

RELIANCE

Broadcast Network

**Annual Report
2011-12**



Dhirubhai H. Ambani

(28th December, 1932 - 6th July, 2002)

Reliance Group - Founder and Visionary

Profile

Reliance Broadcast Network Limited (RBNL) (BSE: 533143; NSE: RBN), is a multi-media entertainment conglomerate with play across radio, television, intellectual properties, television production and out of home. It is part of the Reliance Group and specializes in creating and executing integrated media solutions for brands. Its business verticals are as follows:

92.7 BIG FM – India's largest FM Network with 45 stations, reaching over 4 crore Indians each week.

BIG CBS – A joint venture with CBS Studios International, USA's No.1 TV broadcaster which has launched 4 Channels, BIG CBS PRIME, BIG CBS LOVE, BIG CBS SPARK and BIG CBS SPARK PUNJABI.

BIG MAGIC – It is positioned as a regional general entertainment channel for the core Hindi heartland of Uttar Pradesh, Madhya Pradesh, Bihar and Jharkhand, featuring regional family dramas, crime shows, sitcoms, reality shows and weekend blockbuster movies.

BIG LIVE – This division develops, executes and markets Intellectual Properties, integrated across RBNL's media platforms. Having created and executed a vast number of IP's BIG LIVE has become one of the largest owners of televised IPs in India.

BIG PRODUCTIONS – This division functions as a television content production house catering to the diverse creative needs of the Indian television landscape. BIG Productions has created over 800 hours of television programming in eight different languages within a short span of time.

BIG STREET – In the business of acquiring and marketing of out-of-home assets, it owns marketing rights for premium properties across the country.

Each of these business verticals come together to offer a truly integrated solution to clients, having built significant multi-media capabilities.

RBNL's Vision and Values

RBNL's Vision

We reach engage and enrich consumers, through the power of relevant ideas, in the process creating ever growing value for our stakeholders.

Consumer Centric Ideas:

Ideas that evolve from a deep understanding and appreciation of our consumers, our clients and the markets we operate in.

Reach:

Through our ever growing vast network and media platforms spread across the country.

Enrich:

Through the power of entertainment, content, experience, knowledge, awareness and interactivity.

Engage:

Through exciting consumer centric ideas delivered through multiple touch points.

RBNL's Values

Service Leadership:

Our internal and external consumer, client and stakeholder interests are always ahead of everything else.

Excellence in Execution:

'Compromise' is a word that does not exist for us. When we deliver we excel.

Sense of Urgency:

We value the power of time and demonstrate this in our everyday functioning.

Team Work:

We are one, else we are none.

Constant Innovation:

We love new ideas and better ways to do things. We set new benchmarks, not chase existing ones.

This Report is printed on environmental friendly paper



Reliance Broadcast Network Limited

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**8th Annual General Meeting on Thursday, September 27, 2012 at 10.00 a.m. at Auditorium,
Reliance Energy Management Institute, 19 Aarey Colony,
Jogeshwari Vikhroli Link Road, Opp. SEEPZ, Mumbai 400 065.**

This Annual Report can be accessed at www.reliancebroadcast.com

Letter to Shareowners – From the CEO's desk

Dear Shareowners,

The past year augurs well for the next evolution in the media and entertainment industry. Reliance Broadcast Network Limited (RBNL) turned six and this portends the stability and growth that our company begot in this very dynamic industry.

Your company has emerged as the leading entertainment network in the country – across platforms – including radio and television. It is my firm belief that what we have seen so far is only the tip of the iceberg and therein lies a lot for us to achieve in the years to come. While our radio business has been EBIT positive for last few quarters, all businesses barring television have also broken even in the last quarter.

Our radio network and flagship brand **92.7 BIG FM** has set its mark. The network recently won the 'Radio Broadcaster of the Year' at the Golden Mikes Awards 2011 and was also the most awarded Indian radio station at the New York Radio Festival 2011, winning five awards and making it to three final lists, amongst over 30 participating countries.

