

Dish TV India Limited

Regd. Office: Essel House, B-10, Lawrence Road, Industrial Area, Delhi - 110 035
Corporate Office: FC-19, Sector-16A, Noida (U.P.) - 201 301

NOTICE

Notice is hereby given that the **21st Annual General Meeting** of the members of Dish TV India Ltd. will be held at NCUI Auditorium, 3, Siri Institutional Area, August Kranti Marg, New Delhi – 110 016 on Monday, the 3rd day of August, 2009, at 11:30 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2009, the Profit and Loss account of the Company for the Financial Year ended on that date and the Reports of the Auditors' and Directors' thereon.
2. To appoint a Director in place of Dr. Pritam Singh, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Arun Duggal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. MGB & Co., Chartered Accountants, as Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Board of Directors of the Company.

SPECIAL BUSINESS:

5. ***To consider and if thought fit, to pass, the following resolution, with or without modification(s), as a Special Resolution:***

“RESOLVED THAT pursuant to Article 100 of the Articles of Association of the Company, the provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 as amended and subject to such other approval(s) as may be required including approval of Central Government, consent be and is hereby accorded for the re-appointment of Mr. Jawahar Lal Goel, as the Managing Director of the Company for a period of 3 years effective from January 6, 2010 on the terms and conditions and the remuneration as detailed hereunder:

(1) Tenure -

Re-appointment for a period of 3 years from January 6, 2010.

(2) Remuneration

- a) Salary
His basic salary is fixed at Rs. 270,000/-per month. The annual increment will be on merit based, pursuant to necessary approvals.
- b) Perquisites
In addition to the basic salary payable, Mr. Goel shall be entitled to perquisites and allowances like:
 - a) House Rent Allowance (subject to a maximum of Rs.135,000/-per month)
 - b) Personal Allowance (subject to a maximum of Rs.151,850/-per month)
 - c) Medical reimbursement (subject to a maximum of Rs.15,000/-per annum)
 - d) Leave travel allowance (subject to a maximum of Rs. 270,000/-per annum)
 - e) Company's Contribution to Provident Fund as per the rules of the Company, Gratuity, leave and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and Mr. Goel.
 - f) Provisions for the Company maintained car.
 - g) Driver Salary (subject to a maximum of Rs. 10,000/-per month)
 - h) Fuel Charges (subject to a maximum of Rs. 35,000/-per month)
 - i) Provision of Telephone at residence (subject to a maximum of Rs. 2,000 per month)
 - j) Mr. Goel will also be entitled to reimbursement of entertainment expenses and mobile expenses incurred by him for the purposes of the business of the Company.

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable, in the absence of any such rules, perquisites shall be evaluated at actual cost.

c) Overall Remuneration

The aggregate of salary, perquisites and allowances in any one Financial Year shall not exceed the limits prescribed under Section 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act as amended from time to time.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation in the provisions relating to the payment of remuneration to the managerial persons or to Schedule XIII to the Companies Act, 1956, the Board of Directors (hereinafter referred to as the “Board”, which term shall be deemed to include any committee thereof) be and is hereby authorized to vary the remuneration including salary, commission, perquisites etc. within such prescribed limits.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take such steps expedient or desirable to give effect to this resolution.”

6. To consider and if thought fit, to pass, the following resolution, with or without modification(s), as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force), authority and consent be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”, which expression shall include a Committee of Directors duly authorised in this behalf) to borrow and raise such sum or sums of money or monies from time to time as may be required for the purpose of business of the Company notwithstanding that the money or monies to be borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the aggregate of such borrowings shall not exceed Rs.3,000 Crores at any point of time.”

