



REACHING INFORMING EMPOWERING

Millions of Indians everyday



HT MEDIA LIMITED
ANNUAL REPORT
2015-16

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Corporate Information

Board of Directors

Smt. Shobhana Bhartia
Chairperson & Editorial Director
Shri K.N. Memani
Shri N.K. Singh
Shri Ajay Relan
Shri Priyavrat Bhartia
Shri Shamit Bhartia
Joint Managing Director

Chief Executive Officer

Shri Rajiv Verma

Group Chief Financial Officer

Shri Piyush Gupta

Whole-time Director, Group General Counsel & Company Secretary

Shri Dinesh Mittal

Statutory Auditors

S.R. Batliboi & Co. LLP

Registered Office

Hindustan Times House
18-20, Kasturba Gandhi Marg
New Delhi - 110 001, India
Tel: +91 11 6656 1608
Fax: +91 11 6656 1445
Email: investor@hindustantimes.com
Website: www.htmedia.in

Registrar & Share

Transfer Agent

Karvy Computershare Private Limited
Karvy Selenium Tower B
Plot No. 31 & 32
Financial District
Nanakramguda
Serilingampally Mandal
Hyderabad - 500 032
Tel: +91 40 6716 2222
Fax: +91 40 2300 1153
Email: einward.ris@karvy.com

At HT Media,

**we believe only
informed people can
contribute to the
nation's progress.**

As a responsible media Company, we are consistently empowering millions of Indians with knowledge and information. Through our unbiased analysis of news, we help shape public opinion.

HT Media at a Glance

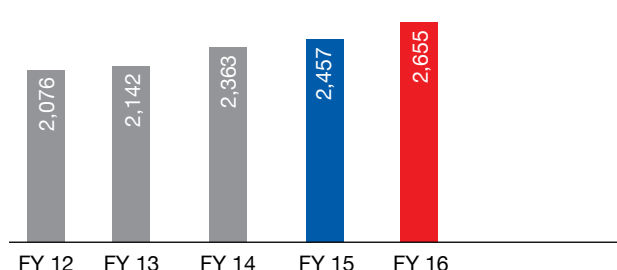
HT Media is one of India's leading media companies with a strong presence across print, radio and digital platforms. We are engaged in printing and publishing of 'Hindustan Times', 'Hindustan' (through subsidiary) and 'Mint'. We operate FM radio stations under the brands 'Fever' and 'Radio Nasha'. Our internet businesses include multiple web portals (hindustantimes.com, livehindustan.com, livemint.com and shine.com). Besides, our education ventures namely, Studymate and Bridge School of Management, are witnessing rapid growth.



Financial Performance (Consolidated)

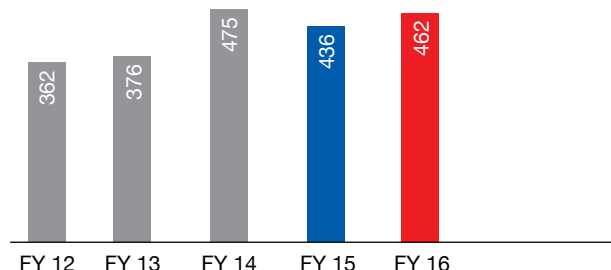
TOTAL INCOME

(₹ in Crore)



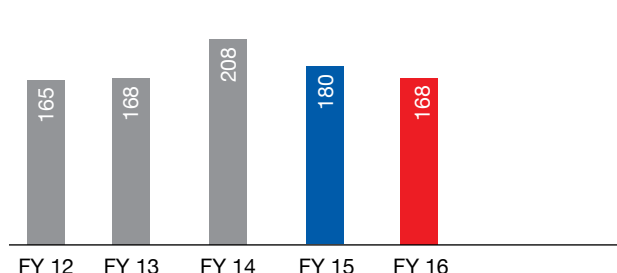
EBITDA (Before Exceptional Items)

(₹ in Crore)



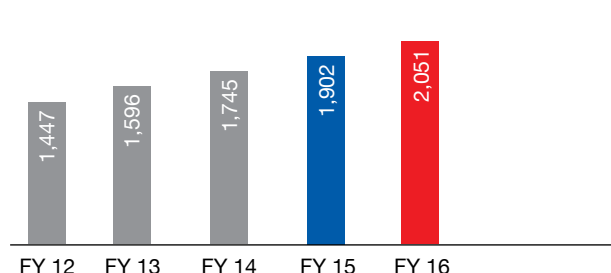
NET PROFIT

(₹ in Crore)



