

**MADE IT
HAPPEN** 

JF Kennedy rightly said **"Things do not happen. Things are made to happen."**

At UTV, we are driven by the passion of creating cutting-edge content, thinking disruptive and relentlessly challenging the age-old ways of doing business. In the past year we have achieved what we set out to do that is creating a true media and entertainment conglomerate, a concept which had otherwise been alien to the Asian market.

The theme is based on Darts, where just like our business, precision and passion play a vital role. The image portrays three darts depicting our three businesses namely Movies, Television and Games & Interactive each having hit bull's eye in the year that was.

We at UTV, Made It Happen.



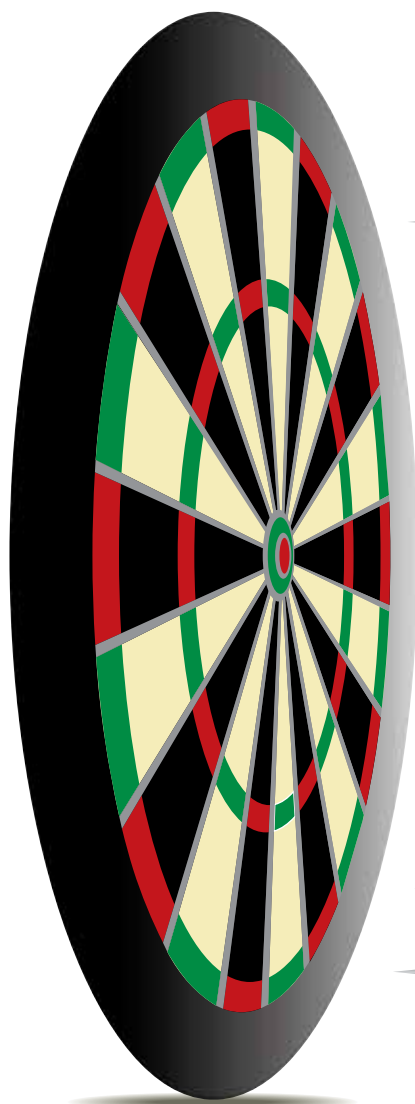
Forward-Looking Statement ►

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements – written and oral - that we periodically make contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

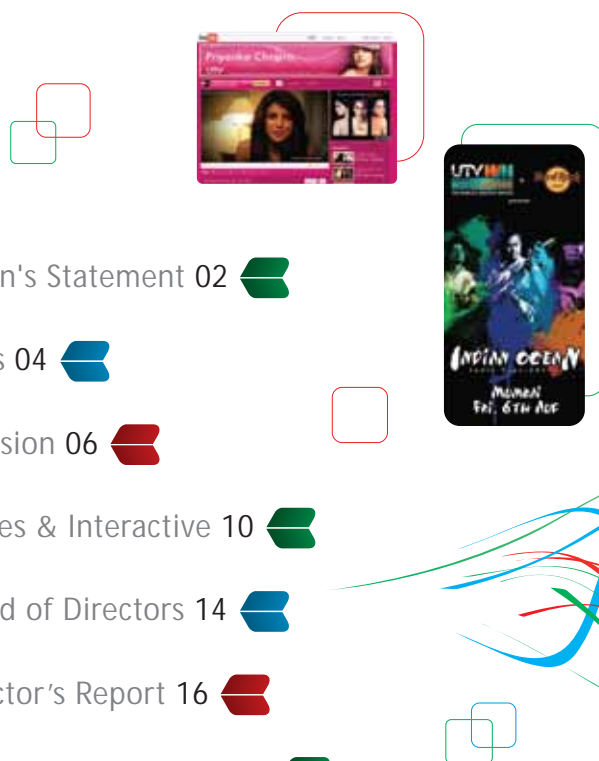
We cannot guarantee that these forward looking statements will be realized, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind.

We undertake no obligation to publicly update any forward looking statement, whether as a result of new information, future events or otherwise.

