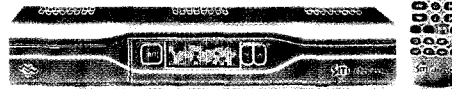




Hundreds of  
entertainment  
options...

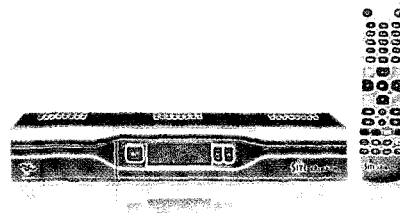
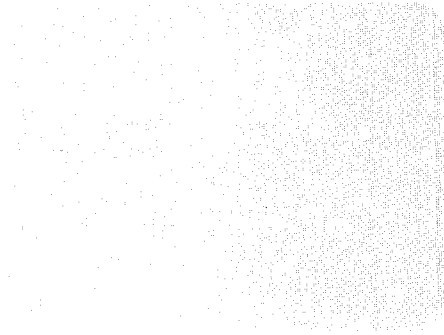
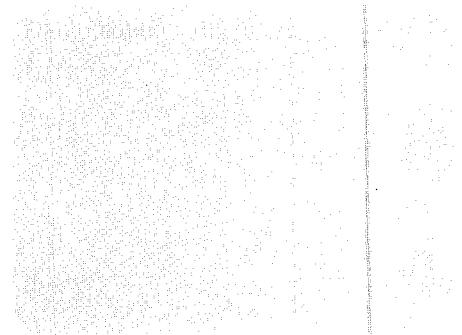


...just a  
click away



WIRE AND WIRELESS

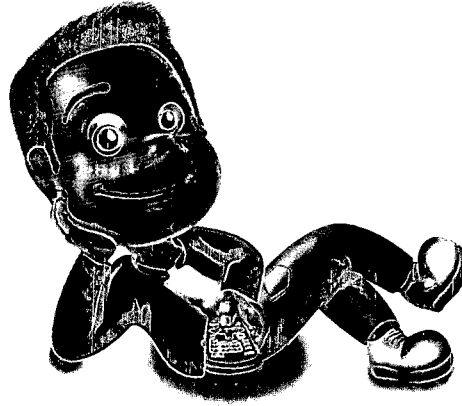
ANNUAL REPORT 2007-08



Report  junction.com

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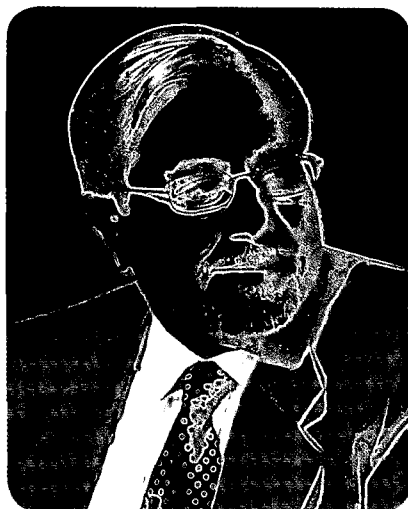
## VISION

To be India's pre-eminent Supplier of Television content to viewers belonging to all regions and linguistic denominations.

Harnessing the latest technology and bringing to bear the best available resources to provide television viewers world-class services backed by outstanding customer support.

As a corporate, we will be profitable, productive, creative, compliant and financially sound with care and concern for all stakeholders.

## CHAIRMAN'S STATEMENT



Dear Shareholders,

It gives me a great pleasure to present before you, Company's second audited financial results year ended March 31, 2008. Digitalisation of Television viewing is driving a complete makeover of the Indian Entertainment Industry. This changing scenario offers new challenges and opportunities to all the players.

### Industry Outlook and Potential

Indian Media and Entertainment industry has witnessed a double-digit growth in the past few years and this is expected to further increase in the coming years. As per the FICCI-PWC 2008 report, with the Indian economy riding high on ground income levels, consumerism, technological improvements and greater investment, the media and entertainment sector is expected to cross a turnover of Rs. 1.157 trillion by 2012 from the present Rs. 513 billion thereby registering 18% compounded annual growth.

As per the report, at the end of the year 2007, the TV industry reached a total of 115 million homes out of a total of 195 million homes in the country, representing a penetration of 59%. Pay TV homes were estimated at 74 million, of which cable homes were 70 million i.e. 95%. Cable is clearly the way that Indian households watch TV.

The total revenue generated by the TV industry in 2007 was Rs. 226 billion. Of this, total subscription revenues accounted for Rs. 136.5 billion and advertising revenues were Rs. 80 billion. Subscription revenue was nearly 60% of total revenue generated by the industry.

