



HT Media Limited



Letter from the Chairperson
Session with the CEO
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CORPORATE INFORMATION

BOARD OF DIRECTORS

Smt. Shobhana Bhartia
Chairperson and Editorial Director
Shri Roger Greville
Shri K. N. Memani
Shri Y. C. Deveshwar
Shri N. K. Singh
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

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THIS ANNUAL REPORT

Consists of 28 pages including 16 pages of Financial Statements. Notice of 7th Annual General Meeting, Proxy Form and Attendance Slip are enclosed separately.

Marching forward

Maximising revenues, optimising cost, continuing quality investment



HT MEDIA put up a spirited financial performance in FY 09. Its total revenue grew by an impressive 12% to reach Rs. 1336 Crore. The commendable performance was scripted in the backdrop of a very challenging year for print media, where clients across major advertising sectors like automobile, real estate, consumer durables, electronics and BFSI cut their advertising expenditure significantly. HT Media still grew its

advertisement revenue by 11%.

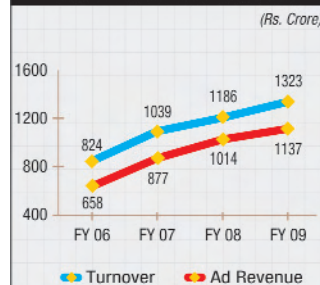
FY 09 also brought operations landmarks for HT Media. Indian Readership Survey, Round-1 2009 has validated its leadership position in Delhi and NCR region. Readership of Hindustan Times grew by 55% in Mumbai over Round-1 figure of 2008. Hindustan maintained its leadership and emerged as the fastest growing Hindi daily in the country. Mint, India's second largest business daily,

improved its readership by 26% over Round-2 figure of 2008. After its launch in Kolkata in May 09, Mint is all set to reach Chennai in July 09 and thereby becoming a truly national business daily of the country.

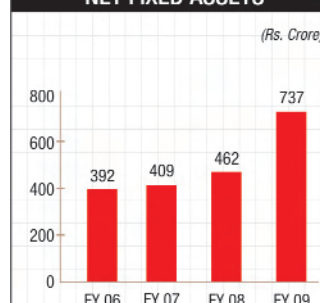
The spiralling global newsprint costs, together with strengthening of US Dollar against Rupee, posed major cost challenge. HT Media responded quickly to switch to a

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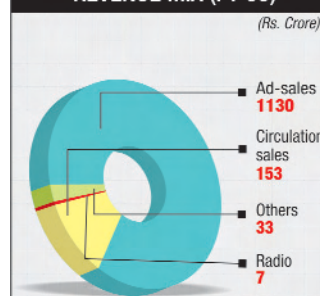
TURNOVER & AD REVENUE



NET FIXED ASSETS



REVENUE MIX (FY 09)



A billion people on the move

HT Media is informing people, reforming thoughts

SINCE BECOMING a trillion dollar economy in FY07, India is on the move. As the second fastest growing economy for some years now, the country is throwing open a sea of opportunity to its citizens living in metros, cities and even villages. Development is fast approaching the last mile in the form of connectivity through phones, broadband internet, power, cable & satellite television, civic infrastructure, and basic health & education.

Responding to the opportunity are a billion-plus Indians, up-scaling themselves with enhanced knowledge and skills. HT Media has actively participated in the Indian growth story over decades. It continued to play its role of an informer, educator and entertainer throughout the year.

Its English daily, Hindustan Times



has been reforming the views and thoughts of upwardly mobile Indians with thought-provoking news coverage everyday. Its weekly specials have been bringing to them the best of trends and opportunities from the world of travel, education, job, real estate. Millions of readers from across the strata have been benefiting from the informative, investigative and thought-instigating stories of Hindustan Times.

The aspirations of the Hindi reading and speaking Indians aren't any smaller. Their increasing participation in the GDP generating activities is a true reflection of them brushing up their awareness and skill-levels. HT Media's Hindi daily, Hindustan, has been catalysing them

Continued on Page 4

A TRIBUTE TO DR. K. K. BIRLA

A philanthropist, a legend of industry and a builder of modern institutions



HE BECAME the president of FICCI in 1974, when the country was facing severe inflationary pressures and recessionary trends. Addressing Prime Minister Indira Gandhi, he critiqued the tight monetary policy and the raising of interest rate. "Demand management policies have played out their role and should not be allowed to outlive their utility. Let us shift the focus now on revival of demand and in particular supply expansion." He had said words, that sound prescient to conditions today.

While many industrialists were

apprehensive about competition from abroad, he proactively supported Manmohan Singh, who as finance minister during 1991-96 helped to drag India out of the protectionist era and ushered in economic reforms. "Many business leaders were worried about the changes, but Mr. Birla understood the importance and relevance of what we were doing." Prime Minister Dr. Manmohan Singh said in December 2007 while launching Birla's autobiography, "Brushes with History".

Continued on Page 3

Demand management policies have played out their role and should not be allowed to outlive their utility. Let us shift the focus now on revival of demand and in particular supply expansion.

20 TOP LEADERS. 2 DAYS. 1 AMBITION.
INDIA'S PLACE IN THE 21st CENTURY.

LEADERSHIP SUMMIT FROM HINDUSTAN TIMES.



Leadership Summit from Hindustan Times, an annual gathering of top leaders from India and the world, to discuss, debate and draw out plans for India's ambitions for the Twenty First Century.

LIST OF LEADERS : Manmohan Singh, Sonia Gandhi, Asif Ali Zardari, L. K. Advani, Tony Blair, Cherie Blair, Lalu Prasad Yadav, Chandrababu Naidu, Pratul Patel, C.B. Bhavre, Vijay Malviya, Naresh Goyal, Karan Billooria, Sanjay Dutt, Rahul Dravid, Michael Vaughan, Jerry Linenger, Gary Samore, Vali Nasr, Karl Inderfurth, Nayan Chanda, Chetan Bhagat.

For more details log on to HindustanTimes.com

Associate Sponsors

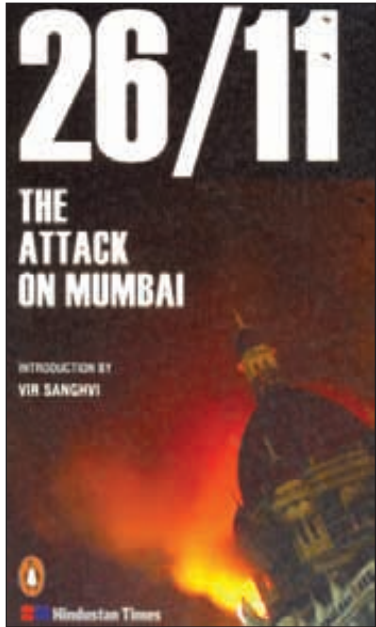
Summit Partners

Media Partners



Creating content benchmarks

Reflecting progress, highlighting neglect



HT MEDIA has taken its content benchmark to next level during FY 09 with Hindustan Times, Hindustan and Mint. It is continuing to change the face of journalism in India.

News is no longer what most people saw on television the night before. Packed with additional information and details, HT Media publications make them a completely new and insightful experience next morning. The aim of getting close to the readers and their concerns has delivered several content benchmarks, which instigated change - from apathy to action, and also won appreciations and awards.

High on the roll of honours was 'India Yatra', a reporting exercise never undertaken before in this country: 30 reporters, 30 photographers fanned out to catch India at work, at home and in the fields. The aim was to document the aspirations, dreams, rage and despair that impact the lives of average Indian, as India got ready for Lok Sabha elections. It was an instant success and was written about in media journals and columns as the kind of journalism needed.

From Kashmir to Chattisgarh to Jharkhand to Manipur, two of HT Media's editors separately travelled to states affected by insurgency, trying to drive home one larger theme: insurgency has become a very simple excuse for misgovernance in India. This nine-part national series on insurgency called 'India Besieged' went on to win the prestigious Ramnath Goenka Excellence in Journalism Award.



Both these awards are a reflection of HT Media's rising standards of journalism that not only brings to readers the real stories of fast changing India but also of journalism that makes a difference to the lives of readers

Another investigative series on the dwindling number of open spaces in Mumbai highlighted how 49 of Mumbai's open spaces were being lost to private builders, and 20 of the city's gymkhanas were denying public access. The two-month series won Prakash Kardale Memorial Award for Civic Journalism. Both these awards are a reflection of HT Media's rising standards and solidifying determination to showcase a journalism that not only brings to readers the real stories of fast changing India but also a journalism that makes a difference to the lives of readers.

Hindustan Times' "Gurgaon Collapsing" series began with giving voice to the residents' protest on abysmal state of civic facilities in the city. This five-part series addressed specific issues like absence of garbage disposal area and drainage,

potholed roads, and high incidence of crime. The administration swung into action taking corrective measures. Gurgaon residents wrote hundreds of mails to Hindustan Times, acknowledging the efforts and encouraging it to keep going with the series. The campaign won an International Press Award in May this year.

'India Can, India Will' series of success stories from across the country brought to light many people who were turning adversity into opportunity. Unheard and unknown, they were changing the country. Each story bore testimony to the spirit that drives this country.

Hindustan Times' coverage of 26/11, the horrific terrorist attack on Mumbai last November, was most comprehensive and ahead of competition. The articles - spots and specials - carried by Hindustan Times were published later as a book by Penguin India. Another breakthrough 12-part series done in Mumbai edition, 'Small Ideas, Big Changes' focused on daring, dogged and ambitious young entrepreneurs from Mumbai who, by what they accomplished, changed the way this city lives: from the way it watched movies to the manner in which it travels in taxis.

Amongst numerous impactful stories of Hindustan, *Sajag Nivesh Abhiyaan* on investments; *Health Guide* on health & fitness; *Zabran Wasooli* series on school fee hike in NCR & Delhi; *Vidhayak/Sansad/Mantri Jee ka Report Card* on elections were liked by the readers.

