



ENTERTAINMENT

F1RST

THIRD ANNUAL REPORT 2008-09

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CONTENTS

- 2 Chairman's Statement
- 4 Highlights
- 6 Bouquet of Channels
- 8 Our Presence
- 9 Financials

In every area of personal and corporate life, somebody's got to lead, somebody's got to show the way.

In media and entertainment, Wire and Wireless has taken on that responsibility, having revolutionised the way India looks at television.

A Zee network enterprise, Wire and Wireless reaches 107 cities across India through 400 centres, 4000 LCO partners, 73 analog and 5 digital headends. A diverse product offering puts the Company ahead of the competition - Analog and Digital cable television, Broadband, HITS Satellite Television and Local Television Channels. Not to mention, features such as Video-on-Demand, Pay per View, Electronic Programming Guide and Gaming via STB.

Wire and Wireless is a pioneer many times over. It is India's No .1 Cable Television Company. Largest MSO in the Cable Industry. First in Asia to launch Headend-in-the-Sky (HITS) technology.

A company of firsts. Not just first in entertainment, but also where entertainment comes first!

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 offering the best available resources to provide television viewers world-class services backed by outstanding customer support.

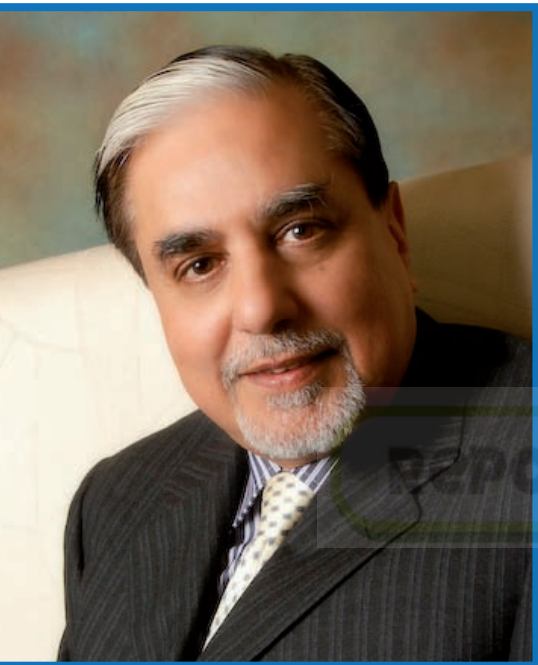
As a Corporate, we will be profitable, productive, creative, compliant, consistent and financially sound with care and concern for all stakeholders.

Wire and Wireless is a pioneer many times over. A company of firsts. Not just first in entertainment, but also where entertainment comes first.



CHAIRMAN'S STATEMENT

"FY2009 saw improvements across a number of areas. It has been a very significant year for the industry."



Dear Shareholders,
Your Company is the country's leading provider of cable television services, offering a variety of channels to customers, both in the analog and digital formats. While the business was initially established in 1995 as Siticable, your Company, in its new *avataar* of Wire and Wireless India Limited (WWIL), has completed three years. Indian television market continues to grow and we believe that WWIL can play a major role in the future growth of Indian cable industry.

Indian Media Sector

India is one of the few countries across the globe where economic growth is led by domestic consumption. Given a very young population, growing consumer class, increasing spending power, and

low media penetration, India continues to be an attractive market for media and entertainment services. The Indian Media and Entertainment industry has witnessed a strong growth in recent times and estimates suggest that the rate of expansion will accelerate and the industry will be worth over a trillion rupees in the next five years.

While the medium to long-term outlook remains very strong, there is a sense of caution that has set into the industry in recent times owing to the global economic slowdown. However, empirical data suggests that television consumption increases during recessionary periods and the cable industry is often much lesser affected as compared to other cyclical categories. Our belief is that the challenges posed by these times would see the emergence of new business models and would lead media companies to change, innovate and re-examine their existing strategy.

Cable Services Industry

The cable services industry in India has come a long way since the government opened the doors for private cable players in 1992. Since the exponential leap in the Indian economy in the last decade, the Indian cable television industry has become a large sector, and is amongst the largest in the world. India now has around 80 million cable and satellite homes, out of which a dominant 68 million are served by cable.