7. To consider and if thought fit, to pass, the following resolution, with or without modification(s), as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force, such Act being referred to as the “Act”), the applicable provisions of Foreign Exchange Management Act, 1999 (“FEMA”), rules, regulations, guidelines, notifications and circulars issued under FEMA including but not limited to Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, provisions of Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended, Chapter XIII A of SEBI (DIP) guidelines and other applicable rules, regulations, guidelines, notifications and circulars of the Securities and Exchange Board of India (“SEBI”) and enabling provisions of the Memorandum and Articles of Association of the Company and the listing agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed, and subject to requisite approvals, consents, permissions and/or sanctions of SEBI, the Stock Exchanges, Reserve Bank of India, the Ministry of Information and Broadcasting, the Department of Industrial Policy and Promotion, Ministry of Commerce, the Foreign Investment Promotion Board, and all other authorities as may be required, whether in India or outside India, and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and / or sanction which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), the Board be and is hereby authorized at its absolute discretion to create, offer, issue and allot in one or more tranches, in the course of domestic / international offerings to one or more persons as the Board may determine at its absolute discretion, whether or not they are members of the Company, including but not limited to domestic investors / foreign investors whether having presence in India or not / institutional investors / foreign institutional investors, members, employees, non-resident Indians, companies or bodies corporate whether incorporated in India or abroad, trusts, mutual funds, banks, financial institutions, insurance companies, pension funds, individuals or otherwise, whether shareholders of the Company or not, through a public issue, rights issue, preferential issue and / or private placement, with or without an over-allotment option, with or without reservation on firm and / or competitive basis of such part of the issue for such person or categories of persons as may be permitted, equity shares and / or equity shares through depository receipts including Foreign Currency Convertible Bonds and / or Global Depository Receipts and / or American Depository Receipts and / or Qualified Institutions Placement (QIP) and / or any other securities convertible into equity shares at the option of the Company and / or holder(s) of the securities and/or securities linked to equity shares and / or securities with warrants including any instruments or securities representing either equity shares and / or Foreign Currency Convertible Bonds or convertible securities or securities linked to equity shares or equity shares / fully convertible debentures / partly convertible debentures or any securities, which are convertible or exchangeable with equity shares at a later date (hereinafter, collectively referred to as “Securities”), secured or unsecured, listed on any Stock Exchange inside India, through an offer document and / or prospectus and / or offer letter and / or offering circular and / or information memorandum and / or any other offering document(s) including an umbrella or shelf offering document, and / or listing particulars, as the

Board in its sole discretion may at any time or times hereafter decide, for an aggregate amount not exceeding US\$ 200 Million (approximately Rs. 1000 Crores at the current rate of exchange), inclusive of such premium from time to time, such issue and allotment to be made at such time or times in one or more tranches, denominated in one or more currencies, at such price or prices in such manner and where necessary in consultation with the lead managers and / or underwriters and / or stabilizing agents and / or other advisors or otherwise on such terms and conditions as the Board may, in its absolute discretion, decide at the time of issue of Securities with or without any greenshoe option, through an offer document and / or information memorandum as the Board in its sole discretion decide.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid offer/issue of securities may have all or any terms or combination of terms in accordance with the prevalent market conditions including but not limited to terms and conditions relating to payment of interest, dividend, premium or redemption at the option of the Company and/or the holders of the securities including terms for offer/issue of additional equity shares or variation of the conversion price or period of conversion of securities in to equity shares or terms pertaining to voting rights or option(s) for early redemption of securities and the Board be and is hereby authorised to determine the form, terms, timing of the offer(s)/issue(s) including the class of investors, number of securities to be issued and/or allotted in each tranche, offer/issue price, face value, premium amount on issue / conversion of securities, redemption of securities, rate of interest, redemption period, listing on one or more Stock Exchanges in India or overseas as the Board may in its absolute discretion deem fit and to make and accept any modifications in the proposal as may be required by the authorities and to do all acts, deeds, matters and things as may be necessary and to settle any questions or difficulties that may arise in regard to the said offer(s)/issue(s) of securities.

