



CERTIFICATE PURSUANT TO CLAUSE 49 V OF THE LISTING AGREEMENT

We, Jawahar Lal Goel, Managing Director and Rajiv Dalmia, Chief Financial Officer do hereby certify to the Board that :-

- a. We have reviewed the Balance Sheet as at March 31, 2008, the Profit and Loss Account and the Cash Flow statement for the year ended on that date and that to the best of our knowledge and belief :
 - (i) the said statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) the said statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. During the year : -
 - (i) there have not been any significant changes in internal control over financial reporting;
 - (ii) there have not been any significant changes in accounting policies; and
 - (iii) there have been no instances of significant fraud of which we are aware that involve management or other employees having significant role in the Company's internal control system over financial reporting.

Jawahar Lal Goel
Managing Director

Rajeev K Dalmia
Chief Financial Officer

Mumbai, June 18, 2008

DECLARATION PURSUANT TO CLAUSE 49 I (D) (ii) OF THE LISTING AGREEMENT

In accordance with Clause 49 I (D) (ii) of the Listing Agreement with the Stock Exchanges, I hereby confirm that the Board Members and Senior Management of the Company have affirmed their compliance with the Code of Conduct as applicable to them for the financial year ended March 31, 2008.

Jawahar Lal Goel
Managing Director

Rajeev K Dalmia
Chief Financial Officer

Mumbai, June 18, 2008

Directors' Report

To the Members,

Your Directors are delighted to present the Twentieth Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended March 31, 2008.

RESULTS OF OPERATIONS (Amount in thousands)

	FY 2007-08	FY 2006-07
Sales & Services	4,127,438	1,909,151
Other Income	29,731	33,975
Total Income	4,157,169	1,943,126
Total Expenses	8,283,323	4,459,433
Profit/(Loss) before Tax	(4,126,153)	(2,516,307)
Provision for Taxation (net)	5,893	2,508
Profit/(Loss) after Tax	(4,132,046)	(2,518,815)
Profit/(Loss) for the Year	(4,132,046)	(2,518,815)
Add: Balance brought forward	(2,518,815)	(3,268,593)
Less: Transfer to Restructuring Account	Nil	3,268,593
Amount available for appropriations	(6,650,861)	(2,518,815)
Appropriations:		
Dividend	Nil	Nil
Tax on Dividend	Nil	Nil
General Reserve	Nil	Nil
Balance carried forward	(6,650,861)	(2,518,815)

BUSINESS OVERVIEW

During the year, your team Dish TV was engaged in expansion of business activity at grass root level and consolidation of systems and processes to derive the synergies and optimize the use of available resources. Key focus area included strengthening the robustness of subscriber management system, creation of Dish Care Centre across the country, promoting exclusive Dish Shoppe, Expansion of Distributor and Dealer network in remote area and empowering zones to function as an independent office with devolution of power and authority for faster decision and better output.

Sales are driven by strengthening and deepening the distribution infrastructure, focused attention on sales related to Multi Dwelling Units (MDU), Key chain stores, Corporate Direct Sales, Corporate tie ups for bundling of product, special promo offers for regional festivals and of course cricket led sales. Roping of Mr. Shah Rukh Khan as brand ambassador also helped in leveraging the Brand Image, stature, imagery and contributed to overall feel good factor in the trade circle.

Special emphasis on Movie On Demand, Gaming, Interactive service also helped in enriching the offer and reaching out to a larger section of community.

During the year the Company had added one million subscribers thereby total subscriber base crossed over 3.0 million with a market

share of over 60%. Despite the emergence of new competition, Dish TV was able to maintain its leadership in the category. Your Company also launched VGA Box during the year, which has the capability to convert a computer into a TV set, the response of which was encouraging. During the year your Company also launched Dish TV in Airlines and on Mobile Vans ahead of any other competitor which clearly establishes our technological superiority.

India is the second largest TV market after China and Direct To Home (DTH) will continue to increase its market share in a rapid way. Moreover, digitalization of delivery platform, launch of New TV channels, Implementation of Conditional Access System (CAS), Distribution reach, Robust GDP growth, Launch of new technology e.g. DVR will continue to drive this sector.

