

ANNEXURE TO DIRECTORS' 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, 2018.

S. No.	Particulars	Details
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. 49 of Standalone Financial of the Financial Year ended on March 31, 2018
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.	₹ (0.48) <i>(Please refer Note 59 read with note 49 to the Standalone Financial Statements of the Company of the Financial Year ended on March 31, 2018)</i>
C)	Details Related to ESOS	
	(i) A description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP including :	Presently the Company has only one ESOP Scheme namely – ESOP 2007
	a) Date of Shareholders' approval	August 3, 2007
	b) Total number of options approved under ESOP	4,282,228 Stock Options
	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 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 would be outlined in the Letter of Grant given to the Grantee at the time of the Grant of Options.
	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.

S. No.	Particulars	Details
	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.
	f) Source of shares (primary, secondary or combination)	Primary
	g) Variation in terms of options	<p>Pursuant to approval dated August 28, 2008 of Remuneration Committee of the Board of Directors and Shareholders, the options granted on August 21, 2007 and April 24, 2008 were re-priced at ₹ 37.55 per option.</p> <p>Subject to applicable law, the Nomination and Remuneration Committee will at its absolute discretion have the right to modify/amend the ESOP 2007 Scheme in such manner and at such time or times as it may deem fit, subject however that any such modification/ amendment shall not be detrimental to the interest of the Grantees/ Employees and approval wherever required for such modification/ amendment is obtained from the shareholders of the Company in terms of the SEBI Guidelines.</p> <p>During the year, no amendment/ modification/ variation has been introduced in terms of options granted by the Company.</p>
	(ii) Method used to account for ESOS - Intrinsic or fair value	Indian Accounting Standards (Ind-AS) has been adopted by company in current financial year and Company has accounted the stock Options at Fair Value method
	(iii) Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	Indian Accounting Standards (Ind-AS) has been adopted by company in current financial year and Company has accounted the stock Options at Fair Value method using the Black-Scholes-Model as detailed in Note No. 49 contained in the Notes to Financial Statements forming part of Annual Financial Statements for the Financial Year ended on March 31, 2018. Hence, employee compensation cost computed on stock options using by fair value method and same recognized in statement of Profit and Loss of Annual Financial Statements.
	(iv) Option Movement during the year	
	Number of options outstanding at the beginning of the period i.e., April 1, 2017	1,004,460
	Number of options granted during FY 2017-18	40,000
	Number of options forfeited / lapsed during FY 2017-18	624,240
	Number of options vested during FY 2017-18	111,870

S. No.	Particulars	Details																		
	Number of options exercised during FY 2017-18	45,370																		
	Number of shares arising as a result of exercise of options FY 2017-18	45,370																		
	Money realized by exercise of options (INR), if scheme is implemented directly by the company, during FY 2017-18	₹ 2,860,852																		
	Loan repaid by the Trust during the year from exercise price received	Not Applicable																		
	Number of options outstanding at the end of the year i.e., March 31, 2018	374,850																		
	Number of options exercisable at the end of the year i.e., March 31, 2018	72,080																		
(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.																				
Date of Grant																				
	21-Aug-07	24-Apr-08	28-Aug-08	28-May-09	27-Oct-09	26-Oct-10	21-Jan-11	20-Jul-11	19-Jul-12	23-May-13	26-Jul-13	27-May-14	29-Oct-14	20-Mar-15	26-May-15	28-Jul-15	23-May-16	24-Mar-17	24-May-17	
Weighted - average exercise price (Pre repricing) (₹)	75.20	63.25	37.55	47.65	41.45	57.90	58.95	93.20	68.10	68.00	57.10	52.90	55.80	79.35	84.90	117.75	93.90	108.15	95.40	
Weighted - average exercise price (Post repricing) (₹)	37.55	37.55	37.55	47.65	41.45	57.90	58.95	93.20	68.10	68.00	57.10	52.90	55.80	79.35	84.90	117.75	93.90	108.15	95.40	
Weighted - average Fair Value (Pre repricing) (₹)	40.45	-	23.87	30.61	26.64	36.57	37.54	55.32	37.92	35.12	30.12	26.71	27.54	37.27	39.97	55.14	42.97	48.03	42.32	
Weighted - average Fair Value (Post re-pricing) (₹)	21.49	-	23.87	30.61	26.64	36.57	37.54	55.32	37.92	35.12	30.12	26.71	27.54	37.27	39.97	55.14	42.97	48.03	42.32	
(vi) Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to:																				
(a) Senior Managerial Personnel:																				
Name of Employee	Designation	Options granted during FY 2017-18	Exercise Price																	
Jitendera Pandey	VP-General Management-North 2 Zone (Dish Infra Services Pvt. Ltd.)	40,000	₹ 95.40 per option																	