Fever rose to 104 FM

HT MEDIA'S radio business, Fever 104, made significant strides in FY 09. Across the stations of Delhi, Mumbai, Bengaluru and Kolkata Fever 104 kept on improving its programming through the year. All the stations improved on their listener pool and the time spent by listeners. In the week 19 (3rd - 9th May, 2009), Fever 104's Mumbai station bagged the No. 1 position, while Delhi and Bengaluru became No. 2 stations in respective markets.

The investment phase in these four stations is nearing completion. Radio segment was within the striking range from breaking even at the closure of FY 09 and going forward, it shall start contributing to the profitability of HT Media soon. An important development during the year was demerger of the Radio business from HT Music & Entertainment Company Limited and its subsequent merger with HT Media Limited.

Delhi station conducted a first-ever radio survey seeking the audience's view on the kind of programming mix they will like their favourite station to air. Inputs from thousands of listeners gave an insight into their preferences and helped Fever 104 in rolling out an engaging programming mix. Station went on to serve more music, more



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local connect and more humour.

The results were soon visible in the brand achieving the highest TSL, meaning the maximum time spent by the audience on a station. Fever 104 partnered with Delhi Daredevils Team during the Indian Premier League Cricket tournament, creating some engaging programming and becoming the station of choice with over 35 Lac listeners.

Mumbai station underwent transmission-quality improvisation in early 2008 and since then, broke new ground by achieving the highest TSL in the market in a short span of time. Launch of Fever 104 FM Digisound™ facilitated the state-of-the-art digital transmission quality, giving listeners the best radio-listening experience in Mumbai. Roping in some of the best on-air talents did enhance the station's appeal.

Bengaluru station also changed its programming strategy, which put the station on a growth path. An all-Kannada programming has created engagement with the listeners and has worked in cutting the clutter. Kolkata, the newest station in the Fever 104 stable, crossed 30 Lac listeners mark within the first year of its launch. The station has been steadily rising up the listenership charts.

Fever 104 in the last year has gone from strength to strength. It is of significance that Fever 104 has achieved an overall revenue growth of over 60%.



अब हिन्दुस्तान की बारी है



एचटी मीडिया का हिंदी समाचारपत्र हिन्दुस्तान देश में तीसरा सबसे ज्यादा पढ़ा जाने वाला अखबार है। इंडियन रीडरशिप सर्वे की ताजा दौर की गणना के अनुसार पिछले एक वर्ष में भारत के 10 शीर्ष अखबारों में हिन्दुस्तान सबसे तेजी से बढ़ता अखबार है।

प्रख्यात पत्रकार, शिक्षाविद, और लेखक श्रीमति मुणाल पांडे द्वारा संपादित हिन्दुस्तान को साफ-सुथरी, पूर्वाग्रह मुक्त और धर्म निरपेक्ष रिपोर्टिंग और विश्लेषण के लिए जाना जाता है। इस अखबार की शुरुआत 1936 में पं. मदन मोहन मालवीय ने बैसाखी के दिन की थी। यह ठीक तब की बात है जब जवाहर लाल नेहरू की अध्यक्षता में कांग्रेस का ऐतिहासिक अधिवेशन हुआ था। समकालीन हिंदी अखबारों में यह सबसे पुराने समाचार पत्रों में से एक है। संपादकीय गहराई और

व्यापकता के अलावा अपने मशहूर सप्लीमेंट्स के चलते दैनिक हिन्दुस्तान, हिंदी भाषी अखबार बाजार में बेजोड़ है।

दिल्ली, लखनऊ, पटना और रांची हिन्दुस्तान के चार प्रमुख संस्करण हैं और तमाम पाठक वर्गों में सभी उम्र के लोगों की रुचि की खबरें समेटे यह अखबार दिल्ली, चंडीगढ़, देहरादून, कानपुर, आगरा, मेरठ, लखनऊ, इलाहाबाद, वाराणसी, पटना, मुजफ्फरपुर, भागलपुर, रांची, धनबाद और जमशेदपुर सहित कई जगह से प्रकाशित होता है। संक्षेप में कहा जाए तो दैनिक हिन्दुस्तान का प्रसार 16 प्रकाशन स्थलों और 8 राज्यों में है। हिन्दुस्तान की तीन नई प्रेस पिछले एक वर्ष में लगी हैं और इस बेड़े में अगले 9 माह में दो और का इजाफा होने जा रहा है। हर रोज हिन्दुस्तान की 16 लाख प्रतियां बिकती हैं और इसके दैनिक पाठकों की संख्या 93 लाख है।

हिंदी समाचार पत्रों के सबसे बड़े बाजार उत्तर प्रदेश में हिन्दुस्तान तेजी से अपना दायरा बढ़ा रहा है। यहां यह सबसे तेजी से बढ़ता हिंदी अखबार है। बिहार में दैनिक अखबारों के हिंदी पाठकों का तीन-चौथाई हिस्सा हिन्दुस्तान के पास है और राज्य में इसका दबदबा है।

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कुछ बेहद रोमांचक विस्तार योजनाओं, जिनपर लगातार काम चल रहा है, के जरिए दैनिक हिन्दुस्तान देश का शीर्ष हिंदी अखबार बनने की तैयारी में है। हिन्दुस्तान

ऑन लाइन ई-पेपर के रूप में भी उपलब्ध है।

वित्त वर्ष 2008-09 के दौरान हिंदी बिजनेस में खासी मजबूती देखी गई और यह गंगा की तराई वाले इलाकों में हिन्दुस्तान के प्रसार क्षेत्रों के आस-पास केन्द्रित रही है। यूपी-उत्तराखंड में मौजूदगी बढ़ाने के मद्देनजर इस वर्ष देहरादून, मेरठ और इलाहाबाद में 3 नई प्रेस लगाई गईं। चंडीगढ़ में, जहां हिन्दुस्तान टाइम्स की पहले से ही अच्छी जगह है, हिन्दुस्तान ने भी कदम रखा।

लखनऊ, धनबाद, मुजफ्फरपुर में क्षमता बढ़ाने के मद्देनजर विस्तार और आधुनिकीकरण पर और कारोबारी निवेश किया गया है।

बिहार और झारखंड में अगुआ दैनिक हिन्दुस्तान के लिए इस वर्ष उसकी स्थिति और मजबूत हुई है।

नई जगहों पर तेजी से कदम जमाने और एचटी मीडिया की मजबूत वित्तीय क्षमता के बूते हिंदी बिजनेस ने कड़ी प्रतिस्पर्धा वाले बाजार में विज्ञापन राजस्व में भारी-भरकम बढ़ोतरी दर्ज कराई है।

सभी संस्करण योजना के मुताबिक प्रदर्शन कर रहे हैं और हमें उम्मीद है कि यूपी-उत्तराखंड में विस्तार (और निवेश) की यही रफ्तार आगामी वर्ष में भी बनी रहेगी। जैसे-जैसे कंपनी इस क्षेत्र में अपनी मौजूदगी और बढ़ाएगी, उम्मीद है कि विज्ञापन और पाठकों में हिस्सेदारी को लेकर मुकाबला और कड़ा होता जाएगा।



Shining in testing times is the sign of a true leader

LETTER FROM THE CHAIRPERSON

Dear Shareholders,

THE FY 09 marked a paradigm shift in global economy and its financial markets. The year witnessed unprecedented volatility in inflation, liquidity and prices of commodity & crude oil. While all major advanced economies confronted the worst recession since the great depression of 1929, emerging economies too contracted severely with a serious slowdown of their robust growth momentum of the recent past.

A sharp demand reversal in United States, the bailouts sought by Fortune 100 companies, the knock-on effects of these developments in the US across other economies, various government stimuli and monetary policy changes across major economies; all this happened at such a rapid pace that the previous year was truly a turbulent and eventful year.

The repercussions were severe on emerging economies including India. Revised estimates of Central Statistical Organisation suggest that India's GDP growth has contracted to 6.7%. While we can observe this sharp decline in the growth curve of our economy, I believe India did well in arresting the impact of global crisis thanks to its domestic demand-led economy and regulated economic framework. With a stable government at centre, we now look forward to stepping into a new era. The government shall, we sincerely hope, accelerate reforms and infrastructure

development to step up growth and check the fiscal deficit. This should also enable the country to recover faster when the economic situation starts improving globally.

Media Sector: Switching to Consolidation

The year gone by was an equally challenging year for the media sector

“India did well in arresting the impact of global crisis thanks to its domestic-demand led economy and regulated economic framework. With a stable government at centre, we now look forward to stepping into a new era.”

globally. Estimates suggest that one out of every 11 newspaper jobs, one out of 14 radio jobs and one out of 33 TV jobs disappeared in last year in the US itself. The year witnessed biggest write-downs and poor results across leading media companies of the US.

The Indian media countered an equally testing year in FY 09. Expansion plans across TV, internet, Out-of-Home (OOH) media were put on hold or shelved

by leading media conglomerates as revenues dipped sharply from all advertising sectors during the second half of the year. The industry confronted the challenges of sustaining revenues and profitability. According to 2009 edition of Indian Media & Entertainment Industry report of FICCI and KPMG, print media growth slowed down to 7.6%, while radio and television recorded a double-digit growth in 2008.

The slowdown in the print media was largely impacted by advertisers cutting down their advertising expenditures significantly. Another blow to print media came from spiralling newsprint cost and the depreciating Rupee. But for a timely rate hike made by Government on Directorate of Advertising and Visual Publicity (DAVP) rates, the industry could have seen even more tough times in FY 09.

HT Media: Consolidating & Expanding

Despite being print-led, your company is amongst few media companies that managed to achieve a double-digit growth in revenues in such a turbulent FY 09. Taking the challenges by strides, your company consolidated its position across all its three dailies - Hindustan Times, Hindustan and Mint. Our flagship brand - Hindustan Times - made an impressive average issue readership gain of 2.17 Lac readers as per Indian Readership Survey (IRS) Round-1 2009 data over IRS Round-1 figures of 2008. In the fourth year since

entering Mumbai readership of Mumbai edition of Hindustan Times surged substantially by 55% during the past year, recording the highest growth among all English newspapers in the city.