To meet the needs of a growing and ever evolving audience, the country has seen a proliferation of new television channels in all genres and

across several languages. This has led to higher demand for capacity in cable distribution and consequently, digitization of cable platforms has been the natural progression for the industry. I am happy to note the recent trend of voluntary digitization and the openness of local cable operators to adapt to newer technologies. To some extent, this has also been forced on the industry because of the competitive push of the Direct to Home (DTH) sector, and partly due to greater awareness of advantages of better infrastructure. Digital cable not only offers consumers excellent audio-video capabilities but also has added features like two-way interactivity. The cable plant is the fattest pipe running into the consumer premises and once converted to digital offers the biggest bandwidth for all possible data, voice and video applications or triple play services. It has the added advantage of transparency, which benefits the entire television broadcasting value chain.

The television distribution industry is witnessing a big transformation led by technological changes, and changing consumer expectations. These changes are posing new challenges for the industry and also opening up new opportunities.

WWIL Performance

FY2009 saw improvements across a number of areas. It has been a very significant year for the industry. The year saw emergence of greater competition from DTH sector, with entry of new players. There was a much greater adoption of digital television, though cable industry lagged behind DTH in this area. WWIL focused on consolidating its operations during the year and

preparing for launch of Headend-in-the-Sky (HITS) technology for digital cable across some key cities.

In order to create a leaner, more focused organization capable of meeting the competitive needs of the market place, the Company embarked on a significant restructuring drive to optimise its workforce. This difficult but necessary action helped improve efficiencies. Through the year, WWIL has examined every opportunity to streamline operations, realign corporate and regional functions to reduce over head costs, increase focus and accountability of the Company's leadership team and improve performance of its core service lines. With the intention to synergize strengths of various departments and be closer to our customers – both broadcasters and consumers, WWIL has moved its Corporate Office from Mumbai to Noida effective from April 2009.

We also focused on technology initiatives to extend the reach and capacity of our networks. In a major initiative that has changed the landscape of media distribution, your Company is offering HITS, a satellite based delivery platform which delivers multi channel television signals to multi system operators (MSOs) and local cable operators (LCOs). WWIL is the first Company in Asia to undertake digitalisation and addressability in the cable sector by adopting HITS technology. HITS provides a complete array of digital video and audio programming needed for a comprehensive programme bouquet through cable and gives superior customer experience since the

transmission is centralized, enabling the operator to maintain signal quality and content standard. Besides providing HITS in big cities and metros, your Company would be able to provide Digital Cable in smaller towns, cities and villages and is being offered to the customers in a phased manner across the country.

During the year, your Company re-launched SITI Network in Varanasi – The Holy City, in the state of Uttar Pradesh. The Company is offering complete array of cable television services—both analog and digital cable television, value-added services and HITS, for its customers and LCOs in Varanasi.

Corporate Governance

The Company's commitment to strong values and business ethics, coupled with its article of faith to augment shareholder value, is at the core of its Corporate Governance Policy. We believe 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 improve our operating procedures and bring in the leading business practices, Wire and Wireless will be implementing SAP ERP System.

Looking ahead

Across the mature media markets of the world, digital cable as a delivery platform has been substantially on the rise, and is often preferred to other equivalent digital delivery platforms.

The US and European markets are testament to the same. Cable penetration in the US accounts for over 70% of the market and is still growing, while in the European market, the digital cable market is almost twice as large as the next delivery platform.

We believe, digitization is the future of television industry in India and will define the content formats and viewership patterns of consumers in future. While the cable industry in India has been slow to convert its subscriber base from the current analog format to digital, the pace is expected to pick up in the coming years. It is estimated that in the next 5 years, pay TV homes would grow to over 115 million, thus indicating over a 50% growth. An estimated 54% of all Indian households will be Pay TV subscribers by 2012 from the current 35% penetration. Digital cable and HITS is expected to garner a large portion of these Pay TV subscribers. Given the low penetration of digital households within cable homes in the country, the opportunity that lies ahead for cable industry players is enormous.

