



**HT Media Limited**  
Annual Report 2007-08

## Contents

Enriching & Empowering India	01	Balance Sheet	42
Performance Highlights	03	Profit and Loss Account	43
Letter from the Chairman & Vice Chairperson	04	Schedules to Financial Statements	45
Rich Brand Portfolio	08	Statement on Subsidiary Companies	71
Management Discussion and Analysis	20	Auditors' Report on Consolidated Financial Statements	72
Report on Corporate Governance	24	Consolidated Balance Sheet	74
Directors' Report	34	Consolidated Profit and Loss Account	75
Auditors' Report	39	Consolidated Schedules to Financial Statements	77

## Corporate Information

### BOARD OF DIRECTORS

**Dr. K.K. Birla**  
*Chairman*

**Smt. Shobhana Bhartia**  
*Vice Chairperson and Editorial Director*

**Shri Roger Greville**

**Shri K.N. Memani**

**Shri Y.C. Deveshwar**

**Shri N.K. Singh**

**Shri Ajay Relan**

**Shri Priyavrat Bhartia**  
*Whole-time Director*

**Shri Shamit Bhartia**  
*Whole-time Director*

### CHIEF EXECUTIVE OFFICER

Shri Rajiv Verma

### COMPANY SECRETARY

Shri Dinesh Mittal

### AUDITORS

S.R. Batliboi & Co.  
Chartered Accountants, New Delhi

### REGISTRAR & SHARE TRANSFER AGENT

Karvy Computershare Private Limited  
Plot Nos. 17-24, Vittal Rao Nagar, Madhapur  
Hyderabad - 500 081

### REGISTERED OFFICE

Hindustan Times House  
18-20, Kasturba Gandhi Marg  
New Delhi 110 001, India

Tel : + 91-11-6656 1234  
Fax : + 91-11-2370 4600  
Website : www.htmedia.in



## How we're Enriching & Empowering India

Indian Media has clocked rapid growth in the last one decade. FDI in print, coming up of over 100 television channels, booming user-base of online media and revival of radio through FM stations are some of the notable developments in this period. Equally, with the flood of information available through different formats, there is fierce competition amongst players to win and retain their respective audiences. HT Media Limited has welcomed competition, and in fact, thrived on it, believing it is in the best interest of consumers and, therefore, the media companies.

Media, which started as a service to the community centuries ago, has gradually transformed into a sustainable and profitable business today. Also, the impact and influence of media continues to be huge, particularly on young minds, and goes beyond limits of community and country in today's wired and networked world.

It is important for media to be responsible and accountable for the development and enrichment of the communities it serves.

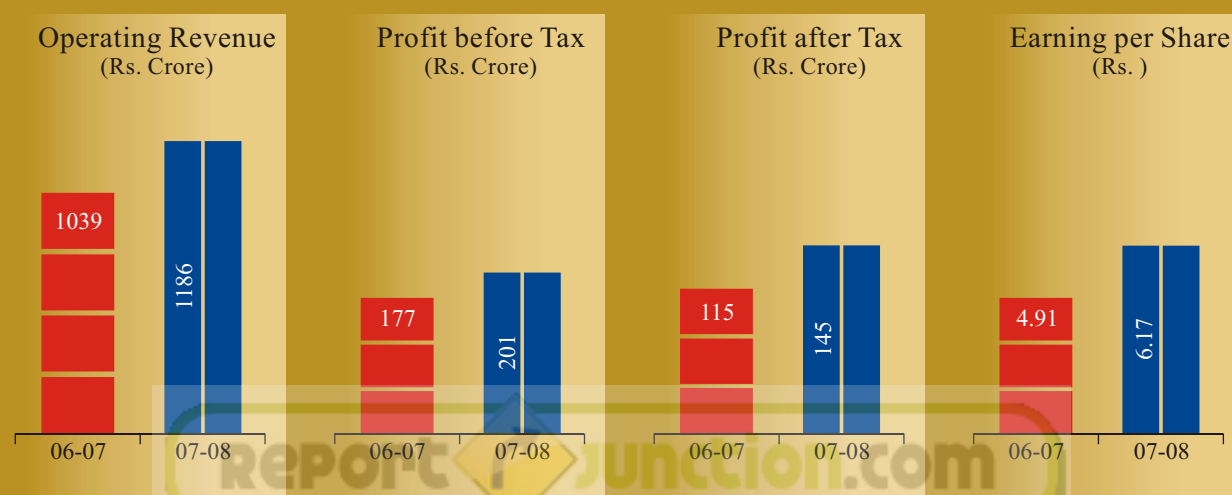
Hindustan Times has been carrying on this responsibility for over eight decades. In a fast-transforming India, we are determined to play a constructive role in building a vibrant, knowledge-able and thought-driven India. With today's diversified media platforms of print, radio and online, we are serving the information and entertainment needs of Indian people with quality content that helps them develop an informed viewpoint and lead an enriched life. So, while we 'continuously enhance our stakeholders' value' as our business agenda, we stay committed to 'enriching and empowering India' as our service agenda.