Contents



Chairman's Statement	02	Green arrow icon
Movies	04	Blue arrow icon
Television	06	Red arrow icon
Games & Interactive	10	Green arrow icon
Board of Directors	14	Blue arrow icon
Director's Report	16	Red arrow icon
Corporate Governance	30	Green arrow icon
Management Discussion & Analysis	48	Blue arrow icon
Financial Statements	68	Red arrow icon
Corporate Information	144	Green arrow icon





Dear Shareholders

The past year has been a significant one in the journey of your company as we have managed to do what we set out to achieve. While our roots lie in television production we diversified, with the belief that 'the sum of the parts is always bigger than the whole' into motion pictures, broadcasting, interactive and more recently games content. We were faced by many questions, as traditionally media companies have always focussed on one line of business. But for your company the vision was consistent from the start and that was that media & entertainment will grow in India but it would be across spectrums and therefore it was imperative for us to be in each of the spaces that represented the scope for growth.



We have always looked at our business cycles with an appropriate mix. While there have been the mature businesses that have been the key drivers there are simultaneous investments in horizon businesses where we envisaged potential growth. In the past financial year the businesses have turned around and begun to pay back on the investments we made. I think the key challenges we have faced have been constantly pushing the envelope and experimenting while balancing out the risk however at the same time continue to bring scale into each of the verticals. At the end of the day it was about getting seven out of the ten things right and now with the motion pictures having kept up its performance, television has turned around and in a short span of time begun to give returns and with the first IP release in the games business and innovative products in the digital space already creating an indelible mark in their domain I think your company has stood the test of time in what has always been perceived as a high risk industry for more than two decades now.

Over the years as the businesses your company invested in have grown we have proved that being diversified is our key strength and the conglomerate approach, that's not prevalent in Asia, has finally established itself. We have 'made this happen' by a constant and razor sharp focus on content and IP creation while we distribute it across platforms. We have spent a lot of time and research to understand our audience and their taste to fulfil, pre-empt and sometimes even create their consumption habits.

Your company's strategic approach has been to

1. Integrated Platform of Media Businesses to Drive Growth and Innovation
2. Maintain Intellectual Property Rights Over Content
3. Create Properties with a 360° Approach

With respect to each of the businesses:

- **Television**

- a. Produce a Wide Array of Television Content
- b. Focus on Quality in Airtime Sales
- c. Mass Specialty Channels Focused on Higher Yielding Audience

- **Movies**

- a. Enhance Production Capabilities
- b. Building Strong Team of Creative Professionals
- c. Expand Distribution Capabilities
- d. Development of Franchises

- **Games and Interactive**

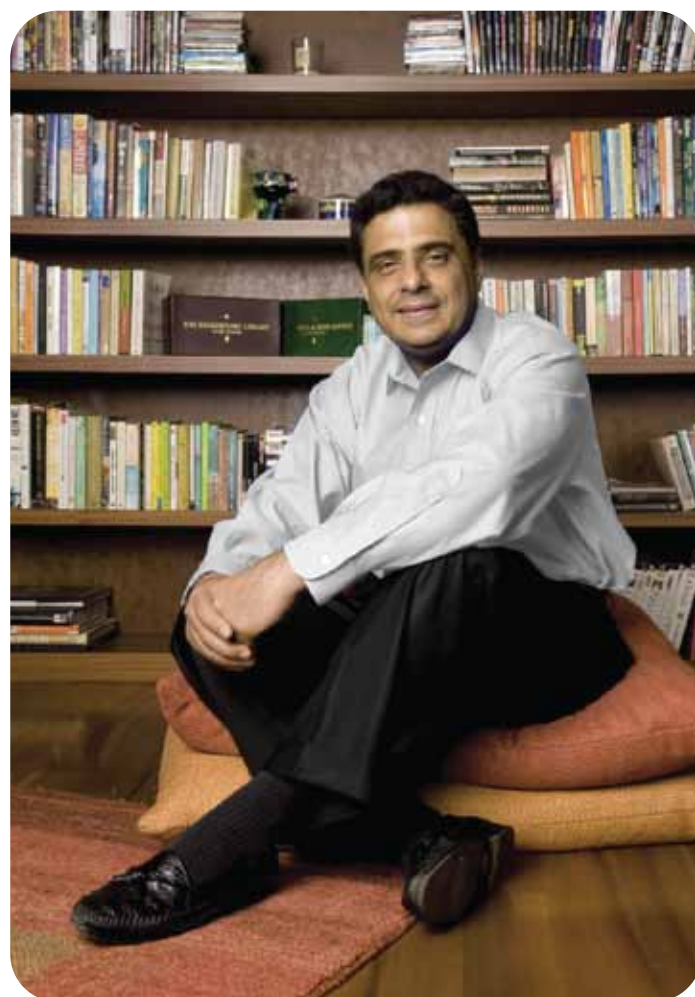
- a. Powering forward with games content product development
- b. Supported by a true multiplatform strategy
- c. Growth through Content Creation and Technology Partnerships