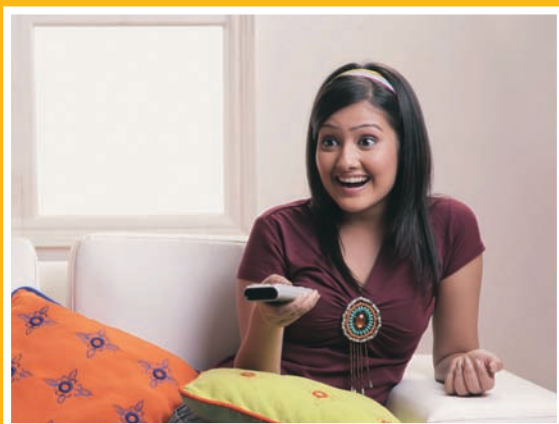
Wire and Wireless, being the market leader in digital cable and first to offer HITS technology is expected to be in the forefront of the digital TV revolution. Your Company is gearing up to take advantage of this changing industry scenario. The unfolding opportunity coupled with our readiness to execute augurs well for your Company's future. We thank you for your continued support and the confidence you demonstrate through your continued investment.

Subhash Chandra
Chairman

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 225 channels** to its subscribers.
- Wire and Wireless has presence in **107 cities** of India.
- Wire and Wireless operating network includes over **4000 franchisee** operators called LCOs.
- Wire and Wireless has **8 regional offices** with over **500 employees**.

WWIL: India's largest Multi System Operator in the cable industry



BOUQUET OF CHANNELS



General Entertainment

Zee TV
Star Plus
Sony
Sahara One
SAB
Star One
DD-1 National
Star Utsav
Zoom
9X
Colors
NDTV Imagine
DD INDIA
BINDAS
DD-2
Real TV

Hindi Movies

Zee Cinema
SET Max
Star Gold
Zee Action
Zee Premier
Sahara Filmy
B4U Movies
Zee Classic
Zee Smile
UTV Movies

Hindi News

Zee News
Aaj Tak
NDTV India
Star News
India TV
DD News
DD Loksabha
DD Rajyasabha
E-24
Sahara Mumbai
Aaj Tak Tej
Total TV
Live India
IBN 7
VOI

English News

NDTV 24X7
Headlines Today

Times Now
CNN IBN
CNN
BBC World
News X
DD World
Channel News Asia

Business News

Zee Business
CNBC Awaaz
CNBC TV 18
NDTV Profit

English Movies

Zee Studio
Star Movies
HBO
PIX
World Movies

TCM

English Entertainment

AXN
Star World

Zee Cafe

Life Style and Healthcare

Zee Trendz
FTV
Discovery lifestyle
Shakti TV

NDTV Good Times

NDTV Showbiz

Foreign Channels

DW
TV5

Russia Today

TV 5-Monde

Nepal 1

Sports Channels

Zee Sports
ESPN
Star Sports
Ten Sports (India)
Neo Sports
Neo Sports Plus
DD Sports
Star Cricket

Music Channels

Zee Music

ETC

Channel V

MTV India

B4U Music

Music India

Play TV

VH-1

Sur Sangeet

Enter 10

9X Music

Educational / Science

Discovery

Animal Planet

National Geographic

History Channel

Topper TV

DD Gyandarshan-1

DD Gyandarshan-2

Kids Channel

Cartoon Network

Nickelodeon

Hungama

Pogo

Animax

Disney

Toon Disney

Spacetoon

Regional Channels

Bengali/ Oriya/ Assamese

Zee Bangla

ETV Bangla

24 Ghanta

DD 7 Bangla

Tara Newz

Sangeet Bangla

DD Oriya

ETV Oriya

Star Ananda

Aakash Bangla

Tara Music

DD West Bengal

Kolkata TV

DD NE

NE TV

Marathi / Gujarati

IBN – Lokmat

Zee 24 Taas

Zee Marathi
ETV Marathi
DD Sahyadri
Mi Marathi
Zee Talkies
DD Marathi
Star Majha
ETV Gujarati
DD II - Gujarati

Tamil

Sun TV
K TV
Raj TV
Raj Plus
Jaya TV
Star Vijay
Sun News
DD Podhigai
Sun Music
SS Music
Kalingar TV
Zee Tamil
Chutti TV
Jaya Plus
Jaya Max
Makkal TV
Raj Music

Telugu

DD Saptagiri
Zee Telugu
Gemini Music
Gemini TV
Teja TV
Gemini News
Maa TV
ETV
ETV 2
TV 9 Telugu
Vissa TV
Adithya TV
Teja News
24 Ghantalu