How we did  
what we did

We are pleased to present numbers that reflect our growth in FY 07-08. What is more satisfying is the fact that these numbers have been achieved through 366 days of our conscious efforts to enrich and empower millions of Indians across our business spectrum. That is what makes this growth sustainable and that's exactly how we expect you to view the numbers appearing on the opposite page.

## Performance Highlights: 2007-08



## Three Years' Financial Summary

(Rs. Crore)

Particulars	07-08	06-07	05-06
Operating Revenue	1,186	1,039	824
Other Income	41	40	18
Total Income	1,227	1,080	842
EBITDA	264	231	136
PBT	201	177	61
PAT	145	115	37
Share Capital	47	47	67
Reserve and Surplus	869	737	626
Secured Loans	214	165	170
Fixed Assets (net)	462	409	392
Investments	457	373	64
Current Assets (net)	250	202	414



## Reflections from the Chairman & Vice Chairperson on a successful year

*Dear Shareholders,*

It is that time of the year again when we reflect on how HT Media has performed over the course of this fiscal year across our growing and vibrant portfolio of media properties.

Much of what your Company has done in the past few years has been to not only continuously enhance shareholder value but, also broaden and deepen our ability to compete aggressively in a rapidly changing, dynamic media market. This resilience was amply reflected in our annual performance where, despite a sharp deterioration in global macro economic conditions and its subsequent ripples on the Indian business environment, HT Media performed admirably. During the year, we expanded the presence and reach of our youngest businesses—Fever 104 FM radio network of HT Music and Entertainment Company Limited subsidiary, our business newspaper Mint; aggressively rolled out plans for a significant expansion of our Hindi offering, Hindustan; enhanced product quality and offerings of our flagship Hindustan Times; and added an exciting online business portfolio through the Firefly e-Ventures Limited subsidiary. We made all these investments, which will help make your Company more robust in years to come.

### **New initiatives and vibrant approaches**

We have always been led by our ability to understand reader and advertiser needs, sensing gaps and opportunities in the marketplace ahead of our competition and coming up with innovative solutions to fill the needs. One exciting illustration of such strategic thinking is how we now approach the Hindi market in India's vast Indo-Gangetic plains. It has always been a vast market but the dramatic growth in Hindi readership, has given us a unique opportunity to aggressively deepen and also expand Hindustan. We have done this through new launches but, more importantly, through a tight collaboration between our editorial teams and our customer-facing business teams. This has led to an offering that meets the needs and aspirations of the millions of young people in that region. We believe such collaborative efforts, which preserve the sanctity and integrity of our news offerings and yet meet the needs of our customers, is a model that will help HT Media gain readers and revenue in this vast region, spurring Hindustan on to new heights.

Hindustan Times sustains its leadership position in Delhi and continues to make significant strides in deepening its ties to the city as well as its youth. The Mumbai edition of Hindustan Times continues to gain momentum and market share backed by a greatly improved product, strong gains in circulation and improving brand salience.

Our business newspaper Mint added a critical Bangalore edition in November'07, marking the first print entry of HT Media into South India. With its sustained and differentiated editorial offering that continues to live up its promise of clarity and credibility, Mint has managed to build a strong word-of-mouth reputation for analytical and honest business journalism that belies its young age. Mint's ongoing exclusive association with the world's leading business publication, The Wall Street Journal, now published by News Corp., allows the paper to offer the best in international business news coverage.



Our youthful and innovative FM radio network, Fever 104 in Delhi, Mumbai, Bangalore & Kolkata, is synonymous with vibrant creative and highly engaging programming. With state-of-the-art sound quality and the most number of music minutes in any hour, it is also customized to each city and its unique listeners. Fever 104 has established itself as a very strong contender in the Indian radio market.

Our continued belief that the Internet will be a potent and significant media of the future has led us to create a separate subsidiary in Firefly e-Ventures Limited. This subsidiary is integrating our existing Internet properties under one entity and is going to aggressively launch new properties. The first such launch was Shine.com, a comprehensive job portal. As the base of Indian internet and mobile phone users increase rapidly, we believe that the right blend of the three Cs of the Internet, "Classifieds, Content and Communities", will provide HT Media with a formidable platform to engage audiences at a faster pace, driving online revenues and profits.