As we look ahead over a 5 year period, the projections are that number of TV households will grow from the current 115 million to 132 million by the end of 2012 i.e. nearly 17 million new TV households will be added. Of this, 115 million are projected to be Pay TV households, an increase of 41 million over the 5 years period representing a growth of 55.4%.

### Major Initiatives taken in the year 2007-08

#### Revamp of Complete Brand

The Company has redefined its current business processes and systems with the objective to provide customer satisfaction with a strong focus on customer needs. In line with this, the Company has unveiled complete new brand architecture for its corporate brand and services.

Wire and Wireless felt that the earlier brand architecture was complex with different brands for different services; therefore it was getting difficult for the target audience

to identify and connect with the brands. There was a need to create synergies between the brands in terms of identification, recall value, and above all streamlining the brand under one umbrella.

The corporate brand was simplified to Wire and Wireless to make it more consumer oriented brand from a more business focussed brand.

All the products and services were consolidated under SITI brand. Survey of Target Audience has also shown that SITI has highest recall amongst all Media Distribution companies. The product and services brand are given below:

- Cable Television Services is promoted under SITI Network
- Digital Cable Television is now branded as SITI Digital
- HITS Operation is branded as SITI Satellite
- Channels are now branded as SITI TV
- Internet is branded as SITI Broadband
- Show-On-Demand Services as SITI Show

The Company has also defined its core target - **A FAMILY** in the middle income group with prime focus on the lady of the house and kids who are actual consumer for TV. The Mascot will be able to appeal to the core Target Group and will reinforce the desired values.

Wire and Wireless wants to build customer centric brand image with values of young & modern, friendly, trustworthy and tech savvy. In line with this company has created a Brand Mascot.



### Creation of SITI Care



To strengthen its customer focus, the service support is branded as SITI Care. The customer can now get personalised services through multiple access routes:

- 24x7 regional call centre at Mumbai, Kolkata, Bengaluru, Delhi, Lucknow and Ludhiana
- Email your message to SITI Care@wwil.net
- SMS <siticare>space<message> to 57575
- Log your request on website: www.wwil.net
- Call LCO in your neighbourhood
- Post or Fax your request to SITI Care at Wire and Wireless office

### SITI Digital Cable Television



offers a superior picture and

SITI Digital  
Cable  
Television

sound quality as compared to the conventional analogue cable TV. The Digital Cable Television is capable of delivering upto 1000 channels. We have been able to give value added features to consumers that are offered by DTH, IPTV & other digital service players like Electronic Programming Guide (EPG), create favourite channel list, Parental Control to block unwanted channels, Radio channels, Games through Set-Top-Box (STB), multilingual functions for channels offered in more than one language. Digital Cable is also able to offer local city channels covering local events that are of interest to viewers only in that city.

Our services are backed by world class infrastructure, state-of-the-art digital headends and hybrid fiber optic network.

Wire and Wireless has launched SITI Digital Cable Television in 7 cities i.e. Mumbai, Delhi, Kolkata, Bengaluru, Lucknow, Ludhiana and Pune.

### SITI Satellite Cable Television



In a path breaking initiative, that will

change the complete landscape of media distribution, the Company has launched **Headend-in-the-Sky (HITS)**, a satellite based digital platform which delivers multichannel television signals to customers and LCOs. HITS provide a complete array of digital video and audio programming needed for a comprehensive programme bouquet.

HITS will enable Wire and Wireless for a pan India digital roll-out in short period by providing to local cable operators, large housing projects, townships, hotels, hospitals with digital signals. LCOs do not need additional investments on a local digital headend, separate subscriber management system (SMS) and conditional access arrangement. HITS gives superior customer experience since the transmission is

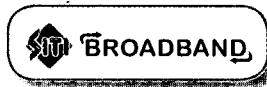






centralised which enable operator to maintain signal quality and content standard.

### SITI Broadband



**SITI**  
Broadband offers high

bandwidth advantage of the cable infrastructure to bring to you the true broadband Internet experience. Wire and Wireless provides this service through its CATV infrastructure using the most reliable CMTS technology by the latest & safest Ethernet LAN. Going forward, the Company intends to give hybrid model of both Wire and Wireless technology so that we are able to offer to both B-2-B and B-2-C. Currently we have launched this service in Bengaluru and will extend to all the metros by this year.

### SITI Show-on-Demand



Viewing of TV programmes in a stereo-type way is

no more a compulsion. The Digital TV technology has already brought revolutionary excitement to the drawing room of the TV viewers. It is all set to offer a wide range of optional programmes with click of a remote.