Your company's vision has clearly been to be a very vital part of the 'India Consumption Story' to thrive towards high growth that leads to garnering a growing wallet share especially of the young Indian. To achieve this, your company has maintained a 5 year horizon and has invested in resources and MADE IT HAPPEN.

Warmly,



Ronnie Screwvala





In just the past few years, the Motion Pictures division has created an indelible mark for itself in the Indian film industry. We believe the key to our success lies in our ability to develop in-house expertise in creative, production, syndication, marketing and distribution. In doing this, not only are we able to have full control over the creative and the production of the film, but also can maximize our revenue streams.



In order to generate a rich and varied slate of films, we continue to build an internal creative team to develop content for the division. The team constantly focuses on identifying changing trends in the market, scouts for new talent and nurtures it through brand UTV.

While strategically covering the Indian market, the distribution team endeavors to expand our reach across the globe to capture the large Indian Diaspora.

Movies

Making Dreams Happen



Today we distribute our films across 45 countries with a day and date release. The syndication team explores pre-selling of our movies, through syndication and licensing deals domestically as well as internationally. Not only are we able to monetize the current slate, but also look at ways of leveraging our library across platforms. At the same time, the team is constantly in search of newer mediums emerging in the market. This strategy enhances the value of our creative products over time by enabling us to exploit favorable marketing and distribution arrangements and maintain control over the capitalization of intellectual property rights in relation to the movies that we produce.



SNAPSHOTS

Raajneeti

- Raajneeti is the 5th largest Indian film of all time at the worldwide Box Office

Udaan

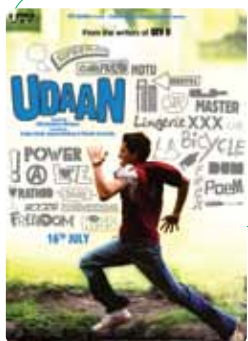
- Udaan was the first Indian film to feature in the 'Un Certain Regard' category at the Cannes Film Festival since 2003
- The film, produced on a budget of only Rs. 3 crores, set a trend in the industry for small budget films which became a success driven by great content and strong marketing
- Won various best film awards and several accolades at major awards

I Hate Luv Storys

- I Hate Luv Storys created a strong overseas market for Imran Khan and established him as one of the few male leads to open a film overseas

Peepli Live

- Peepli Live was India's official entry to the Oscars, making it the 4th UTV release in 5 years to be India's nomination to the Academy Awards
- The film made its mark with innovative marketing strategies adopted to promote it
- Grossing over Rs. 20 crores in the domestic market and Rs. 3 crores in the international market on the opening weekend itself, set a benchmark for the highest opening ever for a non-cast film
- In the US, the movie grossed over USD 750000 with no stars and a non-traditional story, which is a good result for even a mid to large size film and more than what most traditional Bollywood films grossed last year
- UTV released Peepli Live during Ramadan which is normally considered a period of low footfalls, taking advantage of open release dates and availability of best sites, resulting in one of the highest box office collections for a film during that time of the year