Malayalam

Surya TV
Kiran TV
Asianet
Asianet News

DD Malayalam
Kairali TV
Amrita
Asianet Plus
Manorama News
Malyalam News International

India Vision

Isai Aruvi

Jeevan TV

Kannada

Zee Kannada
Udaya TV
Udaya Movies
ETV Kannada
Udaya Varthegalu
DD Chandana
Udaya – 2
TV 9 Kannada

DD 9 Kannada

Punjabi / Hindi

Zee Punjabi
ETC Punjabi
DD Punjabi
MH 1
DD Bharti
DD INDIA
ETV UP
ETV MP
ETV Bihar
ETV Rajasthan
ETV Urdu
DD Urdu
Zee Chattisgarh
DD Kashmir
Mahua TV
Time TV

Spiritual Channels

Zee Jagran
Aastha
Sanskar
God TV
Sadhana
Miracle Net
MH 1 Shraddha

Radio Programmes

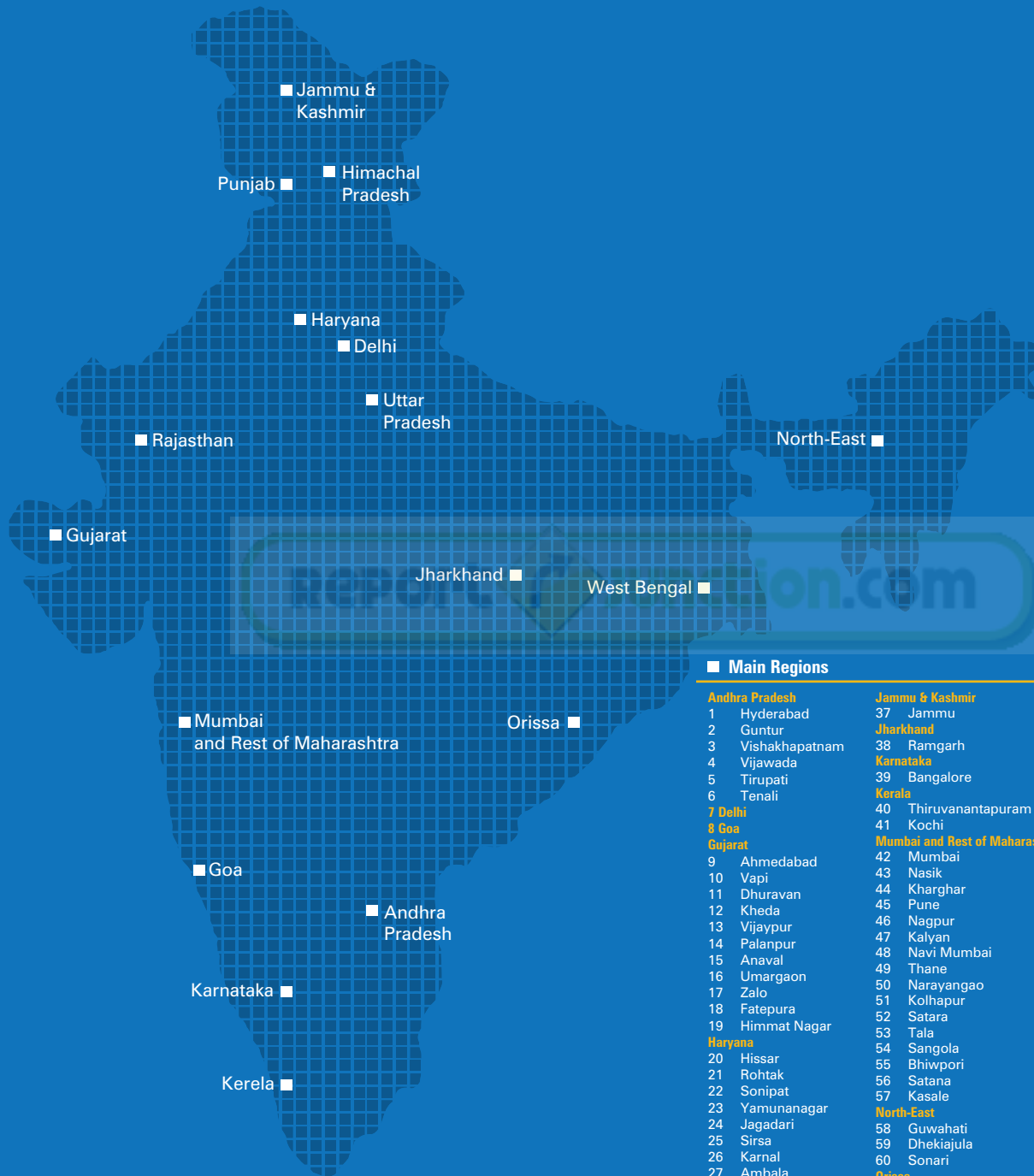
AIR Assamese
AIR Bangla

AIR Gujarati
AIR Hindi
AIR Punjabi
FM Gold
AIR Kannada
AIR Kashmir
AIR Malyalam
AIR Telugu
AIR Marathi
AIR Tamil
FM Rainbow Bangalore
AIR Urdu
AIR Oriya
AIR NE
AIR Ragam
AIR Vividh Bharti
FM Gold Mumbai
FM Rainbow
FM Rainbow Chennai

Local Channels

SITI Delhi
SITI Amritsar
SITI Ludhiana
SITI Chandigarh
SITI Jalandhar
SITI Hissar
SITI Rohtak
SITI Kanpur
SITI Kolkata
SITI Bangaluru
SITI Kochi
SITI Trivandrum
SITI Filmy/ Filmi
SITI Cinema
SITI Music
SITI Movies
SITI Dharmik
SITI Gurbani
SITI Desi
SITI Aradhana
SITI Magicbox
SITI Jukebox
SITI Blockbuster
SITI Text
SITI Music
SITI Telugu

OUR PRESENCE



■ Main Regions

Andhra Pradesh	Jammu & Kashmir	Uttar Pradesh
1 Hyderabad	37 Jammu	70 Bulandhser
2 Guntur	Jharkhand	71 Ghaziabad