Dish TV believes that competition will grow the market and it would benefit your Company in terms of market leadership and sustained growth in the near future.

SUBSIDIARY OPERATIONS

Your Company has three subsidiaries viz : Integrated Subscriber Management Services Limited (ISMSL), Agrani Satellite Services Limited (ASSL) and Agrani Convergence Limited (ACL).

Ministry of Corporate Affairs, Government of India has, vide its letter no. 47/152/2008-CL-III dated June 16, 2008 granted exemption to the Company from applicability of provisions of Section 212(1) of the Companies Act, 1956, relating to attachment of the accounts of subsidiary companies to its Annual Accounts for the financial year ended March 31, 2008. Accordingly, Annual Accounts of the subsidiaries for the current financial year are not being attached with the Annual Report of the Company. Financial highlights of the subsidiary companies are disclosed in the Annual Report and the Annual Accounts of the subsidiary companies are available for inspection by any member of the Company who may be interested.

As required by Accounting Standard-21 issued by the Institute of Chartered Accountants of India, the financial statements of the Company reflecting the Consolidation of the Accounts of its subsidiaries to the extent of equity holding of the Company in these Companies are included in this Annual Report.

SHARE CAPITAL

During the financial year 2007-08, there has been no change in the issued capital of the Company.

Your Board of Directors at its Meeting held on April 24, 2008 have approved the issue of additional shares through a Rights Issue for a value aggregating Rs.1140 crores. The Draft Letter of offer for the proposed Rights Issue has been filed with the Securities Exchange Board of India (SEBI) and the Stock Exchanges in May 2008 and your management is hopeful of getting all requisite approvals soon.

To facilitate the Rights Issue, the Members at the Extra Ordinary General Meeting held on May 29, 2008, have approved the increase of the authorized share capital from Rs.73 crores to Rs. 100 crores.

DELISTING OF EQUITY SHARES FROM CALCUTTA STOCK EXCHANGE

The Equity Shares of your Company are currently listed on the Bombay Stock Exchange Limited (BSE), the National Stock Exchange of India Limited (NSE) and the Calcutta Stock Exchange Association Limited (CSE). Since the trading volumes of Company's shares in CSE are insignificant and Company's securities are available for trading at BSE & NSE, who have extensive network of nationwide trading terminals, the continued listing of the Equity Shares of the Company on CSE neither serves the interest of the Members/Investors nor that of the Company.

Your Board has therefore proposed delisting of Company's Equity Shares from the Calcutta Stock Exchange Association Limited (CSE). Appropriate resolution seeking Member's approval, for delisting of Company's Equity Shares from CSE has been incorporated in the Notice of the Annual General Meeting.

PUBLIC DEPOSITS

During the year, your Company has not accepted any Deposits under Section 58A and Section 58AA of the Act, read with Companies (Acceptance of Deposits) Rules, 1975.

CORPORATE GOVERNANCE

A separate report on Corporate Governance together with Auditors' Certificate on compliance is attached to this Annual Report as also a Management Discussion and Analysis statement.

DIRECTORS

Your Board had appointed Mr. Eric Louis Zinterhofer as an Additional Director of the Company in the category of Independent Director with effect from October 22, 2007 and Mr. Mintoo Bhandari as an Alternate Director to Mr. Eric from July 28, 2008. Mr. Eric Zinterhofer vacates his office at the ensuing Annual General Meeting and has filed requisite consent to act as a Director of the Company. Notice has been received from a Member of the Company under Section 257 of the Companies Act, 1956 for the appointment of Mr. Eric as a Director of the Company. Appropriate resolution seeking your approval to the appointment of Mr. Eric Zinterhofer as the Director of the Company is appearing in the Notice convening the 20th Annual General Meeting of the Company.

Mr. Bhagwan Dass Narang and Mr. Ashok Kurien, Directors retire by rotation at the ensuing Annual General Meeting of your Company and, being eligible, have offered themselves for the re-appointment. Your Board has recommended their re-appointment.