Tees Maar Khan

- Tees Maar Khan had the 3rd highest opening weekend of all time in Indian cinema after Dabangg and 3 Idiots
- In Australia, Tees Maar Khan broke all records with the highest opening day ever
- Pakistan opened at USD 58000, again making it the highest opening day ever for a Hindi film in the country
- Biggest opener ever for UTV, Farah Khan and Akshay Kumar
- The film released in over 2300 screens worldwide, making it one of the biggest releases of all time

No One Killed Jessica

- No One Killed Jessica broke the January jinx and went on to become the highest grossing film ever with a purely female lead cast

We Are Family

- We Are Family with a female centric cast is the third highest grosser in UK for 2010 after My Name Is Khan and Dabangg, both of which are Khan-starrers

Other Key Highlights

- UTV is the only Indian movie studio to have 4 films cross the half a million GBP mark in UK in 2010 with Raajneeti, I Hate Luv Storys, We Are Family, and Tees Maar Khan
- UTV is the only Indian movie studio to have 3 films cross the 1 million USD mark in US in 2010 with Raajneeti, Guzaarish and Tees Maar Khan
- UTV had a strong presence at all the major film festivals – 7 Khoon Maaf and Peepli Live at Berlin, Udaan at Cannes and Dhobi Ghat at Toronto – increasing the awareness and presence of Indian films abroad and reaching out to new untapped markets in Europe and the Far East

BROADCASTING CHANNELS

The UTV bouquet of channels is uniquely positioned in the cluttered broadcast space as it has a clear and razor sharp focus on building strong brands aimed at its core demographic - the upwardly mobile Indian Youth. Over the past three years of operations, UTV has not only created India's fastest growing network, but also successfully built strong brands that engage consumers using cutting-edge content, out-of-the-box marketing and powerful research.



Television

Making Engagement Happen



The UTV network engages an enormous audience of 70 mn consumers week on week. The last year has been momentous for the network in terms of sheer growth on all parameters: Reach, GRPs (Gross Rating Points), Effective Rates and Revenue. This scorching growth has both been aided and effectively framed through a series of highly visible marketing activities.

Also, this year saw a further impetus in distribution by expanding presence for the network across some more DTH platforms and increasing the international footprint for our channels in markets such as Malaysia, Middle East and more.



UTV Bindass

The first Indian 360 degree Youth Entertainment Brand that prides itself on delivering unexpected, never-before experiences and path-breaking content. With its aggressive, cutting-edge and trendy programming plan which took reality television to a whole new level, UTV Bindass has established itself as a cult among its viewers.

Brand Bindass cumulatively expanded its reach within its target group in the year with the power of TV, Web, Mobile, Ground and Campus activities. We have become a platform for self expression that mirrors millions of free-spirited Indian youth.

Highlights

- UTV Bindass ruled undefeated as the No. 1 Youth Channel from July to December 2010
- The advertising rates of the channel were tripled over the last one year
- On ground, UTV Bindass reached India's top 25 colleges across 11 cities and over 2 lac students through its innovative Bindass Campus Attack Initiative
- Bindass conducted the most Definitive Youth Research Study (called 'Jigsaw') along with Synovate. Conducted across 6 major cities using a combination of innovative methodologies, this research won the best qualitative paper of the year - 2011 at the 2nd MRSI (Market Research Society of India) seminar
- UTV Bindass launched a unique CSR initiative on Facebook - for every 10 million likes on the Bindass facebook page, it would donate Rs. 5 lacs to CRY - Child Relief and You. The Facebook LIVE feeds were also integrated on the channel live via a ticker. The Facebook fans of Bindass increased from 50,000 to 3.5 lacs currently



- UTV Bindass, along with exchange4media, created the Youth Marketing Summit – a one of its kind forum with an appropriate mix of Indian and International speakers, was attended by over 300 people from the trade fraternity
- Emotional Atyachaar for its First Season won the prestigious award of India's No. 1 non-fiction youth show at the Indian Telly Awards
- Emotional Atyachaar continued to rule as the No.1 reality show in the genre with an opening of 1.5 TVR in the channels target group. The show has become a franchise now and has also launched an EA music album with T-Series

UTV World Movies

A first in the Indian television space, dedicated to bringing the best of International Cinema to Indian audiences, the UTV World Movies library is truly one-of-a kind with 600 award-winning blockbuster titles from more than 40 countries.