'Hindustan' also showed a strong growth of 32% to further strengthen its position as the third largest read Hindi daily. Hindustan has expanded its reach in eight northern states now. Three more printing presses were commissioned in Uttar Pradesh and Uttarakhand in FY 09, thereby giving a boost to UP and Uttarakhand presence of Hindustan. The company continued to expand and entrench its reach in Tier II towns. This is good news since according to the latest industry studies, the future growth for print media is likely to come from Tier II towns in a robust manner.

Our trendsetting business daily 'Mint' completed two years in February 2009 and is an established No. 2 among all business dailies. Your company has launched Mint in Kolkata in May 2009 and is all set for its launch in Chennai.

Our radio venture 'Fever 104' participated in our march forward by making rapid progress in FY 09. It became the No. 1 radio station in Mumbai and No. 2 station in Delhi and Bengaluru; as per week 19 (3rd - 9th May 2009) data of RAM, during the year. I am glad to share with you the fact that our radio business is likely to break even in FY 10.

Among our online initiatives, Shine.com crossed 2 million registered users in the very first year of its operations. During FY 09, we partnered with an international agency to facilitate real-time recruitment for the first time.

Measured and timely actions

Amidst the turbulence and uncertainty posed by FY 09, we revisited our strategies from time to time, and took a series of steps to check the impact on our profit margins. Your company maximized in the dipping advertising environment by innovating new sales mediums like its Events & Marketing solutions, and the Printworks expo. In order to reduce the impact of rising input cost, we reduced the pagination across all publications and maintained a profitable ad-edit ratio. We optimised the credit from suppliers. Some of our brand promotion investments were maturing, which allowed us to lower spending on them without compromising on the benefits reaped. Measures were taken to

tighten our overhead costs and rationalize a part of our workforce.

However, your company has continued investing in important projects, brands and markets and is on its way to expand printing facilities and edition rollouts. Also, our joint venture with Burda, for outsourced publishing would start operations in FY 10. This is likely to break even in the first full year of its operations.

Setting Content Benchmarks

HT Media continues to publish series of news reports, campaign pieces and articles, which highlight the concerns of local citizens from different parts of country. Hindustan Times carried out 'Gurgaon Collapsing', a series on the poor conditions of civic amenities in the NCR area, bringing to light the manner in which local bodies had ignored basic amenities to its citizens. This campaign won the 'International Press Award' in May this year.

Moving Ahead

Our mainstream businesses have played an active role to cater to urban, neo-urban, and semi-urban citizens. But we are also keeping our eyes open to new opportunities coming our way in internet, radio broadcasting and event & marketing solutions. Our objective is to gain more mileage by highlighting facts, that may otherwise miss the general citizens' eye. We believe that such an objective would help us in the long term to sustain our leadership in the print media sector. This would slowly convert our loyalty among mass readers and will create better business opportunities for us in the long run. It may take a while before the media sector starts emerging out of the challenging times it faced in FY 09. But we are hopeful of seizing the opportunities provided as soon as the Indian economy starts re-emerging out of a slowdown in the times ahead.

I extend my sincere appreciation to investors for their continued trust; acknowledge the contributions made by all HT employees and thank our readers and customers for their support.

Shobhana Bhartia

SHOBHANA BHARTIA
Chairperson & Editorial Director

A philanthropist...

Continued from Page 1

Birla was known for his erudition and his penchant for details. He would personally go into volumes of data and attempt to draw unique connections and conclusions. He was also a man of punctuality and brevity. He would, at times, schedule meetings for a specified 8 or 12 minutes, drawing intense value from the interactions and always seeking to learn from whoever he was engaging with.

As a leading figure in both the humanities and technology in India, he established the K. K. Birla Foundation to recognise and reward achievers in the field of literature, science, journalism etc. and the K. K. Birla Academy for establishing institutions for advancement of historical, scientific and cultural research. One of his most important legacies was the expansion of the Birla Institute of Technology and Science (BITS) from Rajasthan to Goa, Hyderabad and Dubai.

To his senior executives, he was more a father figure than an owner. As Ramesh Maheshwari, one of his close associates, says, "Birla was our role model as we learnt from him how to achieve the highest standards in business management". An ethical approach to business was a hallmark of Birla. His desire to spread around some of his spectacular wealth led him into many fields of philanthropy. But it was education and culture that were his main interests. He was also a prominent three-term member of the Rajya Sabha from 1984 till 2002. His social views were far more progressive than many of his peers. A strong believer in equality for women, he broke with family tradition in empowering his daughters in order for them to

take the responsibilities of some of his companies.

Born at Pilani in Rajasthan on November 12, 1918, Krishna Kumar Birla was part of India's leading industrial family. He earned a B.A. degree in 1939 from Lahore University and went to work the next year to build India's sugar industry. He built on the business started by his father and established it as one of India's biggest business conglomerates, with interests in industries that included sugar, fertilizers, chemicals, heavy engineering, textile, shipping and media.

Hindustan Times was privileged to have his mentoring since 1957. Under his visionary leadership, HT Media crossed many milestones including becoming a listed company, expanding into radio and internet domains and breaking out of North India to expand bases in western, southern and eastern parts of the country. HT Media feels indebted to K.K. Birla for his active guidance in transforming it into a diversified Media & Entertainment conglomerate with a trans-India reach.

Birla's literary achievements included "Indira Gandhi: Reminiscences," an empathetic biography, and "Partners in Progress: Collection of Selected Speeches and Writings." His widely read and critically acclaimed autobiography, "Brushes With History," was published in December 2007.

Dr. Birla was a man of many interests. A man of measured words expressed often with warmth, he was a captain of Indian industry, a Parliamentarian of great acumen, a philanthropist by heart, and a scholar by nature. His was a full and a rare life.



Dr. K. K. Birla at an award function of his foundation

HT PHOTO

THE VERDICT IS OUT.
FEVER 104 FM SWEEPS THE POLL.
• NO. 1 IN MUMBAI • NO. 2 IN DELHI & BENGALURU

Fever 104 FM secures a 16.9% share in Mumbai beating Red FM, 16.9% share in Bengaluru edging ahead of its competition & increases its lead over others in Delhi with a 17% share. With this comprehensive win across all 12+ listener segments, Fever 104 FM emerges as the right choice for your advertising.

Source: Radio Audience Measurement (RAM) Week 19: 3rd May-9th May, 2009. Listenership Share%, All People 12+

Fever 104 FM
IT'S ALL ABOUT THE MUSIC

Spreading across India, across media



Eminent panelists at the Mint - Clarity Through Debate series

HT PHOTO

HT MEDIA has been making rapid and decisive strides in the last few years. From a traditional north India focused print media house, it has transformed into a diversified media conglomerate expanding its pan India reach.

Its product offerings have widened with a business daily, a FM radio, two strong online properties in jobs and social networking space and a strong event & marketing solutions division. With print editions, radio stations and their support infrastructure including the intellectual resources, HT Media has imprinted its presence across India. From Chandigarh to Mumbai to Pune to Bengaluru to Chennai to Kolkata, HT Media has spread its reach through one medium/brand to another. Leveraging the spread of internet, it has added millions of loggers from across the country including even small towns and villages.

A diversified HT Media today is engaging the audience over a longer timeframe on a daily basis. With a choice of three dailies, it is

Its product offerings have widened with a business daily, a FM radio, two strong online properties in jobs and social networking space and a strong events & marketing solutions division

entering the lives of readers in the morning; entertaining them through FM Radio during their travel to workplace; updating them with the day's important developments through online editions of all its three dailies, refreshing them with evening entertainment



through FM radio leaving their stressful day behind.

HT Media is serving them with quality content and regularly sprucing-up the appeal quotient of all its brands. This well persevered multi-media approach of winning and engaging audience will go a long way in attracting more and more advertisers in coming years. Added with its expanding national reach, it will provide a unique media pool to marketers that integrates the languages of Hindi and English, the language of business that India Inc reads, full blown radio and internet that youth of today tune into, and events of special interest and mass interest.

Continuing its strategy of growing without diluting its shareholders' value, HT Media is creating profitable investments in augmented printing and distribution facilities across the length and breadth of its strategic markets. The most heartening aspect of this expansion is that it is being funded by internal accruals and a small portion of debt.

A billion people on the move...



Continued from Page 1

to play an active role in the growth of the country. It has been updating them on a host of issues like investing in mutual funds, staying fit & healthy, knowing and protecting their rights and choosing the right representative for Parliament and State Assemblies.

From the world of business, Indians have been making news by featuring in the global M&A scene for some years now. Like Indian businesses, HT Media's business daily, Mint, has also been scripting inspired leadership. Launched in association with 'The Wall Street Journal' in FY 07, Mint, has changed the way business news is served in the country. Making rapid strides as the second largest read business daily in India, Mint has won appreciation and loyalty of truly discerning readers.

Marching forward...

Continued from Page 1

conservative cost regime by cutting down the page count across all dailies, securing extended credits on newsprint purchase and bringing down the overheads. These timely measures helped the Company arrest the impact of the rising input cost on profitability to a greater extent. Performing better than most of its peers, HT Media recorded a contraction of 16.54% in its EBITDA.

Having tackled the challenges of FY 09, the Company has re-worked its cost structure towards becoming a leaner company. The cost pressure on newsprint and strengthening of US Dollar, both are softening. With the economy showing initial signs of recovery, HT Media is prepared to drive home the advantage by putting a much improved performance in FY 10.

Touching lives, igniting minds

THE VP CHAIR: This one's waiting for those already at the top of their game. Who are popular with people and get rule the boardrooms. The ones who make people look forward to Monday mornings. This one and lots of other chairs are waiting in big companies. But the question is...

WHERE ARE THE GOOD GUYS?

