d2h Ltd

#### Notes:

- All appointments are contractual and terminable by notice on either side.
- 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.

3. 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.
4. 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: 00038052

Place: Noida  
Dated: September 2, 2020



## 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.