3 Vishakhapatnam	38 Ramgarh	72 Dadri
4 Vijawada	Karnataka	73 Noida and Greater Noida
5 Tirupati	39 Bangalore	74 Jagdishpur
6 Tenali	Kerala	75 Rozagoan
7 Delhi	40 Thiruvananthapuram	76 Bangarmu
8 Goa	41 Kochi	77 Balrampur
Gujarat	Mumbai and Rest of Maharashtra	78 Bhabnan
9 Ahmedabad	42 Mumbai	79 Mankapur
10 Vapi	43 Nasik	80 Jalaun
11 Dhuravan	44 Kharghar	81 Lucknow
12 Kheda	45 Pune	82 Mughalsarai
13 Vijaypur	46 Nagpur	83 Varanasi
14 Palanpur	47 Kalyan	84 Kanpur
15 Anaval	48 Navi Mumbai	85 Orai
16 Umargaon	49 Thane	86 Kannauj
17 Zalo	50 Narayangao	87 Jhansi
18 Fatepura	51 Kolhapur	88 Anola
19 Himmat Nagar	52 Satara	89 Sitapur
Haryana	53 Tala	90 Jaunpur
20 Hissar	54 Sangola	91 Haidargarh
21 Rohtak	55 Bhiwpori	92 Raibareilly
22 Sonipat	56 Satana	93 Renuagar
23 Yamunanagar	57 Kasale	94 Lakhimpur
24 Jagadari	North-East	95 Allahabad
25 Sirsa	58 Guwahati	West Bengal
26 Karnal	59 Dhekiajula	96 Nabadwip
27 Ambala	60 Sonari	97 Hoogly
28 Jind	Orissa	98 Midnapur
29 Faridabad	61 Bhubneshwar	99 Ranigunj
HP & Punjab	62 Bhadrak	100 Durgapur
30 Jhakri	63 Angul	101 Baharampur
31 Bilaspur City	64 Bhawaniputra	102 Nadia
32 Shimla	65 Jajpur	103 Kolkata
33 Jalandhar	66 Rourkela	104 Howrah
34 Chandigarh	Rajasthan	105 24 North Paraganas
35 Amritsar	67 Bhilwara	106 24 South Paraganas
36 Ludhiana	68 Beawar	107 Asansol
	69 Jaipur	

Graphical representation of map. Not to scale.