Log on to Shine.com. Let a better career find you.

shine!
Better careers for better people



Winners of Inquizitive 2008

HT PACE PHOTO

AS ALWAYS, HT Media continues to fulfill its objective towards society by taking up some of the relevant social causes.

A major part of Bihar was flooded by rampant Kosi River in 2008. The natural calamity took a heavy toll displacing millions and causing considerable loss of human lives and shelters. HT Media rose to the occasion by establishing a helpdesk at Patna and a relief camp at Supaul. The camp provided relief to thousands of flood affected people of the region. Free medical check-up, distribution of medicines, clothes, potable water, milk and regular meals twice a day was ensured.

HT Media firmly believes that the country's future lies in children. Laying focus in holistic development of the students through a series of personality developing initiatives, HT Media has been carrying out various programs aimed at multi-faceted grooming of students. HT Next, our exclusive student edition, is serving this very cause. Circulated across many schools, HT Next encouraged 22 students from various schools, to independently bring out the 'Children's Day' edition of HT Next in the year 2008.

The company has tried to provide a perfect platform through its initiative 'PACE' to students, teachers and



Meal being served at Supaul Flood Relief Camp

HT PHOTO

Principals. Facilitating peer group interaction amongst teachers, administrators and students, it organised several annual symposia and seminars in FY 09. PACE hosted the 10th Annual Principals' Meet in July 2008 in New Delhi.

HT Media also organised the Annual 'PACE Teachers Meet' in March 09. The event saw an

overwhelming response from over 650 teachers from Delhi and NCR. Over the years, this event, held exclusively for teachers, has included interesting and innovative sessions and motivational seminars conducted by eminent speakers. Another annual event hosted by HT Media for school students was the 'Inter School Quiz' competition in last September.

SESSION WITH THE CEO



RAJIV VERMA

Chief Executive Officer

How do you view HT Media's performance in FY 09?

The past financial year (FY 09) was one of the toughest years in recent times as a result of the world economic slowdown and its impact here in India and on the newspaper industry. Input costs, including newsprint, spiralled to unprecedented levels with the depreciating rupee making newsprint import very expensive. The uncertainties of the business environment led to caution and conservatism on the part of advertisers, many of whom were driven to other mediums. The sum total of these challenges was felt by HT Media.

Despite these significant challenges, HT Media achieved an overall revenue growth of 12%, advertisement revenue grew by 11%, our radio business came close to break-even, Hindi readership grew significantly and, more importantly, we made important gains in Mumbai. On the operational front, we tackled the industry challenges of dipping revenues and spiralling input-costs with vigour.

Your Company continued to invest in brands, logistics and intellectual assets despite

the challenges of a highly testing year. I am delighted with the performance your Company demonstrated in navigating through this year of unprecedented challenges and that, to me, reflects the mark of an enterprise with robust systems to meet adversity and come out stronger when the economy turns.

How did the verticals of print, radio and online perform?

Hindustan Times did well and outperformed the competition in a few areas. It grew readership and became leader in its key market of Delhi. Hindustan did exceptionally well and grew ad-revenue by almost 40%. It retained and strengthened its No. 3 position and is progressing rapidly towards becoming the No. 2 among Hindi dailies. Hindustan's growth has vindicated the decision to make major investments in strengthening and expanding its reach.

Mint, our business paper which is now in its third year, has become the acknowledged No. 2 business paper in the country. With its rollout in Kolkata and upcoming launch in Chennai in the first half of FY 10, Mint is emerging as a credible and insightful business newspaper for discerning readers.

Our radio brand Fever 104 performed well, becoming the No. 1 station in Mumbai while improving on its No. 2 position in Delhi and Bengaluru. The business is now nearly breaking even and Fever 104 is on the way towards positive value creation for the shareholders from FY 10 onwards.

Shine.com has clocked 2.2 million registered users within the first year of its launch. However, its launch was followed by a slowdown, and what can be considered as arguably, the toughest year for the job market. However, from a long-term standpoint, I remain convinced that Shine is a very good investment that will be highly profitable in the years to come.

Cash flows and profit margins will continue to be a challenge in the coming months. How do you propose to check the contracting cash flows and shrinking profit margins?

The past year has required that we put in place a conservative cost regime at HT Media and this strategy will be pursued as we go forward. Over the past year we revisited our costs and took steps to check the impact on margins. These steps included rationalising

page counts and maintaining a healthy ad-edit ratio to ensure that we countered, to some extent, the adverse impact of the newsprint cost increase. Key initiatives aimed at controlling costs included: availing extended credits on newsprint purchase; cutting down on the overhead cost; and even rationalising our workforce.

Some respite is now being felt with the softening of newsprint prices and a strengthening Rupee. Market sentiments have also improved significantly post the formation

revenue base?

The shifting of some advertisers to electronic media is a global trend and not limited to India. In India, however, government advertisements which still constitute a major part of our revenues, continue to remain with print media. With the DAVP allowing a hike in government advertisement rates in FY 09, after a gap of four years, we are now in a better position to face competition from electronic media. Our strategy includes penetration in rural areas through our products to capture higher

Despite these significant challenges, HT Media achieved an overall revenue growth of 12%, advertisement revenue grew by 11%, our radio business came close to break-even, Hindi readership grew significantly and, more importantly, we made important gains in Mumbai

of a stable Central Government. Signs of the restoration of advertiser confidence can be seen in the first quarter of FY 10. Breaking-even of our radio business will also contribute to margin improvements.

Major Capex investments are expected to generate returns in the near future. Our third-party publishing joint venture with international company Burda is scheduled to start operations by December 2009 and we are expecting break even in the first full year of operations. The impact of a rise in DAVP rates for government tenders and advertisements will be felt throughout FY 10.

Over the past few years, advertisers' preference has shifted towards television. What effort is HT Media making to conserve its advertisement

revenues from advertisements in Tier II and Tier III areas, which are ruled by vernacular newspapers.

How has been the journey of HT Media since it went public and what are the major challenges it has faced so far?

HT Media was one of the first companies - among those with a core print media business - to go public in 2005, a sign of our willingness to share our financial performance with investors. Despite a major bear run felt throughout the year 2008, foreign and domestic institutional investors have continued to show faith in HT Media, which is reflected in the FDI, FII's and MF's stake in the Company moving up to 28.5 percent at the end of FY 09, from 27.2 percent at the end of FY 08.

A year of intense marketing initiatives



Former British Prime Minister, Tony Blair addressing the audience at HT Leadership Summit

FY 09 has witnessed ever intensified marketing initiatives from HT Media across all its key brands and regions. Aimed at enhancing value for the readers and advertisers, the initiatives were holistic covering content innovation, brand revamps, new launches - all aimed at expanding the reach within targeted audiences.

The initiatives were driven by continuously enriching the product content by keeping the reader in mind, and also by strengthening the youth connect. Complete revamp of the youth offerings of Hindustan Times - HT City and HT Café in Delhi and Mumbai respectively featured amongst the key efforts of the year.

HT Media relaunched its Hindi daily, Hindustan with a contemporary and stylish new design and presentation. Positioned around "taiyarri" - meaning readiness, it promised to be the newspaper that gets the Hindi reader ready for the new India that is on the move and throws numerous opportunities on them. At the close of the year, Hindustan had went ahead to be perceived superior to any other Hindi newspaper of the country.

During the year, global leaders and thinkers joined Hindustan Times at the thought-leadership platform of

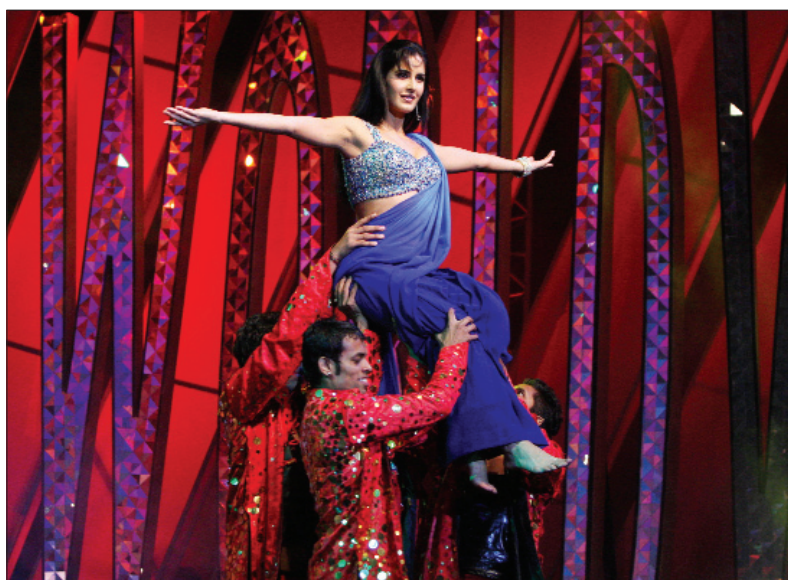
'HT Leadership Summit', to craft vision and set agendas for a better and prosperous future for India and the world. 'Mint - Clarity Through Debate' series, with extremely high profile panelists and a very

distinguished audience emerged as a highly engaging and popular on-ground activation that has now been taken to television as well.

HT Media's radio brand, Fever 104 continued its focus on "less talk, more music", and continued to delight listeners with their favourite choice. It conducted a largest-of-its-kind survey on listener preferences during the year and improved content, resulting in significant expansion in its listenership.

During the year, HT Media's job portal Shine.com crossed 2.2 million registered users. Newly introduced services such as the opportunity to have one's CV professionally written, met with huge appreciation from users.

The Events & Marketing business division continued to add value to advertisers around its core promise of adding the events aspect to their promotional needs. Fulfilling its aim of creating additional revenue opportunities, it successfully staged various events including the Hindustan Times Leadership Summit, HT City Delhi Shopping Carnival, Miss India Worldwide and Campus Calling.