AUDITORS

Statutory Auditors M/s MGB & Co., Chartered Accountants, Delhi, retire at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Information required to be provided under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of

Particulars in the Report of the Board of Directors) Rules, 1988 in relation to Conservation of Energy and Technology Absorption are currently not applicable to the Company and therefore particulars in connection therewith are as under:

- a) Conservation of Energy- Nil
- b) Technology Absorption- Nil

Particulars of foreign currency earnings and outgo during the year are given in Note 35.3 to the notes to the Accounts forming part of the Annual Report.

PARTICULARS OF EMPLOYEES

Information required to be furnished in terms of Section 217(2A) of the Companies Act, 1956 ('Act') read with the Companies (Particulars of Employees) Rules, 1975 is required to be set out in an annexure to this report. However, in terms of Section 219(1)(b) of the Act, the Report and Accounts are being sent to the shareholders excluding the aforesaid annexure. Any shareholder interested in obtaining copy of the same may write to the Company Secretary at the Corporate Office. None of the employees, except Mr. Jawahar Lal Goel, listed in the said annexure are related to any Director of the Company.

HUMAN RESOURCE MANAGEMENT

Your Board believes that Employees are vital to the Company. Your Company has created a favourable work environment which encourages innovation and meritocracy. The Company has also set up a scalable recruitment and human resource management process which enables us to attract and retain high caliber employees.

EMPLOYEES STOCK OPTION (ESOP) SCHEME

Pursuant to the special resolution passed by the Members at the AGM held on August 3, 2007, your Company has implemented an Employees Stock Option Scheme (ESOP-2007) to reward our employees for their past association with the Company and performance and also to motivate them to contribute to the growth and profitability of the Company.

The applicable disclosures as stipulated under the SEBI Guidelines as at March 31, 2008 are annexed herewith and forms part of this report.

In view of the recent volatility in the market and consequent fall in the price of the equity shares of the Company, the options granted which would vest in the employees in future have become unattractive. The Board of the Directors of your Company, therefore, had approved re-pricing of the stock options already granted under the ESOP-2007 to the eligible employees subject to your approval in the ensuing Annual General Meeting.

A Certificate from the Statutory Auditors of the Company M/s MGB & Co., Chartered Accountants, Delhi, with respect to the implementation of Company's ESOP Scheme, will be placed before the shareholders in the ensuing Annual General Meeting and

a copy of the same shall be available for inspection at the corporate office of the Company on all working days (except Saturdays and Sundays) between 2.00 p.m. to 5.00 p.m., upto the date of the ensuing Annual General Meeting.

Re-pricing of the stock options is forming part of the Notice calling the Annual General Meeting.

RESPONSIBILITY STATEMENT

In terms of and pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors, in relation to the Annual Statement of Accounts for financial year 2007-2008, state and confirm that:

- a) the Accounts had been prepared on a 'going concern' basis and in such preparation the applicable accounting standards had been followed with proper explanation relating to material departures;
- b) your Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year, and of the profit of the Company for that year; and

- c) your Directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 as amended, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to place on record their appreciation of the dedication and commitment of employees at all levels that has contributed to the success of your Company. Your Directors thank and express their gratitude for the support and co-operation received from the Central and State Governments – mainly the Ministry of Information and Broadcasting (MIB), the Department of Telecommunication (DoT) and Foreign Investment Promotion Board (FIPB), Ministry of Finance - and other stakeholders including viewers, vendors, bankers, investors, service providers as well as regulatory and governmental authorities.

For and on behalf of the Board

Jawahar Lal Goel
Managing Director

B.D Narang
Director

Place : Noida

Date : July 28, 2008

Annexure to Directors' Report

I. Disclosures as stipulated under the SEBI (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999 and forming part of Directors' Report

S. No.	Particulars	Grant of Options		
		Date of Grant	No. of Options Granted	Exercise price / Equity Share
A	Details of Options Granted and Exercise price of Options	August 21, 2007 April 24, 2008	3,073,050 184,500	Rs. 75.20 Rs. 63.25
B	Total number of options granted			32,57,550*
C	Total options vested (includes options exercised)			NIL
D	Options exercised			NIL
E	Options forfeited/ lapsed/ cancelled			13,74,000
F	Total number of Equity Shares arising as a result of full exercise of options already granted			18,83,550
G	Variations in terms of options			NIL
H	Money realised by exercise of options			NIL
I	Options outstanding (in force)			18,83,550
J	Pricing Formula/Exercise price	The latest available closing price prior to the date of the meeting of the Remuneration Committee in which the options are granted/ shares are issued (Grant Date) on the Stock Exchanges		