The Government has initiated several transformational initiatives that bode well for this industry. In 2012, we await Phase III Licensing of radio which will open new licenses that will extend FM's reach to 90 per cent of India's population. It will also allow for ownership of multiple frequencies, operational networking and permission to broadcast sport, news and current affairs content which will unleash the true potential of the medium. We, India's largest private FM operator, will get that much closer to becoming the definitive pan-India radio network. This clubbed with the network coverage we already enjoy will broaden our listener base and help us grow even stronger. Phase III will truly be an inflection point for radio.

On the television front, the Cabinet's move towards digitization of broadcasting distribution will go a long way in strengthening our robust television network. Our country's media consumption is on an upward curve driven by Tier II and Tier III demand and newer platforms. We through our subsidiaries and joint venture entities distributing / operating television channels are committed to offer innovative content and a high quality TV experience to our discerning audiences.

The **BIG CBS** joint venture with our partners CBS Studios International has fortified the network which has emerged as the No. 1 English Entertainment Network in the country. The channels have heralded a change in the way English television entertainment is consumed in India. With defined and sharpened positioning for each channel they have stood out amongst the clutter and lived up to the promise of offering the latest, freshest and hottest in global entertainment.

The **BIG CBS** JV has launched four Channels: **BIG CBS PRIME**, a premium general entertainment channel; **BIG CBS SPARK**, the ultimate music destination targeted at the youth; **BIG CBS LOVE**, India's first ever international women's entertainment channel positioned as the Diva Destination and **BIG CBS SPARK PUNJABI**, positioned as the regional general entertainment Channel customized for the regional market across Punjab, Chandigarh and Himachal Pradesh.

Entertaining, enthralling and incisive programming has seen viewers glued to crime investigation, reality shows, sport, movies, talk shows, talent shows, women-oriented programs and other best of general entertainment programming, enabling us with top honours and garnering a loyal clientele and fan base.

In the regional television space, our channel **BIG MAGIC**, the first regional entertainment channel from RBNL has cemented its position as the No. 1 channel of the Hindi heartland of UP, MP, Bihar and Jharkhand. Backed by excellent programming and aggressive marketing, the channel features the best local programming that audience desire. We also launched **BIG MAGIC** in Canada in June 2012 positioned to offer to the South Asian Diaspora audiences, magic from India, ranging from entertainment shows to daily business news from Bloomberg TV – India.

Our portfolio of channels caters to untapped market segments, through a de-risked investment strategy of joint ventures and regional launches aimed at quicker break-evens. The adulating success of our TV network gave us the needed impetus to foray deeper into the genre. We have also signed our second international agreement entering into a 50:50 joint venture with the RTL Group, Europe's leading Entertainment Network. The first JV channel 'Thrill' will hit the airwaves later this year.

Another development I feel excited to share, is the coming on board of **Bloomberg TV**, India's premier business news channel, as part of our distribution portfolio. The partnership points at excellent synergies between the businesses and will allow for seamless integration of Bloomberg TV into our existing bouquet, making it a 7 channel strong well crafted bouquet.

Our Intellectual Properties division **BIG LIVE** has been growing from strength to strength, we have continued to conceptualize innovative and path breaking shows and the proof of its success can be measured by our partner channels like Star Plus and ETV who continue to associate with our IPs year after year.

Our content division, **BIG Productions**, has already created two 500 episode long shows and has become a renowned name in television content. The company's **out-of-home** (OOH) assets, present in regulated spaces, are complimentary play to our broadcasting businesses completing the advertisers bouquet.

The Company which embarked on a journey over five years ago with radio, has today matured into India's leading multi-media entity. With the self-belief, that we have what it takes, to become the best in the world will go a long way and help us become a truly world-class media conglomerate.

I cannot end without thanking our employees, who carry the values of our company as they ensure excellence in execution, demonstrate service leadership and teamwork and constantly innovate each day, to ensure our stakeholders get maximum value. I thank each one of them for their unstinted support. I would also like to take this opportunity to thank each of you, our shareholders, for your unwavering belief in this dream and hope to have you by our side in this exciting journey ahead!

