

# Dish TV India Ltd

ANNUAL REPORT  
2017-18



TECHNOTAINMENT  
IS IN OUR DNA

# BRINGING SMILES TO MILLIONS OF FAMILIES

Dish TV India Limited is proud to be not just India's  
but Asia's largest entertainment provider.



## BOARD OF DIRECTORS

Mr. Jawahar Lal Goel  
Mr. Ashok Mathai Kurien  
Mr. Bhagwan Das Narang  
Dr. (Mrs.) Rashmi Aggarwal

Chairman and Managing Director  
Non-Executive Director  
Independent Director  
Independent Director

Mr. Jawahar Lal Goel  
Mr. Anil Kumar Dua  
Mr. Rajeev Kumar Dalmia  
Mr. Ranjit Singh

- Chairman and Managing Director  
- Chief Executive Officer  
- Chief Financial Officer  
- Company Secretary

### KEY MANAGERIAL PERSONNEL

Walker Chandick & Co. LLP  
Protiviti Advisory India Member LLP  
Jayant Gupta & Associates  
Chandra Wadhwa & Co.

- Statutory Auditors  
- Internal Auditor  
- Secretarial Auditor  
- Cost Auditor

### AUDITORS

Axis Bank  
ICICI Bank  
IDBI Bank  
Indusind Bank Limited  
Kotak Mahindra Bank  
RBL Bank Limited  
Standard Chartered Bank  
Yes Bank

### BANKERS

Link Intime India Private Limited  
Unit: Dish TV India Limited  
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Vikhroli West, Mumbai- 400083  
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Fax: 91-22-49186060

### SHARE REGISTRAR

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### REGISTERED OFFICE

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### CORPORATE OFFICE

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CIN: L51909MH1988PLC287553





## Chairman's Message

Dear Shareholders,

It gives me immense pleasure to re-connect with you and share an update on the performance of your Company for the financial year 2017-18. The year gone by kick started a new era for the Company with the completion of Amalgamation of Videocon D2H Limited with and into the Company.

### New Journey for better future

I had informed you last year about the consolidation in our industry triggered by your company by announcing the initiation of the process of Amalgamation. Taking it forwards, I take pride in sharing with you that the Amalgamation of Videocon D2H Limited into Dish TV India Limited successfully completed on March 22, 2018. With the Indian economy finding its place amongst one of the fastest growing economies in the world, the Indian consumer spending is also catching up pace; thereby perfectly synchronizing with the timing of the Amalgamation. Now, your Company, with combined capacities has become India's largest DTH player both in terms of subscriber base and revenue market share. The Company now caters to a subscriber base of 23 million with market share of 37% of the DTH segment. This compelling and transformational combination will lead to synergies of customer support, near to door service, revenue, brand and subscriber base, ultimately creating Value for all our stakeholders.

#### Synergies emanating from the Mega Merger:

- Synergies of three well recognized brands; *dishTV*, *d2h* and *Zing* a win-win model for all stake holders
- Synergies of combined mix of urban, semi-urban and rural subscriber base; increasing reach to every nook and corner of the country
- Synergies of enhanced capacities to cater to customer service, ensuring customer delight

I sense an environment of renewed passion and excitement all around in the Company and believe that now we are well poised to surge ahead; post this quantum leap that your Company undertook.

### Performance for the year

For FY 2017-18, our consolidated subscription and operating revenues were Rs. 42,167 million and Rs. 46,342 million, respectively. An EBITDA of Rs. 13,160 million with EBITDA margin of 28.4% were achieved. These numbers represent combined financials, wherein financials of Videocon D2H have been included for a period of 6 months (effective date of merger being 1 October 2017).

We are confident that the fiscal 2019 would be a year of exceptional growth for Dish TV and we are targeting higher EBITDA margins compared to fiscal 2018.

### Transforming for future

We would also like to take this opportunity to share with you our perspective on the most important changes affecting our industry and our proactive steps to strengthen your Company in this era of emerging technological and other developments. This is the beginning of transformation of your company into India's most loved DTH brand; being led by Technology, Digital, Culture and Service transformation.

### Digital Transformation:

As per an industry report, active DTH subscribers in India has grown primarily driven by digitization and higher HD uptake. We command a market leader share on leading e-commerce platforms in the country. During the year we took various initiatives as a result of which large proportion of new subscriptions are arising through the digital platforms. Thanks to the boom in digital outreach in the country, we are witnessing a sharp rise in recharges also happening through digital platforms, which resulted in increased collections. We have started harnessing use of artificial intelligence for our marketing and predictive tools for churn management; which is helping us in understanding customer behavior and developing and providing products suitable to customer needs.