NET WORTH

(₹ in Crore)



FINANCIAL REVIEW

We delivered a healthy performance in FY 16. Consolidated revenue from operations registered a growth of 10%, up from ₹ 2,282 crore in FY 15 to ₹ 2,501 crore in FY 16. The growth is attributable to following factors:

- The revenue from Print and Publishing segment grew by 8%. This was primarily driven by advertisement revenues, which grew by 9% over previous year.
- Radio and Entertainment segment grew by 18% over the last year, to ₹ 117 crore in FY 16 from ₹ 99 crore in FY 15.
- Digital segment recorded a strong revenue growth of 35%, up from ₹ 104 crore in FY 15 to ₹ 140 crore in FY 16. This growth was due to the healthy performance of Shine.com and Digital Quotient. Both businesses were up by 29% and 63%, respectively over last year.

The expenses grew by 8% over previous year, on account of the following factors:

- Employee expenses were up by 15% over the last year.
- However, newsprint prices softened during the year, resulting in a saving of 2.6% over last year.

The consolidated EBITDA (before exceptional items) was at ₹ 462 crore in FY 16, up by 6% from ₹ 436 crore in FY 15. There has been expansion in Radio business resulting in additional cost, due to which PAT has come down by 7% to ₹ 168 crore in FY 16 from ₹ 180 crore in FY 15.

Premium Brands



Print

HINDUSTAN TIMES

The leading English newspaper of India, No. 1 in Delhi-NCR and No. 2 in Mumbai in terms of readership.

MINT

A business daily synonymous with insightful analysis of business & economy; also distributes a specially created weekly newspaper 'Mint Asia' in Singapore & Kuala Lumpur.

HINDUSTAN

The leading Hindi newspaper of India, No. 1 in Bihar, Jharkhand & Uttarakhand and No. 2 in Uttar Pradesh & Delhi in terms of readership.

HT CITY & HT CAFÉ

Daily supplements in HT Delhi and HT Mumbai, respectively; covers entertainment, city, campus and lifestyle, among others.

BRUNCH

The Sunday magazine supplement with Hindustan Times which covers travel, music, celebrities, food, gadgets, etc.

NANDAN AND KADAMBINI

Legacy Hindi magazines for children (Nandan) and family reading (Kadambini).

Digital

SHINE.COM

Leading job portal connecting job-seekers and recruiters.

DIGITAL QUOTIENT

Mobile marketing & engagement solution provider across mobile, social and Internet space.

HINDUSTANTIMES.COM

English news website of Hindustan Times.

LIVEMINT.COM

Business news website.

LIVEHINDUSTAN.COM

Hindi news website.

DESIMARTINI.COM

One of India's most popular movie review and rating sites.

Education

STUDYMATE

An education initiative for supplementary tutorial classes for VIII-XII in Delhi-NCR.

BRIDGE

A world-class management school that offers Business Management/ Predictive Business Analytics programmes at its Gurgaon and Noida centers.

HTCAMPUS.COM

An education portal offering comprehensive information on courses offered at more than 35,000 colleges/institutes in the country.

Radio

FEVER

Leading FM Radio station operating in Delhi, Mumbai, Bengaluru, Kolkata and Chennai.

RADIO NASHA

The brand new FM Radio stations in Delhi & Mumbai playing retro music.

Others

HT LEADERSHIP SUMMIT

The platform where Indian and International visionaries lay out their blueprint for the future.

MINT LUXURY CONFERENCE

A leading annual conference for luxury brands.

Chairperson's Message



Our consolidated annual revenue touched ₹ 2,655 crore during the year, from ₹ 2,457 crore in the previous year. This was a group effort.



We also strengthened our radio platform. Our FM Radio station, Fever entered Chennai by acquiring an existing FM Radio station. We also acquired 10 new frequencies in Delhi, Mumbai, Hyderabad and 7 large towns of Uttar Pradesh, during the recent FM Radio Phase III auctions.

Dear Shareholders,

India is now widely viewed as a bright spot in a sluggish global economic environment. The country's GDP in FY 16 grew by a healthy 7.6% vis-à-vis 7.2% in the last fiscal. The economy also crossed the \$2 trillion mark, emerging as the fastest growing major economy of the world. The economy, during the year, continued to consolidate the gains of fiscal prudence and across-the-board reforms. Inflation was moderate, interest rates declined, foreign direct investment surged and the current account deficit remained low.