RESOLVED FURTHER THAT the Board be and is hereby authorized to offer, issue and allot such number of ordinary equity shares ranking *pari-passu, inter-se*, with the then existing ordinary shares of the Company in all respects from time to time as may be required to be issued and allotted upon exercise of conversion option by the holder(s) of the securities in accordance with the terms of the issue of securities.

RESOLVED FURTHER THAT the consent of the Company be and is hereby granted in terms of Section 293(1)(a) and other applicable provisions, if any, of the Act and subject to all necessary approvals, to the Board to secure, if necessary, all or any of the above Securities to be issued by the creation of mortgage and / or charge on all or any of the Company's immovable and / or movable assets, both present and future, in such form and manner and on such terms as may be deemed fit and appropriate by the Board.

RESOLVED FURTHER THAT the Board and / or any entity, agency or body authorised and / or appointed by the Board may, upon issue of such Securities, issue depository receipts representing the underlying Securities issued by the Company in negotiable registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability and free transferability thereof as per international practices and regulations in or under such form and practices as may be prevalent in the international market.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and matters flowing there from, connected with and incidental to any of the matters mentioned in the aforesaid resolution, the Board be and is hereby authorized on behalf of the Company to take all actions and to do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue / offer or allotment or conversion of the aforesaid Securities, listing thereof with any of the international / domestic stock exchange(s) and to resolve and settle all questions and difficulties that may arise in the proposed issue / offer, allotment and conversion of any of the aforesaid Securities, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

8. To consider and if thought fit, to pass, the following resolution, with or without modification(s), as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 16, 94 and other applicable provisions, if any, of the Companies Act, 1956, the Authorised Share Capital of the Company be and is hereby increased from Rs. 100,00,00,000/- (Rupees One Hundred Crores Only) divided into 100,00,00,000 Equity Shares of Re. 1/- each to Rs. 135,00,00,000/- (Rupees One Hundred and Thirty Five Crores Only) divided into 135,00,00,000 Equity Shares of Re. 1/- each by creation of additional 35,00,00,000 Equity Shares of Re. 1/- each and in consequence thereof the existing Clause V of the Memorandum of Association of the Company relating to share capital be substituted by the following clause :

"The Authorised Share Capital of the Company is Rs. 135,00,00,000/- (Rupees One Hundred and Thirty Five Crores Only) divided into 135,00,00,000 (One Hundred and Thirty Five Crores) Equity Shares of Re. 1/- (Rupees One) each with the power to increase or decrease, consolidate or sub-divide the shares under the provisions of the Companies Act, 1956."

9. To consider and if thought fit, to pass, the following resolution, with or without modification(s), as a Special Resolution:

“RESOLVED THAT in accordance with the provisions of Section 31 of the Companies Act, 1956 and all other applicable provisions, if any of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered as follows:

After Article 3, the following new Article numbered 3A shall be inserted as under:

3A : Issue of Securities

The Company may issue Debentures, Debenture Stock or loan, loan stock, Global Depository Receipts (GDRs), American Depository Receipts (ADRs), Share Warrants or any other security convertible in to or exchangeable for the Shares of the Company or conferring the right to allotment or the option of right to call for allotment of shares of the Company, securities linked to Equity Shares, securities with Warrants, including Foreign Currency Convertible Bonds (FCCBs) and Foreign Currency Exchangeable Bonds (FCEBs) subject to, and in accordance with, applicable laws, including provisions of the Companies Act, 1956, the Securities and Exchange Board of India (SEBI) Guidelines, Regulations and instructions and subject to other applicable legal and regulatory provisions to any eligible person, including Qualified Institutional Buyers, Foreign / resident investors, Indian and or Multinational Financial Institutions, Mutual Funds, Banks, Non-Resident Indians, stabilizing agents and any other categories of investors, whether they be holders of shares of the Company or not.”

The Register of Members and Share Transfer Books of the Company will remain closed on June 30, 2009 (one day).

