



20th July, 2009

To
Bombay Stock Exchange Limited
1st Floor, Rotunda Building,
B.S. Marg, Fort,
Mumbai 400 001

Kind attn: Mr. Wilbur Fernandes, Manager DCS-CRD
Scrip Code: 532619

Dear Sir,

1. The Board of Directors ("the Board") of the Company in its recently concluded board meeting considered a proposal to consolidate the business of its subsidiaries UMP Plc ("UMP") and UTV Motion Pictures (Mauritius) Limited ("UTV Mauritius") into the Company to reap the benefits of operational synergy and enhance shareholders value.
2. **Present Structure:** UMP is a publicly listed company at the AIM of London Stock Exchange and is the holding company of UTV Mauritius, which comprises of the entire motion picture production business of the Company. The Company presently holds 76.82 of UMP and the balance is widely held by the independent shareholders.
3. The Board has amongst other things taken into account the following while considering this proposal –
 - In 2007, the Company listed its Motion Picture business on AIM of London Stock Exchange through UMP. This proposal is a move to consolidate the motion picture business and bring the motion picture business back into India. The consolidation is expected to bring greater operational efficiencies.
 - Additionally, this proposal aims at an effective solution to the illiquidity for the existing UMP shareholders by providing greater liquidity to the UMP shareholders at Indian bourses. The proposal will also give the UMP shareholders the option to participate in the diversified media portfolio of the Company.
4. As per the proposal, the shareholders of UMP (other than the Company) will be issued 1 equity share of the Company for every 3.75 ordinary shares of UMP held by them. The share swap ratio is based on a joint independent valuation conducted by BDO Haribhakti Consulting Private Limited and SSPA & Co, Chartered Accountants.
5. The proposed share swap ratio is expected to result in a dilution of 15.84% of the equity share capital of the Company. Pursuant to the proposal the expected equity share capital of the Company shall be 40,632,250 equity shares without considering the conversion of Promoter Warrants and ESOP ("Expanded Equity Capital). Presently the promoter holding is 83.25% of the existing paid up capital of the company and post this dilution it will be 70.06% of the Expanded Equity Capital.



UTV Software Communications Ltd.

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Registered and Corporate office : 1181-1182, 8th Floor, Solitaire Corporate Park, Guru Hargovindji Marg,
Chakala, Andheri (E), Mumbai 400 093.

Tel.: 4098 1400 Fax: 4098 1510 HTTP://www.utvnet.com



- The proposal is intended to be implemented by way of a scheme of arrangement under sections 391 to 394 read with section 78 and sections 100 to 103 of the Companies Act, 1956 and court approved schemes of arrangements in Isle of Man and Mauritius. The Board, amongst other things relating to the proposal, approved the proposal as well as the draft Scheme of Arrangement under section 391 to 394 (and section 78 and section 100 to 103) of the Companies Act, 1956 to be approved by the Hon'ble High Court of Bombay which provides for the transfer and vesting of the business and assets of UMP and UTV Mauritius to the Company, the issue of new shares of the Company to the shareholders of UMP (other than the Company); and the dissolution without winding-up of UMP and UTV Mauritius.

Attached is a copy of the announcement that has been jointly made by UMP and the Company in the United Kingdom in this regard.

Thanking You

Yours faithfully,

FOR UTV SOFTWARE COMMUNICATIONS LIMITED

MOHD. SAJID ALI
COMPANY SECRETARY



Encl:

- UMP Announcement

UTV Software Communications Ltd.

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