

Annual Report for Shareholders 2000-01

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Dil Hai Hindustani Aakhir Dil Hai Hindustani Aakhir Dil Hai Hindustani Aakhir Dil Hai Hindustani

Clarification on 'Forward looking statements'

This annual report (including the Management Discussion and Analysis) contains statements relating to the future results of the company that are 'forward looking statements'. Readers are cautioned not to place an undue reliance on these forward-looking statements and such forward-looking statements are qualified in their entirety by reference to the following cautionary statements : all forward-looking statements speak only as things stood on a particular date. They are based on current expectations and involve a number of assumptions, risks and uncertainties. The latter could cause the actual results to differ materially from such forward-looking statements. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'intends', and words and terms with similar substance in connection with any discussion of future operating or financial performance



Contents

ETC Network Limited - the company 1 CEO's strategy for future 11 A few minutes with the Director 11 Vision and Highlights 11
 Corporate description 15 **etc's** value driver - programming 16 **etc's** value driver - distribution 17 **etc's** value driver - marketing 18 **etc's** value driver - sales 19 **etc's** value driver - Management discussion & analysis 20 Risk management 20 Directors' report 40 Auditors' report 51 Annexure to Auditors' Report 51 Balance Sheet 52 Profit & Loss Account 52 Schedules 52 Balance Sheet Abstract 63 Cash Flow Statement 64 Auditors' Certificate 64 How **etc** brightens up your life 64

Board of Directors

Yogesh Shah
Yogesh Radhakrishnan
Jagjit Singh Kohli

Senior Management Team

Pradeep Dixit	Chief Executive Officer
Vijay A. Shah	Head - Legal and Finance
P. R. Balasubramanian	General Manager - Human Resource
Rabindra Narayan	President - etc Channel Punjabi
Sam Mall	Vice President - Sales
Warren Souto	Head - Programming & Creative
Rajeev M Shinde	Head - Programming - etc Channel Punjabi
Afzal Lakdawala	Head - Post Production and Uplinking
Neelam Gupta	Head - Corporate Communications
Kishore Rane	Head - Production
Ishwar Iyer	General Manager - Sales
Denzil Pinto	General Manager - Finance

Company Secretary

Vijay A. Shah

Auditors

Deloitte Haskins & Sells
Chartered Accountants

Jogish Mehta & Co.
Chartered Accountants

Bankers

ICICI Bank Ltd.
Global Trust Bank Ltd.
Samata Sahakari Bank Ltd.

Solicitors

Thakore Jariwala & Associates
Solicitors and Advocates

Registrar & Share Transfer Agents

R & D Consultants Ltd.
610 Dalamal Towers, 211 Nariman Point
Mumbai 400 021
Telephones: +91-22-283 4347
Fax: +91-22 285 5759

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7 - B, Shah Industrial Estate
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Fax: +91-22 639 5280

Website

www.entertainmenttv.com

By thinking different.



For instance, take the relationship between a television broadcaster and the distribution network. Most would have created a business relationship with their cable & satellite operators from scratch. **etc** merely cemented a longstanding friendship.

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Simply because **etc**'s promoters enjoy over a decade-long industry experience. And that's why before thinking about fancy programming, core audience and television rating strategies, they decided to put distribution in place so that the viewers could have the opportunity to see the channel.

So while most of the channels saw subscription as an added source of revenue, ETC Networks Ltd. decided not to jump on the bandwagon. While most turned pay channel, **etc** remained free to air.

etc's increased availability transformed into tremendous viewership, stronger channel share and better television rating points.

Thanks to the enthusiastic support of thousands of cable & satellite operators, you will find **etc** not only the exclusive prime band, but also in more than 30 million households across the country.

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ii Hindustani

Before we launched **etc**, the wise men decreed that only extravagant soaps, live events, grand mythological serials and blockbuster films could glue viewers to their television sets. We thank them for our motivation. Because that's just the kind of pronouncement that **etc** proved wrong in 2000-01



etc succeeded because it gave viewers what they fundamentally cannot live without.

Music.

etc succeeded because 85 per cent of its content specifically comprised Indian music (Hindi film, devotional, Indipop and basic albums).

etc succeeded because viewers could recall the songs we show on screen - anywhere, anytime.

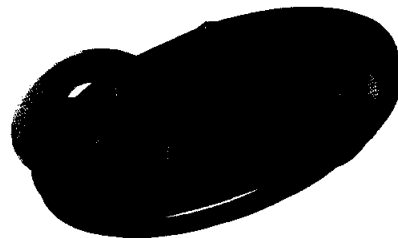
Providing **memorable** entertainment to families.

Brightening their lives.



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industani
industani



Think of music television channels and your first recall is glamour. Eye-straining focus on shocking colours and angles. Attractive veejays in skimpy clothes and foreign accents. More talk. Less music. Funny! You don't find anything of the sort at **etc.**

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Because **etc's** channel has been constructed with as much of a respect for tradition as modern-day realism.

Leading to audience acceptability. And a high visibility at a low cost.

In 2000-01, only 12 per cent of the company's total programming was outsourced.

The rest - the vast majority - comprised a low-cost programming model that incorporated a back-to-back compilation of Hindi film songs and Indipop releases.

As a result, **etc's** content cost finished way below the industry average in 2000-01.



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