Annexure to Directors' Report

K	Person wise details of options granted:			
	Directors and key managerial employees			
	Name	Designation	No. of options granted	No. of options outstanding
	Amitabh Kumar	President –Technology	1,64,700	1,64,700
	Rajiv Khattar	President – Projects	1,67,950	1,67,950
	Rajeev K Dalmia	Chief Financial Officer	1,71,100	1,71,100
	Any other employee who received a grant of options amounting to 5% or more of the total options granted			
	Name	Designation	No. of options granted	No. of options outstanding
	V.K. Gupta	Chief Operating Officer – ISMSL	97,200	97,200
	Identified employees who are granted options, 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		
L	Difference, if any, between employee compensation cost (calculated using the intrinsic value of stock option) and the employee compensation cost (calculated on the basis of fair value of options)	None		
M	Vesting schedule			
	For the grant on August 21, 2007:	August 2008 to August 2012		
	For the grant on April 24, 2008 :	April 2009 to April 2013		
N	Lock-in	One year from the date of the grant		
O	Impact on profits and EPS of the last three years if the Company had followed the accounting policies specified in Clause 13 of the ESOP Guidelines	Nil		

* As per the provisions of the ESOP Scheme, in the event of Rights Issue of Equity Shares, an option holder would not be eligible for the bonus or rights shares but an adjustment to the number of options or the exercise price or both, would be made as decided by the remuneration committee.

II. STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

1. Name of the subsidiary	Integrated Subscriber Management Services Limited	Agrani Satellite Services Limited	Agrani Convergence Limited
2. Financial year ended	March 31, 2008	March 31, 2008	March 31, 2008
3. Holding Company's interest	100%	100%	51%
4. Share held by the Holding Company in the subsidiary	50,000 Equity Shares of Rs. 10/- each	94,401,004 Equity Shares of Rs. 10/- each	12,470,544 Equity Shares of Rs. 10/- each

Annexure to Directors' Report

5. The net aggregate amount of profit/(losses) of the subsidiary so far as it concerns the members of the holding Company and is dealt with in account of holding Company:		Nil Nil	Nil Nil	Nil Nil
a) For the Financial Year ended on March 31, 2008				
b) For the previous Financial Years of the Subsidiaries since it became a subsidiary.				
6. The net aggregate amount of profit / (losses) of the subsidiary so far as it concerns the members of the holding Company and is not dealt with in account of holding Company:		Rs. (9,577,356) Rs. 7,384,891	Nil Nil	Rs. 347,462 Rs. (405,892,113)
a) For the Financial Year ended on March 31, 2008				
b) For the previous Financial Years of the Subsidiaries since it became a subsidiary.				

For and on behalf of the Board

Jawahar Lal Goel
Managing Director

B. D. Narang
Director

Rajeev K. Dalmia
Chief Financial Officer

Jagdish Patra
Company Secretary

Place : Noida

Date : July 28, 2008

STATEMENT PURSUANT TO EXEMPTION RECEIVED UNDER SECTION 212(8) OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES FOR THE YEAR ENDED MARCH 31, 2008.

SUBSIDIARIES

Particulars	Integrated Subscriber Management Services Limited	Agrani Satellite Services Limited	Agrani Convergence Limited
Summary Balance Sheet			
Share Capital	500,000	944,010,040	244,520,460
Reserve and Surplus	-	-	-
Total Assets	878,694,872	1,587,016,131	23,105,347
Total Liabilities	880,387,335	643,006,091	184,155,038
Investments (excluding subsidiaries)	-	-	25,500
Summary Profit and Loss Account			
Turnover	587,885,907	-	-
Profit before tax	(8,200,852)	-	347462
Provision for tax	1,376,504	3016540	-
Profit After tax	(9,577,356)	-	347462
Proposed Dividend	-	-	-