We have piloted On-Demand services for our digital customers under brand SITI Show. Customers can now order and watch movies in digital quality, without any ad breaks, movie shows as per his choice of time-slot that too from the comfort of his home. This service has become popular with people who currently watch movies at home

by taking DVD/VCD on rental, as it eliminates the hassles of physical handling of DVD/VCD and the cumbersome ordering and return process. Movies and other contents are being selected from popular movie libraries. In order to make ordering process a pleasure, we have provided customers multiple ordering options such as phone call to Call Centre, send SMS or request on Website. This service is offered in prepaid mode only.

### Corporate Governance

The Company is committed to strong values and business ethics, coupled with its article of faith to augment shareholder value, at the core of its Corporate Governance Policy. The Company believes that good governance is not just rule driven, but involves voluntary adoption of international best practices. This is done in the Company through ensuring transparency in corporate disclosures, high quality of accounting practices and adhering to the highest level of business ethics. To further enhance our operating procedures and bring in the leading business practices, Wire and Wireless will be implementing SAP ERP System.

### Future Strategy

Digital TV viewing is the future of entertainment industry. As per FICCI PWC 2008 report, in next 5 years, pay TV homes are expected to grow from 74 million to 115 million i.e. 55.4% growth. An estimated 54% of all Indian households will be Pay TV subscribers by 2012 from current 38% penetration. Digital Cable Television and HITS is expected to

garner major portion of these Pay TV subscribers. Wire and Wireless, being the market leader in Digital Cable and first to launch HITS technology is expected to take the front lead in digital TV revolution. Wire and Wireless is geared up to take lead in customer service, technology, ground operations and have trained manpower to take full advantage of this changing industry scenario. The opportunity coupled with Wire and Wireless preparation for it augurs well for your Company's future.

### In Conclusion

Our cable business is growing at the fastest rate in the industry. In last nine months we have made commendable progress by achieving double digit growth over the previous year. Our quality of service both in analogue and digital is the best in the industry. The focus will be on the consumer and we will build all our systems, processes and delivery to provide the best television viewing experience with value-added services such as Show-on-Demand and Broadband Internet.

We have over 500 employees as of March 31, 2008.

Thanking you,

SUBHASH CHANDRA  
June 17, 2008



## HIGHLIGHTS

Wire and Wireless is India's largest **Multi System Operator**  
(MSO) in the cable industry.



First MSO to launch **most advanced Digital Television**  
satellite based delivery platform Headend-in-the-Sky (HITS).



In the digital mode, Wire and Wireless **offers upto**  
**200 channels** to its subscribers.



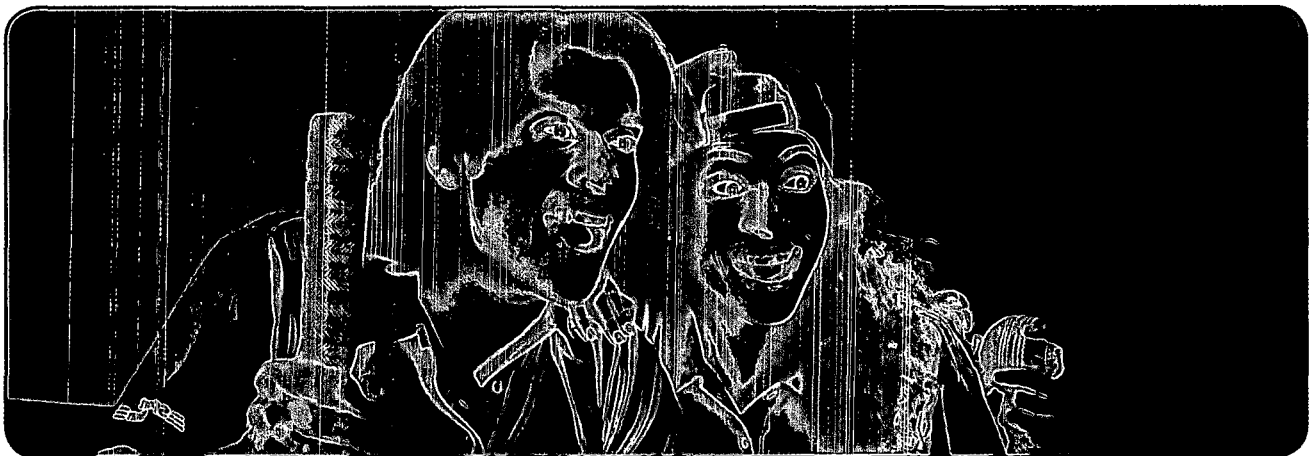
Wire and Wireless has **6.7 million** customer reach across  
**43 cities** of India and operates **76 headends**.