### Technology Transformation:

Technology is the backbone of any growing company in today's world and your Company is using its technological expertise to bring about strategic collaborations in hardware and software, operations and data-based decision making across functions; to bring about an un-paralleled customer experience. We are conscious of the fact that to remain a market leader, we need to ensure top class IT infrastructure and we are putting whole hearted efforts in deploying the best of technological advancements in our systems.

During the year, we launched new NXT HD+ set-top boxes with best-in-class technology, contemporary UI and enhanced customer experience. We have commenced our journey towards creating a hybrid environment, with hybrid boxes which will provide live channels from the current setup and contents from the IP setup as well. This would serve as a landmark customer initiative in the DTH industry. Backed by increasing customer stickiness and brand loyalty, your Company would soon be launching its fully integrated over-the-top (OTT) service that would enable time-shift as well as live TV viewing of television content by Dish TV subscribers while on the go, through their smart phones/tablets etc.

**We launched new NXT HD+ set-top boxes with best-in-class technology, contemporary UI to enrich our customers with greater satisfaction. The emphasis on HD offerings, has resulted in greater ARPU accretion**

We are happy to inform that your Company recently received the ISO 27001 certification; a gold standard for information security, showcasing our commitment to adhere to secure practices. Besides, your Company is the only Media & Entertainment organization in the world to be appraised at Level 4 (CMMI-DEV and CMMI-SVC V1.3) of the CMMI institute's Capability Maturity Model Integration (CMMI). We now gear up for the CMMI Level 5 certification.

### Cultural & people practices Transformation:

When we initially thought of merging two mega entities in Indian DTH industry, we were conscious of the mammoth effort required for cultural integration; which would ultimately determine the success of merger. In an endeavor to build an organization that is more efficient, your company underwent a complete restructuring exercise with respect to culture and people practices.

The new structure has been designed, keeping in mind the business priorities and long term strategic goals of your company. While harmonizing people practices, the strategic approach has been to adopt best aspects of both companies, align to the market-best practices and build a future ready organization. To ensure effective merger of the workforce, it was important to leverage these similarities and strengths to evolve the culture of the new organization. Therefore, Values were redefined to serve as "cultural glue" to offer mutual understanding, effective communication and significantly increase the efficiency of the organisation. The whole organization whole-heartedly embraced the new refreshed Value system to reflect modern times.

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## **Service Transformation:**

Customer centricity remains at the heart of our business operations, hence we have aligned to an efficient 'Customer Centric' organization structure to deliver holistic Customer Experience. With customer acceptance, Dish TV is now the fastest growing HD brand. Our marketing and branding efforts are channelized to empower the Brands of the Company and make inroads into every household; with an aim to build an un-paralleled efficient service model. "HAR GHAR HD" campaign focused on HD connections "SAADHEY AATH MEIN JEETO, SAARE HEART" campaign focused on empowering customer to choose what they want, were launched during the year. Further we continue to strengthen and nurture our brand image of being India's most loved, young and dynamic DTH brand.

## **The Road Ahead**

We continue to face the challenges typical to our industry and on the regulatory front, the new TRAI Tariff order, will pave the way for a two-way partnership between distributors and broadcasters. It would be one step forward to minimise discriminatory pricing by ensuring a level playing field between cable and DTH platforms. Your Company has been the first in the industry to partially and voluntarily roll out the provisions of the Tariff Order by offering a-la-carte channels to its subscribers at affordable prices. Though the competitive landscape keeps changing and the industry keeps evolving, we feel your Company is in a good position and shape to compete with new entrants or new technologies.

## **Future outlook**

Revival in rural demand, prospects of a good monsoon, and an increase in infrastructure spending is likely to drive a broad growth in economic recovery going forward. While in the short-term, digitization will continue to feed subscriber additions, government schemes focused on bridging the urban / rural divide will create demand for new televisions and Pay TV connections in the years to come. Strong Value system, customer centricity, un-ending desire to collaborate and learn; have been the pillars of growth for your Company. Challenges have been, and always will be there, but we look upto them as opportunities for growth. We will continue to strive to provide our consumers with the highest quality service, by investing considerably in Technology and introducing slew of services which will make our Products & services more tech savvy with user convenience and comfort being our highest priority.

We believe that the growth unlocking which has started for us, will continue in the years to come and fiscal 2019 would be a year of exceptional growth for the Company. All my fellow Board members join me in extending our sincere thanks to all of you who have been partners in this remarkable journey; our customers, partners, Centre and state governments, TRAI, other regulatory bodies. I would also like to thank the amazing team Dish for their unwavering and unrelenting support. My profuse thanks, of course, to our shareholders; both institutional and individual, for their deep and abiding trust in the Company.

With all your support and good wishes, we embark on another year, to deliver even better than before to build a solid institution!!