S. No.	Particulars	Details					
(b)	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year:						
		Name of Employee	Designation*	Options granted	Year of Grant	Exercise Price	
		Arun Kumar Kapoor	Chief Executive Officer	925,900	2007 - 08	₹ 37.55 per option	
		Rajeev K Dalmia	Chief Financial Officer	171,100			
		Rajiv Khattar	President – Technology	167,950			
		Amitabh Kumar	President – Projects	164,700			
		Harinder Singh Bhatia	Head – Sales	159,600	2008 - 09	₹ 37.55 per option	
		R Iniyar	Head - Operations	24,900			
		Salil Kapoor	Chief Operating Officer	142,950	2009-10	₹ 47.65 per option	
		Shailendra Goel	DVP – North Zone	81,500		₹ 41.45 per option	
		Neeraj Gupta	DVP – Service	75,250		₹ 47.65 per option	
		Ashutosh Mishra	Head - Talent Management & HR Excellence	55,600		₹ 41.45 per option	
		Ravichandra Mocherla	VP – west Zone (Dish Infra Services Pvt. Ltd.)	50,000		₹ 47.65 per option	
		Sanjeev Srivastava	VP – Delhi Zone (Dish Infra Services Pvt. Ltd.)	42,400		₹ 47.65 per option	
		Rajendra K Jagnani	Head - Commercial Audit & Contract Management	40,000		₹ 47.65 per option	
		Shivani Singh	DVP – Content	40,000		₹ 47.65 per option	
		Devendra Singh	Head - DishTV Billing Applications	40,000		₹ 47.65 per option	
		R C Venkateish	Chief Executive Officer	563,400		2010-11	₹ 58.95 per option
		Gurpreet Singh	EVP – Sales (Dish Infra Services Pvt. Ltd.)	141,450	₹ 58.95 per option		
		Rajesh Sahni	Corporate Head - Service Support & Infrastructure (Dish Infra Services Pvt. Ltd.)	96,400	₹ 57.90 per option		
		Sanjiv Chaudhary	VP-Sales (Dish Infra Services Pvt.Ltd.)	76,800	₹ 58.95 per option		
		Ajay Kumar David	DVP-South Zone I	55,400	₹ 58.95 per option		
		Jaspreet Singh	Circle Business Head (Dish Infra Services Pvt.Ltd.)	54,600	₹ 57.90 per option		
		Dilip Jayaram	VP-Advertisement Sales	85,000	2011-12		₹ 93.20 per option
		Sailaja Charan Pattanayak	DVP-East Zone (Dish Infra Services Pvt. Ltd.)	40,000			
		Abhay S Metkar	Senior VP-Sales	141,450	2012-13	₹ 68.10 per option	
		Gurpreet Singh	Business Head – India 1 (Dish Infra Services Pvt. Ltd.)	141,450	2013-14	₹ 68 per option	
		Salil Srivastava	VP- West Zone (Dish Infra Services Pvt.Ltd.)	52,100		₹ 68 per option	
		Renjith NK	DVP-South Zone II	52,100		₹ 68 per option	
		R S Vijaykumar	DVP-South Zone (Dish Infra Services Pvt.Ltd.)	52,100		₹ 57.10 per option	
		Joy Patra	DVP-call center Operations	42,900		₹ 68 per option	
		Tarun Nanda	Head - Investor Relations	40,000		₹ 57.10 per option	