Wire and Wireless operating network includes over  
**4000 franchisee** operators called LCOs.



Wire and Wireless has **7 regional offices**  
with over **500 employees**.



## BOUQUET OF CHANNELS



<p><b>GENERAL ENTERTAINMENT</b></p> <p>Zee TV Star Plus Sony Sahara One SAB Star One DD -1 National Star Utsav Zoom 9X Zee Next NDTV Imagine DD INDIA BINDAS DD -2</p>	<p>Star News India TV DD News DD Loksabha DD Rajyasabha Sahara Mumbai Aaj Tak Tej Total TV Live India IBN 7</p>	<p><b>ENGLISH ENTERTAINMENT</b></p> <p>AXN Star World Zee Cafe</p>	<p>Music India Play TV VH-1 Sur Sangeet Enter 10 9X Music</p>
<p><b>HINDI MOVIES</b></p> <p>Zee Cinema SET Max Star Gold Zee Action Zee Premier Sahara Filmy B4U Movies Zee Classic Zee Smile UTV Movies</p>	<p><b>ENGLISH NEWS</b></p> <p>NDTV 24X7 Headlines Today Times Now CNN IBN CNN BBC World News X DD World</p>	<p><b>LIFE STYLE AND HEALTHCARE</b></p> <p>Zee Trendz FTV Discovery lifestyle Shakti NDTV Good Times</p>	<p><b>EDUCATIONAL / SCIENCE</b></p> <p>Reality TV Discovery Animal Planet National Geographic History Channel</p>
<p><b>HINDI NEWS</b></p> <p>Zee News Aaj Tak NDTV India</p>	<p><b>BUSINESS NEWS</b></p> <p>Zee Business CNBC Awaaz CNBC TV 18 NDTV Profit</p>	<p><b>FOREIGN CHANNELS</b></p> <p>DW TV5</p>	<p><b>KIDS CHANNEL</b></p> <p>Cartoon Network Nickelodeon Hungama Pogo Animax Disney Toon Disney</p>
	<p><b>ENGLISH MOVIES</b></p> <p>Zee Studio Star Movies HBO PIX World Movies TCM</p>	<p><b>SPORTS CHANNELS</b></p> <p>Zee Sports ESPN Star Sports Ten Sports (India) Neo Sports Neo Sports Plus DD Sports Star Cricket</p>	<p><b>REGIONAL CHANNELS</b></p> <p>Bengali/Oriya Zee Bangla ETV Bangla Zee Aakash 24 Ghanta DD 7 Bangla Tara Newz Sangeet Bangla DD Oriya ETV Oriya Star Ananda</p>
		<p><b>MUSIC CHANNELS</b></p> <p>Zee Music ETC Channel V MTV India B4U Music</p>	