As a result of all these initiatives, your Company is strategically consolidating its dominance in core print businesses while simultaneously diversifying into several adjacent mediums. Thanks to this dual strategy, your Company posted healthy financial results in FY07-08. Gross Sales grew by 14% to reach Rs. 1,227 Crore and PAT stood at Rs. 145 Crore, registering a growth of 26%.

It is a clear sign that the time and effort we put into understanding our readers and consumers and marrying that with strong strategic initiatives will continue to drive sustainable growth despite rising costs and other competitive pressures that were starting to emerge toward the end of the year, mostly on account of a global economic slowdown. We are ever more resolved to continue to invest in our growth brands such as Hindustan, Fever 104, Mint and Shine, while keeping a firm grip on our core Hindustan Times offering.

Our stakeholders have always been the key catalyst in our growth story. We extend our sincere appreciation to investors for their continued trust; our warm gratitude to more than 3,500 HT employees across the country for their relentless efforts; and our thanks to our readers and customers for their support.

Thank you.

**K.K. Birla**  
Chairman

**Shobhana Bhartia**  
Vice Chairperson and Editorial Director



## How we value our beliefs

Carrying forward the legacy of HT of over eight decades, we have always evolved and kept pace with changing times. This has helped us remain contemporary in the world of fast changing consumer preferences. We believe that the more enduring and rewarding change begins from within. In the same belief, we revisited and subsequently adopted a new set of core values for the Company. Summed up as "HTism", following five core values are governing everything we do:

- Courage
- Responsibility
- Empowerment
- Continuous Self Renewal
- People-centric

These core values were adopted by the Company as the filter through which we would work. Through this year, we have had various Value Challenge Sessions involving large sections of our workforce to promote value-embedment as a way of life at HT Media. The feedback and experiences from these sessions have helped drive business initiatives in a big way, create improvements in processes, systems and workforce planning across the Company.

The effectiveness of these sessions is evidenced through our performance in an 'employer of choice' survey done by a leading global consultancy firm. The survey was conducted across Asia, where HT Media's scores were amongst the highest across the region. Particularly, our scores on "values and integrity" came out to be much higher than the Pan Asian norm. Among our other strengths were Leadership and Strategic Direction, Commitment, Customer Focus, Work and Team Environment.





How we see  
ourselves  
today.  
Tomorrow.

To be competitive and contemporary, one needs to aspire, attempt, adapt and consistently evolve. We have been creatively utilising our energy to achieve our forward looking vision of becoming the most proficient media house respected for both its size and integrity.

Our endeavour to expand the geographical spread and diversify across media verticals has shown very satisfying results. We engaged audiences meaningfully with our rich content mix across every vertical: our English mainstream daily 'Hindustan Times', our Hindi daily 'Hindustan', our business daily 'Mint', FM radio channel 'Fever 104' through our subsidiary and our various online initiatives.

In the process, we have strengthened and also added new brands to our asset pool. What follows is a quick take on some of the leading brand properties of the Company.



## Hindustan Times

**Hindustan Times (HT)** is the flagship publication of the Company. This mainstream English daily has a nationwide reach and is printed from New Delhi, Mumbai, Lucknow, Patna, Ranchi, Bhopal, Chandigarh, Jalandhar and Kolkata.

## हिन्दुस्तान

**Hindustan** is the Hindi vernacular of the Company. Maintaining its No.1 readership position in Bihar and Jharkhand, it has gone from strength to strength in the Indo-Gangetic belt, becoming the country's third largest read newspaper. It is now poised for even greater glory after a complete overhaul. Are you ready for it?



**Mint** is the business daily, offering refreshing clarity on markets, companies and the people who make them. Created in partnership with The Wall Street Journal, it has quickly created a niche for itself as an insightful and well-researched business newspaper.



**hindustantimes.com** takes the Hindustan Times forward. It builds on content generated by the main paper and supplements it by its edge-of-the-seat coverage of breaking stories from all around the world, from all walks of life; sports, business, politics or just plain hot gossip. Backed by the Microsoft Commerce Server 2007, the site has received the best technology usage award for two consecutive years in the 2008 PC World Awards.



**HT NEXT** has everything that today's youth want from a newspaper: sports, celeb-watch, global and local news, and some politics.



## कादम्बिनी

**Nandan** is a brand first, and then a magazine for children. Generations of Hindi-speaking Indians have grown up on this extremely successful children's magazine.

**Kadambini** is a magazine for the entire family, empowering each member with the tools to make sense of a rapidly changing society.



**livemint.com** is the online edition of the business daily 'Mint'. It provides global news, breaking news, current business, financial, economic and technology news.