Highlights

- UTV World Movies was the Official Cinema partner for the Kala Ghoda Festival and the Indian Film Festival 2011 – Bollywood and Beyond held in Australia
- Associated with the premier of many blockbuster titles including Hurt Locker, The Expendables and more
- UTV World Movies was the first brand in India to leverage the Blackberry Messenger as a possible 'reaching out' media
- Released 16 titles on home video like Amelie, Killing Fields, Brick Lane, Waltz with Bashir, Baran and others
- UTV World Movies associated with the most popular Indian band - Indian Ocean for a tour across all the Hard Rock Cafés in India
- Savour the World Flavour is a unique initiative wherein one would be able to experience customized menu according to the movies that would be showcased during the festival
- Oscar Fever with Big Cinemas - February 2011 across Mumbai, Delhi, Pune, Ahmedabad and Jalandhar featuring highly acclaimed films like The Social Network, Inception, Avatar, Inglourious Basterds, 127 Hours, Toy Story 3, Inside Job, True Grit and Rabbit Hole

- UTV World Movies introduced 'Premier - The Short Film Competition' to recognize and showcase some upcoming talent in the short film segment. The contest was judged by an esteemed panel of three renowned directors – Raj Kumar Gupta, Paresh Mokashi and Sooni Taraporevala

UTV Action

Marking the trend of maturity in the generic movie platform and realizing the potential of genre specific offerings - UTV Action was launched in January 2010, as India's first and only channel to showcase Hollywood Action films. After having established a strong positioning with the Indian Youth, the network has created a male franchise with this offering.



Television



The channel has already created an indelible mark amongst consumers and in the trade. The power packed library of superbly selected titles along with outstanding brand work, packaging and marketing has resulted in UTV Action emerging as a 'new source of cool', as per our research studies, across both metro and non-metro markets.

Highlights

- Achieved average TSV (Time Spent per Viewer) of 40 mins/week in first quarter of launch, making it actually comparable to the heavy usage Hindi Movie genre

- With an almost 70% skew towards Male viewership, UTV Action is the new dream mate of the Indian Male and has emerged as a Cricket alternative for Indian Advertisers
- UTV Action formed a cross promotion alliance with the popular Marvel Comics
- Created Panja Championship in three cities Mumbai, Delhi & Bangalore, which saw participation from the top agencies
- A unique experience was created with Action Adventure Weekends in Mumbai & Delhi for key trade
- UTV Action acquired first time telecast rights for 70 films from the Sony Pictures library. This is a 3-year exclusive first showcase deal for Hindi dubs of these action titles
 - Salt, Karate Kid, Other Guys, Resident Evil: Afterlife along with key titles like Spiderman franchise, Terminator Salvation, Angels and Demons and a plethora of other action blockbusters
- Leveraged the World Cup season with the launch of a one-of-its-kind online game titled 'Balla Bol' powered by dream11.com

UTV Movies

Despite the emerging competition from all GECs, who are now showcasing top Hindi titles, this channel has stood its ground not just in terms of viewership but also revenues. UTV Movies naturally commands a high level of respect amongst the Hindi Movie Channel viewers, which is evident from the steady TSV (Time Spent per Viewer) that it enjoys. With a 450 plus movies library and good distribution, the channel reaches mass audiences and is the flagship in the network's portfolio.

Highlights

- UTV Movies rolled out an extensive outdoor campaign to promote 'Jeeyo Bollywood'.
- The channel promoted this through various on-ground initiatives across 41 cities. The activities included auto 'bhoppu' (loudspeaker) playing the new jingle, mall promotions and feet-on-street activities