Tarun Katial
Chief Executive Officer

Highlights – at a glance on consolidated basis

92.7 BIG FM

- As per IRS 4Q BIG FM is at #2 at All India level reaching out to 43.2 million (4.32 crore) listeners per week.
- BIG FM is # 1 station in 15 cities, #2 in 6 cities, and has established leadership in Metros. (Source: IRS 4Q)
- Highest Reach among all radio stations in the Hindi Speaking Markets. (Source: IRS 4Q)
- Closed the last quarter of FY12 with a brand count of over 1800 advertisers every month.
- Won multiple awards at New York Radio Festival 2011, Golden Mikes 2011 and Indian Radio Forum 2012.
- Key properties executed in FY12 included, The BIG Green Ganesha across 13 cities and BIG Green Durga in Bengal, BIG Phataka League, Diwali special- BIG Item Bomb, an interactive game show, Avon Cyclogreen – a 36 city cycle marathon to encourage people to cycle to work.

TV – BIG MAGIC

- The regional general entertainment Channel for the core Hindi heartland of UP, MP, Bihar and Jharkhand has cemented its position as the No. 1 Channel with a cumulative reach of 1.4 Cr unique viewers in the heartland.
(Source: TAM, Cumulative reach, Wk 34 – Wk 37, 2012 Audience CS 4+, Market: UP+MP+Bihar).
- Within a year of launch, BIG MAGIC has a market share of 15 per cent vs. Dabangg at 22 per cent, Mahuaa at 16 per cent and ETV Uttar Pradesh at 13 per cent.
(Source: TAM, Average Mkt Share Wk 1 – Wk 13, 2012 Audience CS 4+, Market: UP+MP+Bihar)
- BIG MAGIC performs better than Hindi channels like UTV Stars, Zoom, Zee Action, Music India and B4U Movies in the UP+MP+Bihar markets.
(Source: TAM, Average GRP's delivered Wk 1 – Wk 13, 2012 Audience CS 4+, Market: UP+MP+Bihar)
- Launched a number of daily shows including comedy shows – Naadaniyaan, Bulbulay, the ever green sitcom Tu Tu Main Main and children's shows – Super Sunny and Junior G.
- Launched reality shows – BIG Memsaab – a talent show for house-wives, BIG Bal Kalakaar – India's first devotional singing talent show for children, Mele Ka BIG Star – show offering a platform for talent from the region.
- Innovation in programming included shows like Hasya Panchayat based on stand-up comedy by Surender Sharma and well known Kavi's of the region, Hum Hai Bajrangi a show which is blend of mythology and comedy, Police Files showcasing the real crimes committed in Central India, Lo Kallo Baat with host Aman Verma; BIG Fighting Championship.
- Entered into an alliance with UTV Motion Pictures for Hindi blockbusters for 'Superhit Cinema'.

TV – BIG CBS

- The BIG CBS Channels stand as the No. 1 English entertainment network in the country with market share of BIG CBS Network at 52 per cent vs. Star World at 29 per cent and Zee Café at 15 per cent.
(Source: TAM India CS 4+, Week 01–13 '12; 7 Metros excluding Ahmedabad)
- Within a year of launch, BIG CBS LOVE is at #2 position with a 20 per cent market share vs. Star World at 55 per cent, Zee Café 16 per cent and BBC Entertainment at 10 per cent.
(Source: TAM India CS 15+ Females SEC A, Week 01–13 '12; 5 Metros)
- BIG CBS PRIME competing strongly against incumbents has 12 per cent market share, vs. Star World at 33 per cent, AXN 33 per cent, Zee Café 15 per cent, BBC Entertainment 7 per cent.
(Source: TAM India CS 15+ Males SEC A, Week 01–13 '12; 7 Metros excluding Ahmedabad)
- BIG CBS SPARK PUNJABI, the regional general entertainment channel for the markets of Punjab, Chandigarh and Himachal Pradesh, launched in January 2012 has a 55 per cent market share while 9X Tashan has 45 per cent.
(Source: TAM India CS 15–24 Week 01–13 '12; DP – 21:00–23:59; PCHP markets)

- The Network launched exciting shows across its channels including:
 - o BIG CBS PRIME: Hawaii Five-O, India's Sexiest Bachelor, CSI, The 4400, Survivor, Lucha Libre, Galileo Extreme.
 - o BIG CBS LOVE: Sex and the City, Next Top Model series, Oprah, India's Glam Diva, Ringer, Stylista!, Bollywood Tonight and Excused.
 - o BIG CBS SPARK: Cheaters, Indie Rock Mania, Power Chords, Great Gig in the Sky, Hip Hop MCs, Spark Livewire.
 - o BIG CBS SPARK PUNJABI: Jerry Di Adalat, Amreeka Di Top models, Dil Bole Hadippa.
- The Channels entered into strategic deals with Universal Music and Speed Records for their music content for BIG CBS SPARK and BIG CBS SPARK PUNJABI respectively.