S. No.	Particulars		Details																		
	Name of Employee	Designation*	Options granted	Year of Grant	Exercise Price																
	Digbijaya Mahapatra	VP – Information Technology	55,400	2014-15	₹ 52.90 per option																
	Vineet Suri	Head - Business Process Excellence	45,400		₹ 52.90 per option																
	Jeetender S. Bhalla	VP – Call Center Operations (Dish Infra Services Pvt. Ltd.)	42,900		₹ 55.80 per option																
	Shruti Kumar	Head - Ad Sales, VAS & Carriage	40,000		₹ 79.35 per option																
	Sunil Kumar Dubey	DVP – Human Resource	23,800		₹ 79.35 per option																
	Varun Bali	VP – Brand	50,000	2015-16	₹ 117.75 per option																
	Kapil Kapoor	DVP- Central Zone	40,000		₹ 84.90 per option																
	Puneet Bajaj	DVP-Recharge Sales (Dish Infra Services Pvt. Ltd.)	40,000		₹ 84.90 per option																
	Shankar Sundararaman	DVP – Marketing	23,200		₹ 117.75 per option																
	Abhishek Gupta	Head – Information Technology	55,400	2016-17	₹ 93.90 per option																
	Arun Kumar Kapoor	CEO	563,400		₹ 93.90 per option																
	Sukhpreet Singh	Corporate Head - Marketing, Dish tv	60,000		₹ 108.15 per option																
	Amit Kumar Sobti	Corporate Head - Customer Experience (Dish Infra Services Pvt. Ltd.)	50,000		₹ 108.15 per option																
	Jitendera Pandey	Circle Business Head (Dish Infra Services Pvt. Ltd.)	40,000	2017-18	₹ 95.40 per option																
* Designations are the designations of the employees who are currently with the Company and in case of the employees who are no longer in the employment with the Company, the designation as on the date of the grant has been mentioned.																					
(c)	identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant													None							
(vii)	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:																				
(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																				
Date of Grant																					
	21-Aug-07	24-Apr-08	28-Aug-08	28-May-09	27-Oct-09	26-Oct-10	21-Jan-11	20-Jul-11	19-Jul-12	23-May-13	26-Jul-13	27-May-14	29-Oct-14	20-Mar-15	26-May-15	28-Jul-15	23-May-16	24-Mar-17	24-May-17		
Weighted – average Value of Share price (₹)	75.20*	63.25*	37.55	47.65	41.45	57.90	58.95	93.20	68.10	68.00	57.10	52.90	55.80	79.35	84.90	117.75	93.90	108.15	95.40		
Exercise price (₹)	75.20*	63.25*	37.55	47.65	41.45	57.90	58.95	93.20	68.10	68.00	57.10	52.90	55.80	79.35	84.90	117.75	93.90	108.15	95.40		
Expected volatility	68.23%	-	68.23%	73.47%	71.72%	64.89%	63.65%	60.68%	54.32%	48.94%	47.93%	43.76%	42.44%	47.93%	39.92	39.49	39.14%	38.49%	38.42		
Expected Life (yrs)	5	-	5	5	5	5	5	5	5	5	5	5	5	5	5.01	5.01	5.00	5.01	5.00		
Risk Free Interest rate	8.45%	-	8.48%	6.36%	7.35%	7.89%	8.01%	8.23%	8.06%	7.32%	8.57%	8.63%	8.57%	8.57%	7.84	7.84	7.36	6.79	6.80		
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.																				
* Re-priced at ₹ 37.55 on August 28, 2008																					

S. No.	Particulars	Details
	(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: August 17, 2018