Katrina Kaif performing at the Miss India Worldwide pageant organised by HT Media

PINK, FUZZY AND COMPLICATED. MUST BE A BUSINESS NEWSPAPER

ONE OF THE MANY RULES MINT BROKE. AND THANKS TO OUR READERS, HERE ARE SOME MORE.

- NO.2 IN TWO YEARS WITH A 31% SHARE IN DELHI AND MUMBAI
- FOUR OUT OF FIVE MINT READERS DO NOT READ ANY OTHER BUSINESS DAILY
- GROWTH OF 25% COMPARED WITH PREVIOUS READERSHIP SURVEY

The latest IRS results testify that Mint has become the business daily of choice in a short span of just 2 years. More and more readers are choosing our clear and uncomplicated content. Clearly, we couldn't have crossed this milestone without our readers by our side.





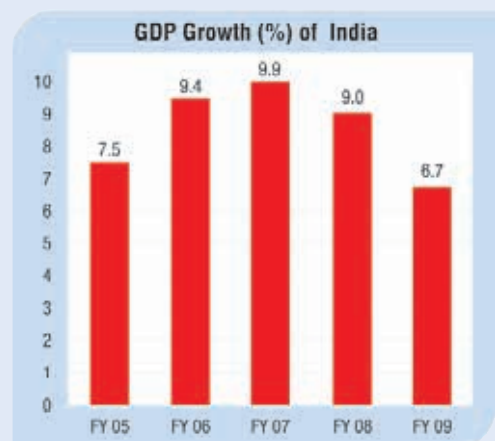
Source: IRS FY 2009

Management Discussion and Analysis

A testing year for global economies

THE FISCAL year 2008-09 witnessed one of the greatest depressions since 1930s in the global markets which trickled down to impact overall Indian economy and capital markets as well.

Last few years of hyper growth led to a global surge in inflation and steep hike in commodities and oil prices creating a commodity bubble which was waiting to explode. Coupled with this, slowdown in the US housing sector led to massive defaults by the borrowers and a cascading effect which resulted in huge losses in banking and financial sector. Losses in the banking and financial sector meant a serious decline in their capacity to disburse loans for various businesses and industries creating a liquidity/credit crunch. This presented a serious liquidity situation for companies and banks alike, leading to lower growth.



Source: CSO, Govt. of India

Responding to this severe depression like situation, governments and central banks across all major economies swung into action. The Indian economy too, was not isolated from the global events. The effects of economic depression became evident in Indian economy in second half of FY 09. The GDP started declining quarter on quarter and demand started falling across sectors as liquidity tightened. The Government of India and RBI initiated preventive measures including reducing interest rates and other stimulus programs to inject liquidity and stabilize the financial system.

These measures, coupled with strong fundamentals of the economy, managed to arrest the impact to certain extent. Growth in rural areas continued to foster domestic consumption which resulted in Indian economy registering an overall GDP growth of 6.7% in FY 09, the second highest growth across the world economies. Manufacturing, Services and Agriculture recorded respective growth of 2.4%, 1.6% and 7.1%.

DESPITE THE pressures on global economy, Indian economy performed reasonably well. However, the general market sentiment continued to be negative in the second half of the year. Global linkages of several key Indian players resulted in over-cautious approach of lenders leading to decline in overall lending by banks and financial institutions. Due to the falling stock markets and cautious approach of lenders, it became increasingly tough for the Indian industries to raise money.

Due to liquidity crunch and fall in demand, Indian industries started rationalising all discretionary spends leading to sharp decline in the advertising budgets. Because of this, advertisers started falling back on other sales promotion instruments that traditionally have offered them best value in return. The 2009 edition of Media & Entertainment Industry report of FICCI and KPMG validates these facts and envisages the market environment to become more challenging for the media and entertainment sector. The same report though, estimates the media industry to grow at a CAGR of 12.5% between 2009-2013. This growth is estimated on the back of favourable demographic composition, strong long-term fundamentals of the Indian economy, low media penetration and low yet steady growth in advertising spends in comparison to developed economies.

Print Media - Despite getting impacted by economic meltdown, the Indian print media industry grew to Rs. 17,260 Crore in 2008, up 7.6% from Rs. 16,040 Crore in 2007. Advertising revenues, constituting 66% of overall revenues, grew by 8% over the previous year to Rs. 10,836 Crore in 2008. Circulation revenues have risen by 7.4% over the year to Rs. 6,430 Crore.

Indian print media is estimated to have grown by a CAGR of 13.8% over the past three years, a growth rate which is still higher as compared to the single digit

MIRRORING SLOWDOWN Indian Media Industry

growth witnessed in other nations. The industry is projected to grow at a CAGR of 9% up to Rs. 26,600 Crore by 2013, supported by strong underlying fundamentals such as growing literacy rate, emergence of local centric businesses and a huge regional language market.

Growth in advertising would be driven by increasing advertising spends by emerging sectors like Organised Retail, Telecom and Education. While advertising is related to economic growth in the country, the circulation revenue is expected to grow

expected to come through increase in the number of radio stations, further liberalization of regulations as well as enhanced ability of the radio stations to sell their advertising inventory. In addition, the ratio of local to national advertisements in India is skewed in favour of national, contrary to global trends, indicating a large scope for growth in the local advertising segment.

Internet Advertising - Internet advertising has been the fastest growing medium in the media industry. It grew by 59% to Rs. 620 Crore in 2008 as compared to Rs. 390 Crore in 2007. Given the trends of increased internet usage, internet advertising is projected to grow to Rs. 2,140 Crore in 2013, at a CAGR of 28%.

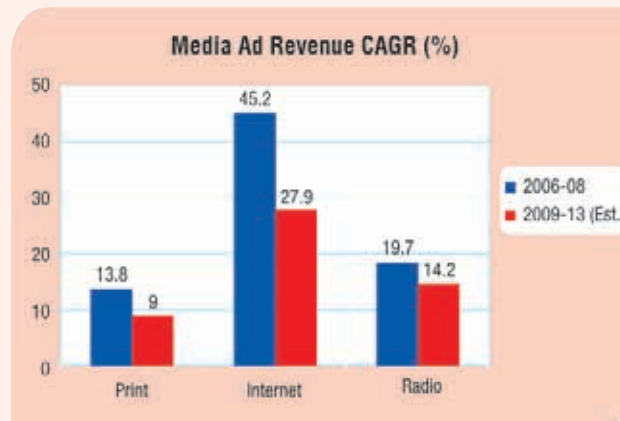
Accordingly, the share of the internet advertising too is projected to grow from 1.06% in 2007 to 2.03% in 2013, of the overall advertising pie.

Outlook

Advertising revenues will continue to be driver of growth for media industry. These had grown at a CAGR of 17.1% over the last three years and are estimated to grow at 12.4% for the next five years. Internet advertising is expected to be fastest growing at 28%, followed by radio advertising at 14.2%, television advertising at 13.5% and print advertising by 10%. With the increase in the spending power of population in smaller cities, the FICCI-KPMG report envisaged Tier-II and Tier-III cities emerging as important growth centres.

Overall, India will continue to be an attractive market for media business owing to low ad-spend ratio, growing consumer class, young population, low media penetration and increasing spending-power. However, media companies will be under pressure to change, innovate and re-examine their existing service offerings and business models.

In the immediate future, focus on operating margins, assessing opportunities for consolidation and building on core strengths seems to be the right approach for media companies.



Source: 2009 edition of Media & Entertainment Industry report of FICCI-KPMG

owing to structural growth-drivers like rising penetration, higher literacy levels and improving affordability of the medium. Newspaper segment would continue to dominate print media, constituting around 92% of the total revenues of the sector by 2013.

Radio - The Radio Industry has grown to Rs. 840 Crore in 2008, with a CAGR of 19.7% over a three-year period from 2006 to 2008. However, the size of the radio ad-industry, as a percentage of the total ad-industry in India is still at 4%, as against a global average of approximately 8%. The growth is

Operations Review

Hindustan Times - Sustaining leadership with increasing readership

Hindustan Times continued to maintain its leadership position with No. 1 in Delhi NCR and second largest read English daily nationally. Latest Indian Readership Survey (IRS), Round 1, 2009 validated its leadership position in Delhi NCR with the average issue readership of 22.1 Lac. Mumbai edition continued its upward trend of increasing readership to 5.48 Lac, thereby reducing the gap with competition. This is a reflection of successful efforts put in to improve product and brand salience. During the year, HT City and HT Café, entertainment supplements of Delhi and Mumbai editions respectively, were relaunched with a youthful style and structure. The new look, along with the innovative and exciting features of these supplements have been successful in creating a strong brand affinity among the youth, leading to significant improvement in overall brand salience.

During the year, the Company commenced printing of Hindustan Times at Kanpur and Dehradun, and is also undertaking trial-runs for its state-of-the-art printing facility in Mumbai, which is expected to commence shortly. These new launches will provide further impetus to growth and are likely to convert into significant readership gains in future.

Hindustan - the fastest growing Hindi daily in the country

Company's Hindi newspaper - Hindustan - is the country's third largest daily newspaper with strong presence in Bihar, Jharkhand, UP, Uttarakhand and Delhi & NCR. Hindustan has become the fastest growing Hindi daily across the country, increasing its readership to 93 Lac as per IRS Round 1, 2009. This is a reflection of significant investments made by the Company in building brand salience as well as expansion of its capacity across various geographies. The newspaper has a strong



Meerut printing facility

HT PHOTO



Model of printing facility of HT Burda JV. Inset: Construction in progress at Greater Noida HT PHOTO

No. 1 position in Bihar and Jharkhand and has been making significant strides in UP, Uttarakhand and Delhi & NCR. During the year, the Company commenced printing of Hindustan at Meerut, Allahabad and Dehradun, in order to achieve a deeper reach in key towns of UP and Uttarakhand. On the back of continued positive response from new launches, the Company intends to further grow its presence in UP by launching new printing facilities in two other key towns in the near future. This will enable HT Media to achieve operational efficiencies and build a strong leadership position across the Indo-Gangetic belt.