BIG LIVE

Key executions across the FY12:

- BIG Television Awards hosted in association with Star Plus, garnered highest market share of 25 per cent and a 2.8 TVR, making it the highest rated show across Hindi GEC's on that day.
- BIG Star Entertainment Awards – second season with rating at 4.68 TVR the highest by any show of the year.
- BIG Star Young Entertainer Awards – showcasing and felicitating new talent across the entertainment industry.
- Executed the first season of BIG Regional Rising Star Awards recognizing emerging talent in the spaces of movies, music, TV, dance, theatre and sports, for the regions of Punjab, Maharashtra and Central India.
- Executed the first season of BIG Salute to Women Entertainers in Tamil and Bangla region.

BIG PRODUCTIONS

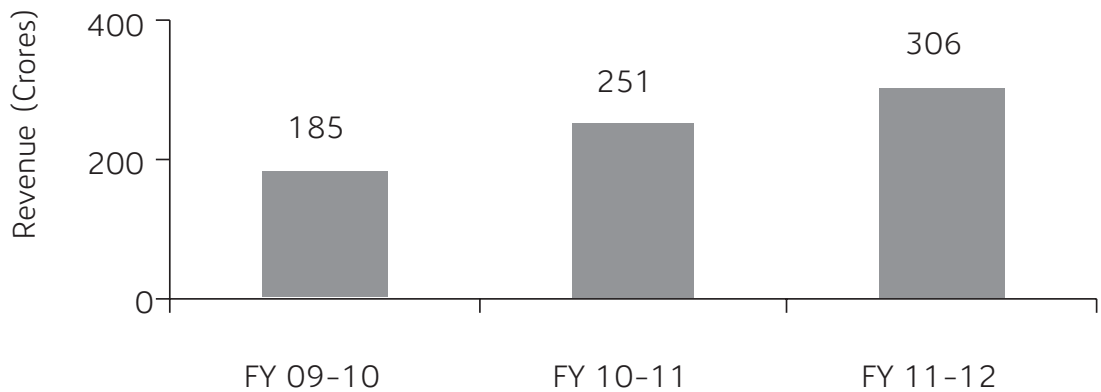
- Produced the very successful Saregama Little Champs for Zee TV. BIG Productions also received the ITA Award for the best music based TV Show – 2011 for the show.
- Produced Motibaa for ETV Gujarati longest running Gujarati daily soap with the completion of 500 episode milestone, only daily soap in Gujarat to touch 1+ TVR continuously on 8 pm slot in last five years.
- Produced Swapnanchya Palikadale for Star Pravah – successful 500 episode run with consistent TRPs of 3, the No. 1 Fiction show on channel.
- Produced Life Mein Ek Baar for National Geographic – A ten week property, first Indian show where all the possible adventures in the world got featured.
- Other key shows produced include Badmaash Company for Colors, Comedy Ka Maha Muqabala for Star Plus.