Regards  
Jawahar Lal Goel  
Chairman & Managing Director

## GREATER TOGETHER

Dish TV has embarked on a journey with the vision of enriching peoples' lives by providing them with an unmatched entertainment service experience. FY2018 was a landmark year for Dish TV with the completion of amalgamation of Videocon d2h Limited with Dish TV India Limited with effect from March 22, 2018.

This amalgamation paved the way for the creation of the largest listed media company in India having 23 million subscribers and with 37% market share.

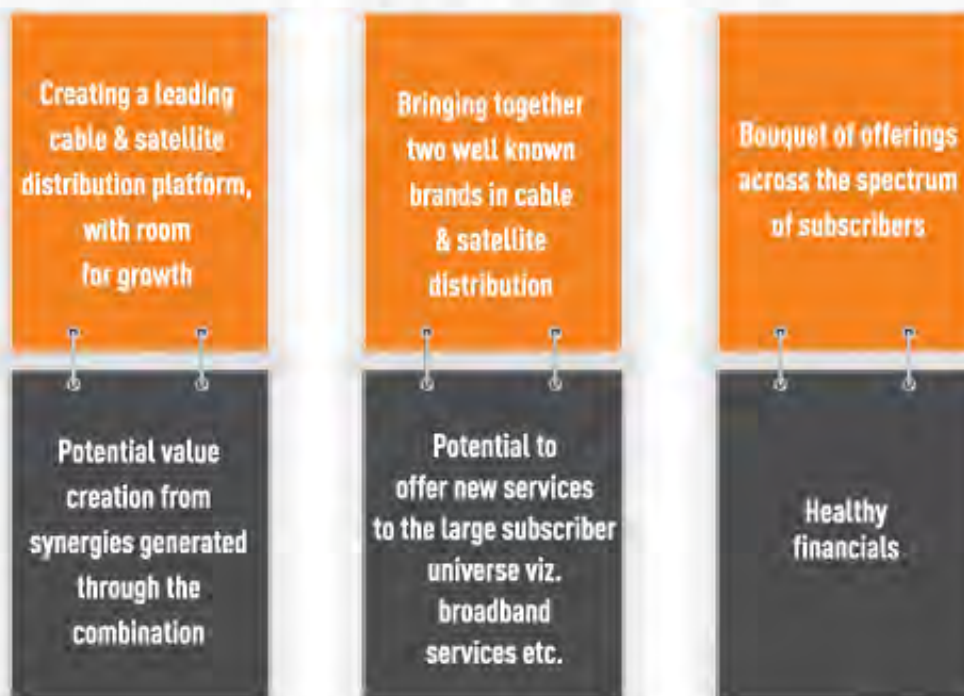
The mega amalgamation has come at a pertinent time with consumer spending picking up, almost one and a half years post the announcement of demonetization. A new era in fact has begun for both, the Indian economy and Dish TV India Limited as they both gear up to drive the consumers increasing propensity to consume.



<b>DishTV India</b>	+	<b>Videocon D2H</b>	=	<b>23 million</b>
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The merged company's subscriber base is a fair mix of urban, semi-urban and rural subscribers that would enable it to benefit from increased discretionary spending across categories. A healthier urban mix would be beneficial to the revenue pool while at the same time a stable, paying, rural base would help buffer the platform from alternate technologies.

### A Compelling and Transformational Combination



**Value creation through synergies**

# Dish TV India Ltd

## 1. Leveraging strengths of each brand

### DishTV

Brand Recall  
Value for Money  
Deep penetration

### d2h

Brand Royalty  
Premium segment  
Presence in urban areas

### Zing

Regional content  
Tailor made packages  
Presence in vernacular areas

Co-existence of all three brands to target a higher market share while maintaining healthy competition and synergy in backend

Three well recognized and powerful brands- DishTV, d2h and Zing are now being marketed under the Dish TV India Limited umbrella with each being favourably positioned in its key target markets. While DishTV has always had a high top-of-the-mind consumer brand recall, d2h has had the advantage of having high brand loyalty in trade circles. Zing on the other hand has been the undisputed leader when it comes to having tailor-made packages for regional audiences.

Identifying the strengths of each brand, the company has been targeting profitable growth while maintaining healthy competition and encouraging synergy in backend operations.

## 2. Adapting best practices

### Customer service

1 million home visits every month by field service  
More than 4,000 distributors and around 400,000 dealers  
Call centers across India supported by a large no. of agents  
Mobile App for subscribers

Faster, Better and Efficient Service model  
built on a service infrastructure no other  
DTH player can match

### Backend and IT Operations

IVR for faster response  
Cross utilizing critical infrastructure for synergies  
Optimizing AHT for better customer experience  
Inbound/outbound swap

Synergising backend operations to reap long term benefits and faster  
turnaround time for customer resolutions

A combined entity with a towering market share and pan India presence, Dish TV India Limited has been adopting best practices of the two merged entities. On the customer service front, the company aims to build a faster, better and efficient service model that no other DTH player can match.

