



## 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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# Dish TV India Ltd

## **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-parallel 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