Mint - established No. 2 business daily

Company's business daily - Mint, has established itself as the second largest business daily with an average issue readership of 1.75 Lac as per IRS Round 1, 2009, significantly ahead of its next closest competition in the cities of Delhi, NCR and Mumbai.

Mint is currently present in Delhi, Mumbai, Bengaluru, Pune and Chandigarh. In order to get national leverage and further strengthen its position in the business-news segment, the Company has recently launched in Kolkata and plans to launch in Chennai in the near term. Launched in February 2007 in association with The Wall Street Journal, Mint is the first newspaper in India printed on Berliner format and commands a premium product image.

Fever 104 - Continuing to make strides

Company's FM radio business - Fever 104 - with four stations at Delhi, Mumbai, Bengaluru and Kolkata, has performed remarkably well during the year. Registering impressive revenue growth even in the backdrop of a challenging economic environment, stiff competition in a multi-player market and in a relatively short span of 2½ years since launch, the

business is poised to break even soon. Based on the RAM data for week 19 of 2009, it has acquired No. 1 position in Mumbai and No. 2 position in Delhi and Bengaluru respectively, in terms of listenership.

Fever 104 has consistently put the listener at the forefront of all programming and marketing efforts, continuously focusing on research, fine-tuning the music product, giving listeners the music that they like.

Online Ventures - Increasing user-base, expanding portfolio

Sensing immense growth potential, HT Media has been increasing its focus on the internet and mobile phone user segment. Its news portals www.hindustantimes.com and www.livemint.com were re-launched in FY 08 with significant improvement in features and functionality. These news portals continue to make strides in online news segment with 25 million page views per month for hindustantimes.com and 8 million page views per month for livemint.com.

Apart from the news segment, other online businesses in the Company are conducted under Firefly e-Ventures Limited, a subsidiary of HT Media Limited. Shine.Com, a complete career portal, has earned a distinction of registering 2.2 million candidates within its first year of operations. It has gained higher acceptability due to its patented matching technology combined with world class design, salary benchmarking, privacy, anonymity protection and other career related content and tools that make this website unique in India.

Firefly's DesiMartini.com, a social networking website, was completely revamped with new, intuitive and user-friendly design, faster technology, customisable user interface and more interactive web 2.0 applications. DesiMartini has witnessed significant growth in number of users, page views and engagement following the product revamp.

Events & Marketing Solutions - Driving brand salience and revenues

Events & Marketing Solutions business of the Company continued to do well and staged many successful events like Leadership Summit, Clarity through Debate, Delhi Shopping Carnival and Miss India Worldwide. This business has provided useful boost to revenues in the form of sponsorships and in addition, has enormously improved the brand salience of the Company. The Company will continue to expand its Marketing Solutions business with focus on "Bigger and Better" activities spanning the whole year.

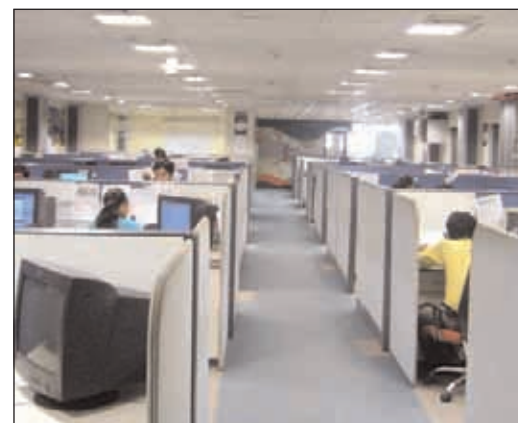
Partnership for Growth

HT Media's "Partnership for Growth" initiative enables the Company to partner with a prospective growth companies. This initiative enables partner companies to free up their advertising cash flows and drive their growth. In return, HT Media secures a committed stream of revenues for longer term and also gets an opportunity to participate in the value created by advertising.

The Company received an encouraging response from the market, and revenue stream from this initiative has appreciably grown during the year. The Company has put in place strong mechanisms to identify and objectively evaluate potential growth companies. In addition, the Company has set up internal systems to periodically assess the fair value of the investments acquired, and take appropriate measures to alleviate any potential significant exposure to its financial statements from an accounting perspective.

Foray into new ventures

In keeping with the Company's philosophy of continuous self-renewal and discovery of new growth avenues, the Company has entered into a joint venture German media group Burda to set up a third party publishing operations in India and tap growing media platforms in other Asian countries. The 51:49 joint venture leverages HT Media's expertise in printing and publishing and Burda's international multimedia operations. It would also enable the Company to bring global best practices



Office of HT Media's call centre

HT PHOTO

and technology to the printing side of its existing businesses and capture opportunities in the booming high-end magazine and catalogue printing space in India and the Asia-Pacific region.

Our subsidiary, HT Digital Media Holdings Limited entered into a 65:35 joint venture with Velti PLC in order to tap the world's fastest growing mobile market. The joint venture will deliver mobile marketing and advertising services throughout India. Velti is one of the world's leading providers of mobile advertising solutions. The Company expects to start providing these services by July 2009.

Going forward, HT Media would continue to focus on Internet and mobile in a big way, adding verticals and improving offerings to its customers.

Review of Financial Performance

Profit and Loss Account

Overall, the financial results for FY 09 demonstrated the underlying strength of our business in a scenario of turmoil that is currently witnessed by the industry and economy at large. On the back of fundamental strengths of our business model, our outlook for FY 10 remains optimistic.

HT Media grew by 12% in terms of revenue for FY 09, despite testing times in the print media industry and a challenging economic environment.

Ad revenues grew 11% following a price increase in September 2008 and increase in volume shares especially in Government and education category. The Company has outperformed the industry which witnessed a sharp decline in advertising volumes following the economic meltdown. While the Company's ad revenues were adversely affected by the decline in real estate, automobile and banking & finance categories, it was able to offset the decline by gains in government, education, FMCG and travel categories. In sum, the underlying strengths of the Company's core brands have provided good resilience to the overall slowdown in ad revenues witnessed by the print industry during the year.

Circulation revenue grew by 3% consequent to increase in circulation and new launches and also improved cover price realisation, especially in HT Mumbai and Mint.

However, interest income registered a decrease during the year as the Company has drawn down its investments to fund capital expenditure and working capital requirements.

Raw material cost increased by 19%, adversely impacting HT Media's profitability for the year. This increase was a result of steep hike in imported and domestic newsprint prices and depreciation in Rupee versus US Dollar further dampened profitability as a substantial proportion of the Company's total newsprint requirement is imported. The potential erosion in profitability was contained to some extent on account of operational and production efficiencies, reducing pagination and wastages, yielding a net savings in newsprint cost by 19%.

Advertising and sales promotion expenses increased by 25% primarily because of continued investments for strengthening all the product brands. The major spends were relaunch of HT City and HT Café, entertainment supplements of Delhi and Mumbai editions of Hindustan Times; and the relaunch of 'Hindustan'. Sales promotion expenses also increased due to new launches in the UP belt following launch of printing facilities in key cities.

Employee costs increased by 16% in line with the Company's expansion plans and in keeping with the Company's efforts to retain and attract a quality talent pool.

Other expenses increased by 17% primarily because of losses due to currency movements and increased overheads in line with the Company's expansion plans.

As a result, EBITDA (Profit before interest, tax, depreciation/amortization and exceptional items) for the year fell by 17% and margin reduced from 22% last year to 16% in the current year.

Depreciation increased by 23%, primarily reflecting the investment in new printing presses, office infrastructure and other equipments in line with Company's expansion plans.

Financial expenses increased sharply by 79% owing to a high interest rate regime and additional funding requirements consequent to capital expenditure and increase in working capital requirements.

Exceptional items for the current year reflects consultancy charges for drawing up of strategic plans for new areas of business and provision for diminution in value of long term investments

As a result, Profit After Tax reduced by 41%



Greater Noida printing facility

HT PHOTO

leading to corresponding reduction in EPS.

Fixed Assets

Gross block as at 31st March 2009 has increased to Rs. 793 Crore as compared to Rs. 570 Crore as at 31st March 2008. Additions to gross block include acquisition of radio business pursuant to Scheme of Arrangement and Restructuring, commencement of new presses for expansion of Hindustan and Mint, and other infrastructure investments.

Capital work in progress as at 31st March 2009 has increased to Rs. 178 Crore as compared to Rs. 47 Crore as at 31st March 2008. This increase in capital work-in-progress is primarily attributed to new printing press in Mumbai which is expected to be operational by July 2009.



Allahabad printing facility

HT PHOTO

Investments

Investments as at 31st March 2009 has decreased to Rs. 406 Crore as compared to Rs. 457 Crore as at 31st March 2008. This is primarily due to acquisition of radio business and consequent write off of investments in radio business pursuant to Scheme of Arrangement and Restructuring. This decline is offset to a certain extent by new investments made under 'Partnership for Growth' model.

Sundry Debtors

Debtors have increased to Rs. 235 Crore as at 31st March 2009, as compared to Rs. 198 Crore as at 31st March 2008. This represents an outstanding of 65 days and 60 days of revenues for the respective years. The increase is primarily on account of increased government spending on advertisements having a longer realization period during the last quarter of FY 09.

Human Resource Development

As a leading Indian media conglomerate, we are driven by the collective intellectual prowess of our Human Resource, the most critical asset that provides us the decisive edge. With best-in-industry HR practices in recruitment and on-job training, HT Media continued to improve its HR prowess through the entire year.

A well designed employee orientation and induction program helps new recruits develop an in-depth understanding of the Organisation Values. Engagement with the organization is sustained through open, transparent HR processes and policies, engagement initiatives like communication forums and participative group activities.

The Company has a philosophy of performance based rewards backed by a well established multi-tier employee performance appraisal system. The 'STAR Awards' dedicated to outstanding performance living the company's values, entered its third year and was received with great

enthusiasm.

The manpower strength as on 31st March 2009 was 3391, with average age of 35 years and a healthy gender ratio. Collectively our HR pool displays diverse talent and a high level of competency.