By order of the Board

Place : Noida

Date : June 18, 2009

Jagdish Patra
Company Secretary

Registered Office:

Essel House, B-10,
Lawrence Road, Industrial Area,
Delhi - 110 035

NOTES:

- 1. A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on a poll on his behalf. A proxy need not be a member of the Company.**

Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Annual General Meeting.

2. Corporate Members are requested to send to the Registered Office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorising their representative to attend and vote at the Annual General Meeting.
3. Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, relating to the Special Businesses to be transacted at the Annual General Meeting is annexed.
4. Additional information, pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, on Directors, recommended by the Board of Directors for appointment/re-appointment at the Annual General Meeting forms part of the Report on Corporate Governance in the Annual Report.
5. Members/Proxies should bring their Attendance Slips along with copy of the Annual Report to the meeting.
6. Members who are holding Company's shares in dematerialized form are required to bring details of their Depository Account Number for identification.
7. Queries on accounts and operations of the Company, if any, may be sent to the Company Secretary seven days in advance of the meeting so as to enable the Management to keep the information ready at the meeting.
8. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays between 2 P.M. to 4 P.M. upto the date of the Annual General Meeting.
9. Members holding equity shares in physical form are requested to notify the change of address, if any, to the Company's Registrar and Share Transfer Agent, Sharepro Services (India) Pvt. Ltd., 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400 072, India.

10. Under Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form No.2B in duplicate (which will be made available on request) to M/s. Sharepro Services (India) Pvt. Ltd.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 5

Mr. Jawahar Goel was appointed as the Managing Director of the Company for a period of 3 years effective from January 6, 2007 and the said appointment would expire on January 5, 2010. During the tenure of Mr. Goel as the Managing Director, the Company has made considerable progress in all spheres and has since achieved tremendous growth and acquired goodwill and reputation in business.

Your Board feels that the Company should continue to avail the services of Mr. Goel as a very able and experienced person and accordingly your Board has, subject to your approval, in the meeting held on June 18, 2009 has re-appointed Mr. Jawahar Lal Goel as the Managing Director of the Company for a further period of three years with effect from January 6, 2010, at a remuneration approved by the Remuneration Committee on June 18, 2009.

As the re-appointment of Mr. Jawahar Lal Goel is subject to the approval of Central Government, information / statements pursuant to Schedule XIII to the Companies Act, 1956 are given hereunder:

I. GENERAL INFORMATION:

- Nature of Industry: The Company is engaged in providing Direct-to-Home ('DTH') service comprising of distribution of satellite based television signals, constituting Channels, pursuant to a DTH license issued by the Ministry of Information & Broadcasting, Government of India (MIB). The Company is also into the business of providing Teleport Services (uplinking and space segments) to the broadcasters of various channels.
- Date of Commencement of Service: October 2, 2003
- Financial Performance: For Financial Year 2008-09 (Rs. In Lakhs)

Revenue	73,769.45
EBITDA	(18,744.17)
PAT Before Exceptional Items	(47,627.74)
PAT After Exceptional Items	(47,627.74)
EPS Before Exceptional Items (In Rs.)	(10.02)
EPS After Exceptional Items (In Rs.)	(10.02)
Total Assets	209,693.65
Shares Outstanding (No.)	946,372,395

Financial Performance	
DTH Revenue/ Income from Operations	69,045.37
Teleport Revenue/ Income from Operations	1,330.63
Sales/ Income from Operations	953.30
Operating Margin (PBT + Interest)	(40,284.92)
Net Margin (After Exceptional Items)	(40,284.92)

Balance Sheet	
Current Ratio	0.56
ROCE (PBIT/Effective Capital Employed)	(0.27)
Per Share Data (Annualized)	
Revenue Per Share	15.52
EPS (Before Exceptional Items)	(10.02)

- Export Performance and net foreign exchange collaboration: Nil
- Foreign investments or collaborators, if any: Nil