Dish TV India Limited is targeting 450 company managed service centres and around 5,500 technicians that would be capable of doing more than 1 million home visits every month. Aiming to cross utilize critical infrastructure for synergies, the Company is also confident of a faster turnaround time for customer resolutions in the process.

## 3. Revenue synergies

Reverse Data Path for understanding  
customer preferences

Monetising data for targeting brands

Targeting brands

The Company is focusing on entering into content partnership, and enhancing VAS business by leveraging programming and promotions on both platforms.



## TRANSFORMING CUSTOMER EXPERIENCE

The Company began its transformational journey by strategically revamping team structure post-merger.



New leadership mix comprising of select professionals from both entities



Separate sales teams with uniform structures



Fresh campaign and branding initiatives



Taking the lead in the industry with new customer centric packs- MeraApnaPack

All the three brands DishTV, d2h and Zing are now being marketed under the Dish TV India Limited umbrella, however each of them continues to strengthen its presence in its key target markets. Trusting the power of these Brands, the Company has been targeting profitable growth while maintaining healthy competition and encouraging synergy in back-end operations.

### Har Dish HD



The coveted High Definition (HD) space is evolving at a fast pace and witnesses tremendous growth opportunities. A High decibel marketing campaign which accompanied this 'HAR DISH HD' promise created unparalleled buzz and excitement among subscribers and prospects alike.

This campaign generated high interest and HD subscriptions climbed a new high. Resultantly, Dish TV became one of the fastest growing HD brands, and has doubled the HD subscriber base.

The Company aims to upscale the viewer experience by providing HD quality to its customers. This goes perfectly in sync with our strategy of expanding HD portfolio and ensuring its accessibility for all. The campaign brings HD experience to the living room of Indian households, and thus promote quality viewing

experience. Our latest television advertisement showcases how Dish TV brings the entire family together and also how we bring about a quality difference to their entertainment experience.

With the focus on HD, the new marketing campaign encourages people to experience HD without having to pay anything more. The launch of "HD for all" initiative is expected lead to several first-time trials of HD and subsequently lead to upgradations.

### True freedom of choice for customers

Dish TV launched a 360-degree campaign on its industry-first initiative that allows freedom of choice for its customers. Entitled "**Saadhey aath mein jeeto saare heart**", the campaign signifies the power of "Choice" and hand-picking channels which the customer wants, that ultimately leads to customer delight.

Through this campaign we have been successful in connecting both rationally and emotionally with customers. Aimed to reiterate Dish TV's flexible and customizable entertainment packs and offerings, this campaign solidifies **DishTV's No. 1** position in the industry and showcases how their innovative offering of Rs. 8.5 per channel per month is set to create a new benchmark in television entertainment. The Company has also introduced a new brand tagline, "**Dish nahin Dishkyyaon**" positioning Dish TV as a young and dynamic brand. A total of around 3.5 million subscribers on the platform have so far experienced Mera Apna Pack/Mera Wala Pack offerings which resulted in incremental revenues for the company.



## PRODUCTS

### DishNXT HD Box

With an advanced and intuitive user interface, DishNXT HD offers the next level of product experience. Combining ease of usage and navigation speed, this top-of-the-line set-top-box from DishTV has a stylish exterior to match. Its 5-times better HD picture clarity brings alive each of the 1080 pixels on the screen, enhancing your TV viewing. The box enables dynamic advertisement banners which help target users by region and time-slot.

**Better Gaming Experience | Application Store with local Applications storage for better experience**

**Ease of Recording | Dynamic Advertisement Banners**



### DishNXT Box

DishNXT Box is based on advanced MPEG 4 technology and is the Standard Definition offering from DishTV. This cardless wonder ensures a seamless and smooth experience for its users. DishNXT offers its customers:

**Easy to use and Intuitive UI/UX | Faster Navigation | Multilingual support | Digital Picture Quality**

**Stereophonic sound | All-New Universal Remote**



### DishTV Direct

Integrated digital television does not need a set top box to convert digital television signals. Instead, this functionality is built directly into the device. DishTV Direct offers this enhanced technology that get integrated directly into the television set to provide digital quality viewing without the need for a physical device.



## Services



#### Active Service

From jamming to the most popular music or finding peace and faith in devotional songs there's always more you can do with your television



#### We Speak your Language

English, Hindi, Tamil, Kannada  
Telugu, Marathi, Gujarati, Bengali  
& Urdu



#### Record Everything

DishTV Set-Top-Box allows  
you to record any program and  
watch it at a convenient time.



#### Entertainment on your command!

DishTV connection just got  
smarter Now supporting  
Amazon's Alexa