Risk Management & Internal Controls

The Company has adequate internal control systems in place commensurate with the size and nature of operations which ensure:

- Accuracy and timeliness of financial reporting
- Protection and enhancement of assets and company image
- Compliance to legal and statutory requirements
- Contribution to more efficient use/allocation of capital and resources within the organization.

The company has an internal audit program for the year which carries out risk focused audits across business units, thereby enabling identification of risk areas and making recommendations for mitigation of these risks. Post audit checks are carried out to ensure that the identified risks have been mitigated. The Audit Committee reviews the internal audit reports periodically and takes corrective action as and when necessary. During the year, the Company mapped a number of business processes onto SAP, thereby leading to significantly improved controls and transparency.

The Company also has a robust and exhaustive budgetary control and performance management system, to monitor the progress on realization of business objectives on an ongoing basis.

Future Outlook

The media industry witnessed testing times with the global economic slowdown affecting advertising revenues and liquidity crunch and the consequent lack of access to funds impeding capacity expansion plans of most players. The dynamics of the industry are changing and the media universe is increasingly becoming more complex, specialized and fragmented. This trend is likely to continue for some time and therefore, the Company is likely to continue to face competition in the future.

HT Media has demonstrated its ability to withstand the challenges posed by the current environment and has emerged a strong player gaining shares on the back of a strong core business and dynamic new ventures. The Company has a large and rich portfolio of offerings for its audience, including advertisers - be it the mainstream and business newspapers that carry impactful, entertaining and unbiased news content; FM Radio that strikes a cord with its listeners providing soulful entertainment throughout the day; best-in-class online offerings in the arenas of news content, social networking, classified advertising and career platforms; and Events & Marketing solutions that offer a range of innovative events and customized activation platforms. The Company has made significant investments behind existing and new businesses - constantly upgrading and expanding capacity, re-inventing and creating brands, enriching its talent pool, venturing into fruitful alliances and sowing & nurturing the seeds of future growth. All these initiatives have held the Company in good stead in tough times and will continue to do so in future with greater momentum, paying rich dividends as the Company's growth trajectory reaches newer heights. HT Media aims to achieve leadership in the Indian media industry, by striking a balance between growth and profitability, and believes it is geared to achieve that target given the underlying strengths that the businesses have demonstrated.

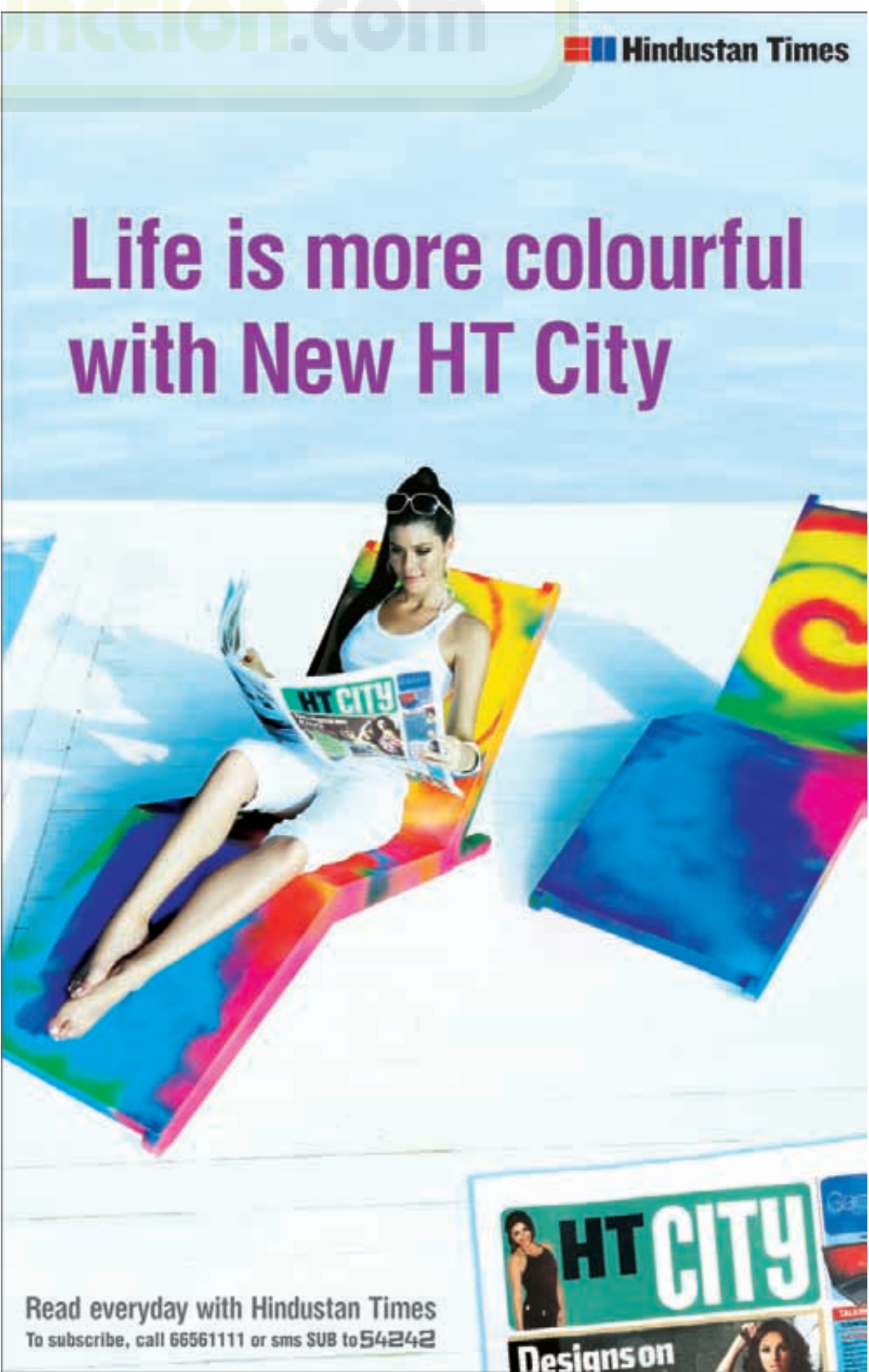
Cautionary Statement

Certain statements in this Annual Report may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statements. HT Media Limited will not, be in any way, responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward - looking statements to reflect subsequent events or circumstances.



Team HT celebrating Holi festival

HT PHOTO



REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE is in the public eye now, as never before. Alongside, the economy faces its most challenging moments. In these turbulent times, your Company has moved ahead on the path of sustainable value creation, with balanced care of the internal and external stakeholders.

As a responsible media corporate, we endeavour to serve the societal interests while meeting our business objectives, on the foundation of Trusteeship and Accountability.

BOARD OF DIRECTORS

Composition of the Board

The Company has a balanced Board of Directors, comprising of Executive and Non-executive Directors. The Directors of your Company are eminent professionals drawn from diverse fields. The composition of the Board of Directors is as follows:

Sl. No.	Name of the Director	Disclosure of relationships between Directors inter-se	Designation	Category
1.	Late Dr. K. K. Birla ¹	<div><div>Father of Smt. Shobhana Bhartia</div><div>Grandfather of Shri Priyavrat Bhartia and Shri Shamit Bhartia</div></div>	Chairman (Non-Executive) [up to 30.08.08]	PG
2.	Smt. Shobhana Bhartia ²	<div><div>Daughter of Late Dr. K.K. Birla</div><div>Mother of Shri Priyavrat Bhartia and Shri Shamit Bhartia</div></div>	Chairperson & Editorial Director [w.e.f. 18.09.08]	PG
3.	Shri Roger Greville ³	—	Non-executive Director	Ind.
4.	Shri K.N. Memani	—	Non-executive Director	Ind.
5.	Shri Y.C. Deveshwar	—	Non-executive Director	Ind.
6.	Shri N.K. Singh	—	Non-executive Director	Ind.
7.	Shri Ajay Relan ⁴	—	Non-executive Director	Ind.
8.	Shri Priyavrat Bhartia	<div><div>Grandson of Late Dr. K.K. Birla</div><div>Son of Smt. Shobhana Bhartia</div><div>Brother of Shri Shamit Bhartia</div></div>	Whole-time Director	PG
9.	Shri Shamit Bhartia	<div><div>Grandson of Late Dr. K.K. Birla</div><div>Son of Smt. Shobhana Bhartia</div><div>Brother of Shri Priyavrat Bhartia</div></div>	Whole-time Director	PG

1. Dr. K .K. Birla passed away on 30th August, 2008

2. Managing Director under the Companies Act, 1956

3. Ceased to be Nominee Director w.e.f. 31st July, 2008. Re-inducted as Independent Director w.e.f. 13th August, 2008

4. Ceased to be Director w.e.f. 19th September,2008
- PG Promoter Group

Ind. Independent Director

None of the Non-executive Directors of the Company hold any shares/convertible instruments in the Company.

In accordance with the requirements of Clause 49 of the Listing Agreement of Stock Exchanges (Clause 49), more than one-half of the Board of Directors comprises of Non-executive Directors and Independent Directors.

Directors' attendance record and directorships held

During the financial year ended on 31st March, 2009, seven Board meetings were held on 16th May, 2008, 31st July, 2008, 18th September, 2008, 3rd October, 2008, 20th October, 2008, 28th November, 2008 and 20th January, 2009.