BIG STREET

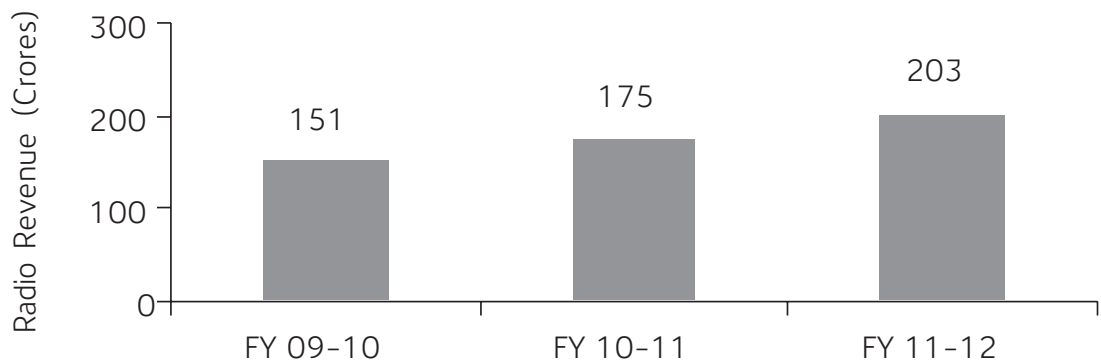
- Hosted a campaign for Gujarat Tourism marking the first ever state tourism board's campaign on the Delhi Airport Metro Express. Executed a full train wrap and inside station branding.
- Innovative client solutions included the full train wrap on the Delhi Airport Metro Express being executed for Volkswagen's 'Think Blue Campaign', inside-train branding of the Delhi Airport Metro Express for Lufthansa, and first of its kind car display at Delhi Metro stations for the Hyundai Eon launch campaign.
- Also executed the largest ever outdoor display for McDonalds @8600 Sq feet on Delhi Airport Metro Express.

RBNL Business Performance over last three years

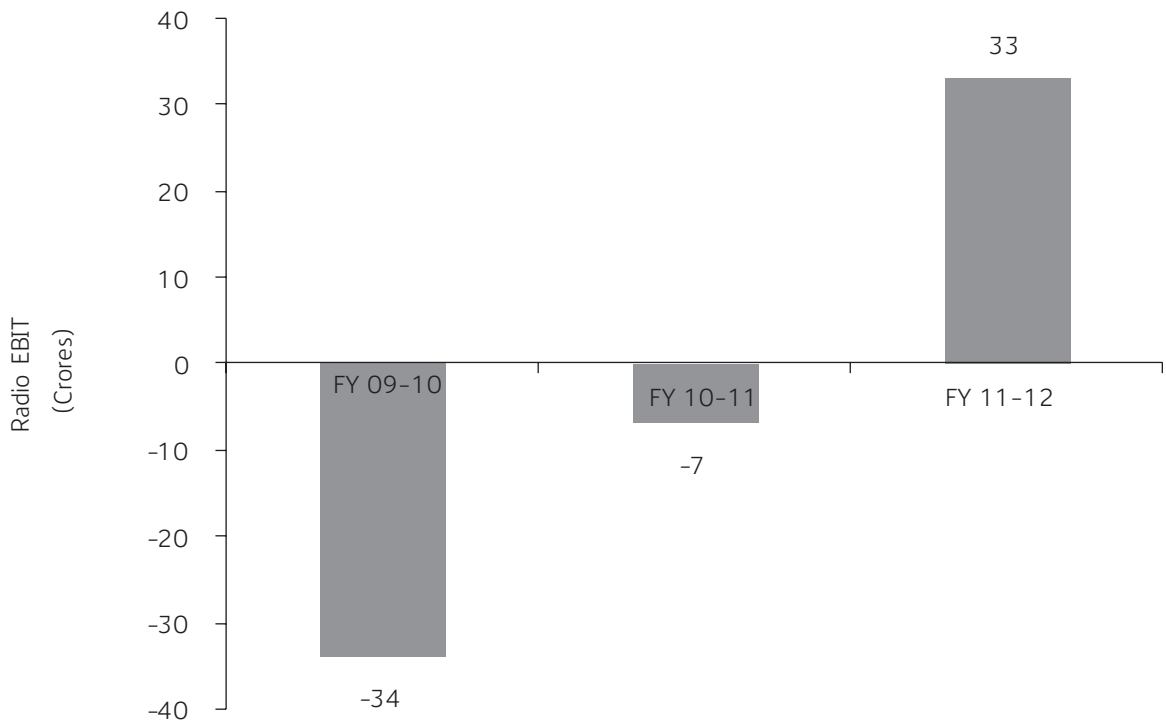
RBNL Consolidated Revenues



RBNL Radio Revenues



RBNL Radio EBIT



Key Milestones in FY11-12