II. INFORMATION ABOUT APPOINTEE:

- a. **Background details:** Mr. Goel ventured into a trade of Agro Commodities at a young age of 16 years in 1970. He played a vital role in conceptualizing & establishing Siti Cable Network Ltd. (a Multi System Operator) - one of the largest cable distribution network of various TV channels in India in 1994. Mr. Goel is actively involved in creation and expansion of Essel Group of Industries. He is a Prime architect in establishing India's most modern and advanced technological infrastructure for the implementation of Conditional Access System (CAS) and Direct To Home (DTH) services. He has been a prophet in pioneering the DTH services in India and instrumental in establishing Dish TV as a prominent brand with India's most modern and advanced technological infrastructure.
- b. **Past Remuneration:** The Ministry of Corporate Affairs, Government of India, vide its approval no. 12/259/2007-CL-VIII dated September 20, 2007, approved the payment of remuneration of Rs. 61,74,000/- per annum to Mr. Jawahar Lal Goel for the initial term of his appointment i.e from January 6, 2007 to January 5, 2010. The Company has been paying the approved remuneration to Mr. Goel since January 6, 2007.
- c. **Recognition or awards:** Mr. Goel is the President of Indian Broadcasting Foundation (IBF) which takes up various issues relating to Broadcasting industry at various forums. He is active member on the Board of various committees and task force, set up by Ministry of Information & Broadcasting, Govt. of India (MIB) which takes care of several critical matters relating to the industry. He is a prime architect in establishing India's most modern and advanced technological infrastructure for the implementation of CAS and DTH services through "HITS".
- d. **Job Profile and its suitability:** Mr. Goel is a technocrat having around 40 years diversified experience including in the entertainment industry. In view of his rich experience, dynamism and recognition, your board feels that Mr. Goel would be the most competent person to continue as the Managing Director of the Company.
- e. **Remuneration Proposed:**
 - 1) **Basic Salary :** Rs. 270,000/- per month. The annual increment will be on merit based, pursuant to necessary approvals.
 - 2) **Perquisites :** In addition to the basic salary payable, Mr. Goel shall be entitled to perquisites and allowances like:
 - House Rent Allowance (subject to a maximum of Rs. 135,000/- per month)
 - Personal Allowance (subject to a maximum of Rs. 151,850/- per month)
 - Medical reimbursement (subject to a maximum of Rs. 15,000/- per annum)
 - Leave travel allowance (subject to a maximum of Rs. 270,000/- per annum)
 - Company's Contribution to Provident Fund as per the rules of the Company, Gratuity, leave and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and Mr. Goel.
 - Provisions for the Company maintained car
 - Driver Salary (subject to a maximum of Rs. 10,000/- per month)
 - Fuel Charges (subject to a maximum of Rs. 35,000/- per month)
 - Provision of Telephone at residence (subject to a maximum of Rs. 2000/- per month)
 - Mr. Goel will also be entitled to reimbursement of entertainment expenses and mobile expenses incurred by him for the purposes of the business of the Company.

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable, in the absence of any such rules, perquisites shall be evaluated at actual cost.
- f. **Comparative Remuneration profile with respect to industry, size of the Company, profile of the position and person:** Currently there are only five players venturing into this business of DTH. Remuneration of the Managing Director/Managerial Personnel are not comparable, as the other DTH players are either Private Limited Companies or Unlisted Companies.
- g. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:** NIL

III. OTHER INFORMATION :

- a. **Reasons of loss or inadequate profit:** The Company continues to acquire customers and incur subsidy on all such acquisitions. Moreover, we are also spending on brand building, marketing, infrastructure, customer support service, sales and distribution infrastructure etc. The benefit of which will accrue in later years. Fixed cost pertaining to salary, administration and transponder charges continues to create heavy toll on the finances of the Company. Recent competition has also led to margin pressure and sub-optimal pricing of the product.
- b. **Steps taken or proposed to be taken for improvement:** The Company has already achieved EBITA break-even in the fourth quarter of FY-2009 and is hopeful of achieving such break-even on a full year basis during the current Financial Year. Several

steps taken to contain the cost across all the heads of expenses and augmentation of revenue by movie on demand and other value added services has led to higher income and such efforts will continue in the years to come.