Attendance record of the Directors at the above Board Meetings and at the last Annual General Meeting (AGM) alongwith the number of other Directorships/Committee positions held by them in Indian public limited companies, are as follows:

Name of the Director	No. of Board meetings attended during FY 09	Attendance at the last AGM held on 01.08.2008	No. of other Directorships held	Committee positions held in other companies	
				Chairman	Member
Late Dr. K.K. Birla	Nil	No	N.A	N.A	N.A
Smt. Shobhana Bhartia	6	No	14	2	—
Shri Roger Greville	4	No	—	—	—
Shri K.N. Memani	7	Yes	9	3	1
Shri Y.C. Deveshwar	1	No	2	—	—
Shri N.K. Singh	6	No	—	—	—
Shri Ajay Relan	2	Yes	N.A.	N.A.	N.A.
Shri Priyavrat Bhartia	5	No	11	—	4
Shri Shamit Bhartia	6	No	8	1	1
N.A denotes not applicable, as ceased to be Director at the end of the year					

As stipulated by Clause 49, none of the Directors was a member of more than 10 committees or Chairman of more than 5 committees across all companies in which he/she is a director.

Information supplied to the Board

The Directors of the Company are provided with all the information and details required for taking informed decisions at the Board meetings, which generally form part of the agenda papers circulated well in advance of the meeting. In cases where it is not practicable to enclose document(s) with the agenda papers, the same are circulated before the meeting/placed at the meeting.

The information provided to the Board covers the items mentioned in Annexure - IA to Clause 49. The Board also periodically reviews the compliance reports of all laws applicable to the Company.

Details of remuneration paid to Directors

No remuneration was paid to Non-executive Directors during the financial year ended on 31st March, 2009, except sitting fees @ Rs.15,000/- per meeting, for attending meetings of the Board/Committee(s) thereof, the details of which are as under:

Name of the Director	Sitting fees (Rs.)
Late Dr. K.K. Birla	Nil
Shri Roger Greville +	Nil
Shri K.N. Memani	1,80,000
Shri Y.C. Deveshwar +	Nil
Shri N.K. Singh	3,00,000
Shri Ajay Relan +	Nil
+ These Directors have voluntarily opted not to accept any sitting fee	

The Chairperson & Editorial Director and the Whole-time Directors have been appointed for a period of five years from their respective dates of appointment. The details of remuneration paid to the Chairperson & Editorial Director and the Whole-time Directors for the financial year ended on 31st March, 2009, are as under:

Name of the Director	Salary & Allowances	Perquisites	Retirement benefits
Smt. Shobhana Bhartia	156.80	1.92	11.76
Shri Priyavrat Bhartia	67.10	2.68	5.82
Shri Shamit Bhartia	67.10	0.31	5.82

- Notes:

(1) Retirement benefits include contribution to Provident Fund

(2) The Chairperson & Editorial Director and the Whole-time Directors have neither been paid any performance linked incentives nor have any stock options been granted to them.

(3) Perquisites include gas, water & electricity, car, telephone, medical reimbursements, club fee etc., calculated as per Income Tax rules.

(4) Remuneration excludes provision for leave encashment and gratuity.

(5) There is no separate provision for payment of severance fees.

(6) With effect from 1st February, 2009, the Chairperson & Editorial Director and the Whole -time Directors are voluntarily drawing a lower basic salary of Rs. 5 Lac p.m. and Rs. 3 Lac p.m. respectively (as against Rs. 10 Lac p.m. and Rs. 5 Lac p.m., respectively, approved by the Board and Shareholders) alongwith a corresponding revision in other components of their remuneration package linked to basic salary.

During the year under review, none of the Non-executive Directors had any pecuniary relationship or transactions vis-à-vis the Company, other than payment of sitting fee as mentioned above.

BOARD COMMITTEES

There are six permanent committees of the Board of Directors which have been delegated requisite powers to discharge their respective functions and they meet as often as required.

These committees are:

- (a) Audit Committee;

(b) Investors' Grievance Committee;

(c) Committee of Directors constituted pursuant to Clause 41 of Listing Agreement;

(d) Compensation Committee;

(e) Banking and Finance Committee; and

(f) Investment Committee.

The role and composition of the above committees, including the number of meetings held during the financial year ended on 31st March, 2009 and attendance of Directors thereat, are given hereunder:

(a) Audit Committee

The Audit Committee of the Board has been constituted in accordance with the requirements prescribed under Section 292A of the Companies Act, 1956 and Clause 49.

During the financial year ended on 31st March, 2009, five meetings of the Audit Committee were held on 15th May, 2008, 31st July, 2008, 20th October, 2008, 20th January, 2009 and 3rd March, 2009. The composition of Audit Committee and attendance of Directors at the above meetings is as follows:

Name of the Director	Position in the Committee	No. of meetings attended
Shri K.N. Memani	Chairman	5
Shri Y.C.Deveshwar*	Member	2
Shri N.K. Singh	Member	4
Shri Ajay Relan#	Member	1
Shri Shamit Bhartia	Member	4

* Inducted in the Committee w.e.f. 19th September, 2008 in place of Shri Ajay Relan
Ceased to be Director and member of the Committee w.e.f. 19th September,2008

The Chairman of the Audit Committee is an Independent Director and a Chartered Accountant by qualification. All the members of the Audit Committee are financially literate.

The Chief Executive Officer, Chief Financial Officer, Internal Auditor and the Statutory Auditors are invitees to the meetings of Audit Committee. The Company Secretary acts as the Secretary to the Committee.

The role of the Audit Committee includes the matters stated in Clause 49 (II) (D) of Listing Agreement.

(b) Investors' Grievance Committee

The Investors' Grievance Committee of the Board has been constituted in accordance with Clause 49 to supervise and look into the redressal of investor requests/complaints pertaining to transfer of shares, non-receipt of Annual Report, non-receipt of declared dividends etc.

During the financial year ended on 31st March, 2009, five meetings

of the Investors' Grievance Committee were held on 5th April, 2008, 11th July, 2008, 3rd October, 2008, 17th November, 2008 and 5th January, 2009. The composition of Investors' Grievance Committee and attendance of Directors at the above meetings is as follows:

Name of the Director	Position in the Committee	No. of meetings attended
Shri N.K.Singh*	Chairman (w.e.f. 19.09.08)	2
Shri Ajay Relan#	Chairman (upto 19.09.08)	2
Shri Priyavrat Bhartia	Member	5
Shri Shamit Bhartia	Member	5
* Inducted in the Committee w.e.f. 19 th September, 2008 in place of Shri Ajay Relan # Ceased to be Director and member of the Committee w.e.f. 19 th September,2008		

Shri Dinesh Mittal, Vice President - Legal, Tax and Company Secretary is the Compliance Officer of the Company.

During the year, 114 investor queries/complaints were received, all of which were redressed/replied to the satisfaction of the investors. There were no outstanding investor complaints as on 31st March, 2009. The status on reply/ redressal of investors' complaints is also reported to the Board of Directors from time to time.

(c) Committee of Directors constituted pursuant to Clause 41 of Listing Agreement

This Committee has been constituted in accordance with Clause 41 to approve/take on record the quarterly financial results of the Company from time to time.

During the financial year ended on 31st March, 2009, no meeting of the Committee was held. The composition of the Committee is as follows:

Name of the Director	Position in the Committee
Smt. Shobhana Bhartia	Chairperson
Shri Roger Greville*	Member
Shri K.N. Memani	Member
Shri N.K. Singh	Member
Shri Ajay Relan#	Member
Shri Shamit Bhartia	Member
* Inducted in the Committee w.e.f. 19 th September, 2008 in place of Shri Ajay Relan # Ceased to be Director and member of the Committee w.e.f. 19 th September, 2008	

The Chief Executive Officer and the Chief Financial Officer are permanent invitees to all the meetings of the Committee, and the Company Secretary acts as the Secretary to the Committee.

(d) Compensation Committee

The Compensation Committee of the Board is responsible for administration and superintendence of the “HTML Employee Stock Option Scheme”.

During the year, the Compensation Committee met two times on 30th September, 2008 and 5th January, 2009. The composition of Compensation Committee and attendance of the Directors at the above meetings is as follows:

Name of the Director	Position in the Committee	No. of meetings attended
Smt. Shobhana Bhartia	Chairperson	2
Shri K.N. Memani	Member	Nil
Shri N.K. Singh	Member	2

The Compensation Committee broadly, oversees the following functions:

- (a) Formulate criteria for grant of Options;

(b) Recommend/decide Eligible Employees who may be granted Options;

(c) Determination of the quantum of options to be granted under HTML ESOS to the Eligible Employees and the Exercise Price;

(d) Decide suitable course of action in case of a willful violation of the code of conduct, if any, by any Eligible Employee;

(e) In the event of any corporate actions, take any action necessary to make fair and reasonable adjustments to the number of Options and/or to the Exercise Price so that the total value of the ESOS remains the same; and

(f) Frame suitable policies and systems to ensure that there is no violation of:

(i) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and

(ii) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995.

(e) Banking and Finance Committee

The Banking and Finance Committee of the Board has been entrusted with functions relating to banking and finance matters of the Company.

During the year, the Banking and Finance Committee met seven times on 16th May, 2008, 16th June, 2008, 11th July, 2008, 6th August, 2008, 18th September, 2008, 5th January, 2009 and 12th February, 2009. The composition of Banking and Finance Committee and attendance of the Directors at the above meetings is as follows:

Name of the Director	Position in the Committee	No. of meetings attended
Smt. Shobhana Bhartia	Chairperson	7
Shri N.K. Singh	Member	6
Shri Shamit Bhartia	Member	7

The Company Secretary acts as the Secretary to the Committee.

(f) Investment Committee

The Investment Committee is entrusted with functions as set out below:-

- (a) recommending to the Board for approval, proposal(s) of prospective advertiser(s), body corporate(s), to invest in the equity capital of such body corporate(s);

(b) approving proposal(s) of prospective advertiser(s) to acquire movable/immovable property(ies) owned/developed/ manufactured by such advertisers;

(c) approving proposal(s) of sale of movable/immovable property(ies) acquired from advertiser(s)/ prospective advertiser(s); and

(d) approving proposal(s) of sale of investments held in the equity shares, convertible instruments, debentures or any other securites of the advertiser(s)/prospective advertiser company(ies).

During the year, the Investment Committee met three times on 16th May, 2008, 24th July, 2008 and 24th September, 2008. The composition of Investment Committee and attendance of the