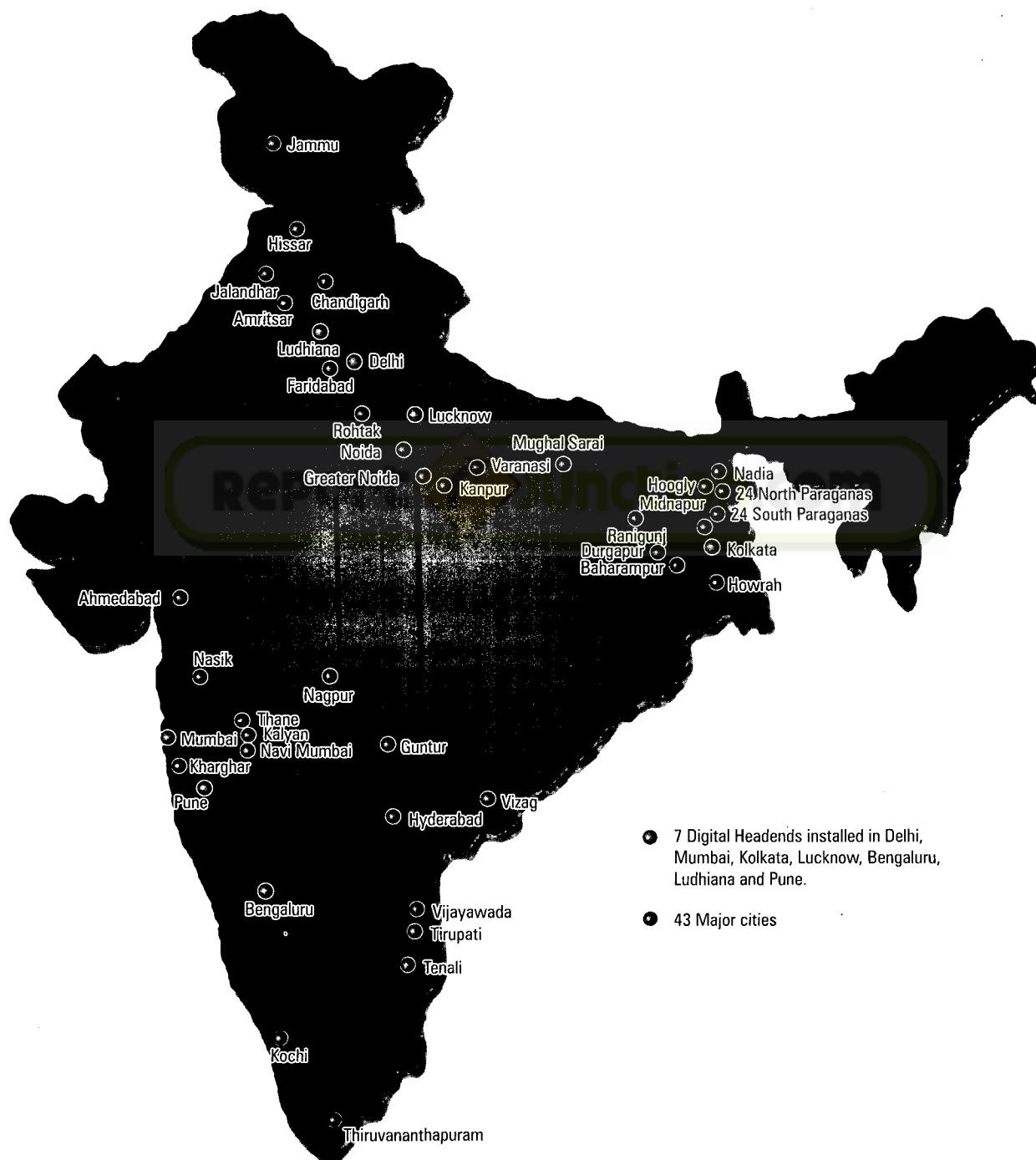




<p>Akash Bangla Tara Music DD West Bengal</p> <p>Marathi/Gujarati IBN – Lokmat Zee 24 Taas Zee Marathi ETV Marathi DD 10 – Sahyadri Mi Marathi Zee Talkies DD Marathi Star Majha Zee Gujarati ETV Gujarati DD II - Gujarati</p> <p>Tamil Sun TV K TV Raj TV Raj Plus Jaya TV Star Vijay Sun News DD 5 Podhigai Sun Music SS Music Kalingar TV</p> <p>Telugu DD Saptagiri Zee Telugu Gemini Music Gemini TV Teja TV</p>	<p>Gemini News Maa TV ETV ETV 2 TV 9 Telugu Vissa TV Adithya TV Teja News</p> <p>Malayalam Surya TV Kiran TV Asianet Asianet News DD Malayalam Kairali TV Amrita Asianet Plus Manorama News</p> <p>Kannada Zee Kannada Udaya TV Udaya Movies ETV Kannada Udaya Varthegalu DD Chandana Udaya – 2 TV 9 Kannada DD 9 Kannada</p> <p>Punjabi/Hindi Zee Punjabi ETC Punjabi DD Punjabi MH 1 DD N.E</p>	<p>DD Bharti DD INDIA ETV UP ETV MP ETV Bihar ETV Rajasthan ETV Urdu DD Urdu</p> <p>SPIRITUAL CHANNELS</p> <p>Zee Jagran Aastha Sanskar God TV Sadhana Miracle Net</p> <p>RADIO PROGRAMMES</p> <p>BBC World Space Radio 1 BBC World Space Radio 2 Air Gujarati FM Rainbow Air Punjabi FM Gold EWTN Radio DW 1 DW 2 DW 4 DW 5 DW 6 DW 8 DW 9 Air VBS</p>	<p>Air Telugu Air Marathi Air Tamil FM Rainbow Bengaluru Air Urdu Air Oriya TGN Radio World Space</p> <p>LOCAL CHANNELS</p> <p>Siti Delhi Siti Amritsar Siti Ludhiana Siti Chandigarh Siti Hissar Siti Rohtak Siti Kanpur Siti Mumbai Siti Kolkata Siti Bengaluru Siti Filmy Siti Cinema Siti Music Siti Movies Siti Darmil Siti Hulchul Siti Simran Siti Sandhya Siti Magic Channel Siti Telugu</p>
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## WIRE AND WIRELESS PRESENCE



Graphical representation of Map. Not to scale.