- c. Expected increase in productivity and profits in measurable terms :** We are hopeful of achieving break-even at operating cash level in FY-2011 with a subscriber base of around 11 million.

The Board of Directors of the Company at its meeting held on June 18, 2009 has appointed Mr. Jawahar Lal Goel as Managing Director for a period of three years with effect from January 6, 2010 on the terms and conditions as approved by the Remuneration Committee of Directors and as set out in the proposed Resolution of the convening Notice.

Accordingly, your Directors recommend the resolution as set out in the convening Notice for your approval.

Mr. Jawahar Lal Goel, Executive Director and Mr. Subhash Chandra, Non-Executive Director and Chairman of the Board are related and hence interested. Apart from the above, no other Director is in any way concerned or interested in the aforesaid Resolution.

The Board recommends this Special Resolution for your approval.

The given particulars of his appointment and remuneration as stated above, may be treated as an Abstract pursuant to Section 302 of the Companies Act, 1956

ITEM NO. 6

Members, at the meeting held on May 29, 2008 had authorized the Board to borrow, in excess of the paid up capital of the Company and its free reserves, up to an amount not exceeding Rs. 2,000 Crores.

To facilitate future business expansions and considering the proposed issue of securities convertible into equity shares, it is desirable that the existing authority for borrowings by the Company be enhanced and it is, therefore, proposed to enhance the borrowing limits delegated to the Board from the existing Rs. 2,000 Crores to Rs. 3,000 Crores and accordingly your approval is sought under the provisions of Section 293(1)(d) of the Companies Act, 1956.

None of the Directors of the Company are in any way concerned or interested in the Resolution. The Board recommends the Resolution for your approval.

ITEM NO. 7, 8 & 9

As the Members are aware, the main business of your Company viz. Direct-to-home (DTH) business is highly capital intensive requiring huge financial resources from time to time. Your Board has been meeting these requirements through borrowings from Banks / Financial Institutions, rights issue proceeds and requisite funding from Promoter Group from time to time. Your Board is in the process of making the first call on the rights issue. Considering the funding needs and current market conditions, in order to augment the resources available to the Company, it is also proposed to offer, issue and allot, Foreign Currency Convertible Bonds (FCCBs), and / or other equity linked securities and / or securities convertible into equity shares, at later date, and / or Global Depository Receipts (GDRs) and / or American Depository Receipts (ADRs) and / or Qualified Institutions Placement (QIP), up to a sum not exceeding US\$ 200Million (approximately Rs. 1000 Crores at the current rate of exchange).

In terms of the requirements of Section 81(1A) of the Companies Act, 1956, the said offer and issue of FCCBs or similar securities with conversion option for converting the said Bonds into equity shares would require your consent and approval. To facilitate issue of shares, if any, arising out of conversion of the said securities your approval would be necessary to increase the existing authorized share capital of the Company from the present Rs. 100 Crores to Rs. 135 Crores, and the proposed amendment to the Memorandum of Association of the Company is consequential in nature.

The alteration of Articles of Association is to enable the Company to raise money, both in India and Abroad, by issue of all types of securities. It also enables the Company to create, issue, allot any existing or new financial instruments that may be available in Capital market.

None of the Directors of the Company is, in any way, concerned or interested in the resolution except in the capacity of the Shareholder(s) of the Company.

Your Directors, therefore, recommend the resolutions number 7 and 9 to be passed as Special Resolutions and resolution number 8 as Ordinary Resolution by the members.

By order of the Board

Place : Noida
Date : June 18, 2009

Jagdish Patra
Company Secretary

Registered Office:
Essel House, B-10,
Lawrence Road, Industrial Area,
Delhi - 110 035