India also improved its position on the ease of doing business ranking of the World Bank, which reaffirms global recognition of the country's business-friendly environment. India's drive to adopt digital technologies across all walks of life is also ushering in major transformation in the way businesses operate and approach their target customers.

The Media and Entertainment industry in India grew by around 12.8% in CY 2015. An expanding economy, rising literacy, growing aspirations, and increasing disposable income have meant more demand for all segments of the media. Newspapers and TV news channels continue to hold sway over the news domain. Yet, in a country that is rapidly embracing smart phones and the internet, it is only to be expected that the digital media will make its presence felt – in terms of reach, and as an advertising vehicle.

At HT Media, we saw this trend coming some time back. The last financial year saw the culmination of an important piece of our new media strategy, the completion of a state-of-the-art newsroom and a significant upgradation of our technology infrastructure. Apart from strengthening the standalone websites of our three news brands – Hindustan Times, Hindustan and Mint, this also provides an opportunity to create new offerings that cater to new audience segments and leveraging cross-functional synergies. This, we believe, forms the perfect foil to our existing non-media digital businesses and also our approach of making selective investments in other digital companies.

We also strengthened our radio platform. Our FM Radio station, Fever entered Chennai by acquiring an existing FM Radio station. We also acquired 10 new frequencies in Delhi, Mumbai, Hyderabad and 7 large towns of Uttar Pradesh, during the recent FM Radio Phase III auctions. We have already launched our second radio stations in Delhi and Mumbai, Radio Nasha. More launches will follow.

Nor did we ignore our print business. Apart from the integrated newsroom – which has helped significantly improve efficiency and productivity of our editorial teams – and implementation of a multipronged training programme to enhance content quality, we continued with efforts to drive readership across all our publications through interventions on both product and marketing platforms.

THE BENEFITS ARE APPARENT IN THE NUMBERS

Hindustan Times (HT) retained its strong position in the English newspaper segment, nationally. HT was Delhi-NCR's most read newspaper, while in Mumbai the newspaper was placed at No. 2.

In the markets where we have a presence, the radio industry is growing at a CAGR of 7%. HT's radio segment grew by 18%. It has a revenue market share of 23%, leadership position in Delhi, Bengaluru and Kolkata, and is the fastest growing radio station in Mumbai.

RESPONSIBILITY TOWARDS COMMUNITY

At HT Media, we try to align our business objectives with social responsibilities. 'Hindustan Times Paathshala' is an initiative that supports and funds the education of underprivileged children. This initiative started in 2012 as the 'You Read They Learn' campaign, and over the years, has made a difference in the lives of tens of thousands of children. We also conduct several community outreach and socio-economic development programmes. As one of India's oldest media companies, we believe that good journalism has a strong social linkage.

THE WAY AHEAD

Going forward, we aim to-

- strengthen our position across all platforms – print, digital and radio;
- expand our footprint to new geographies and markets; and
- help our advertisers navigate an increasingly fragmented audience landscape by offering innovative solutions.

Our consolidated annual revenue touched ₹ 2,655 crore during the year, from ₹ 2,457 crore in the previous year. This was a group effort. On behalf of the entire leadership team, I would like to thank our employees for their remarkable contribution in the Company's success. I also thank our shareholders for their co-operation and support. I appreciate the guidance provided by my colleagues on the Board, without which things would not have been so smooth for us.

Thanking you



SHOBHANA BHARTIA

Chairperson & Editorial Director

CEO's Message



FY 16 was a satisfactory year for us at HT Media. Our consolidated revenue from operations registered a growth of 10% in FY 16, up from ₹ 2,282 crore to ₹ 2,501 crore.

Dear Friends,

During the year under review, the Indian economy continued to restore its macro-economic stability amid global uncertainty. The Government of India's strong commitment to fiscal targets, focus on infrastructure creation and the ease of doing business, bolstered the confidence of entrepreneurs and investors. In the midst of this positive environment, various sectors have regained their confidence to do better, and media and entertainment industry is no exception.

FY 16 was a satisfactory year for us at HT Media. Our consolidated revenue from operations registered a growth of 10% in FY 16, up from ₹ 2,282 crore to ₹ 2,501 crore. There was a 9% growth in print advertising revenue, primarily driven by increase in advertising volumes and yields. Besides, we witnessed 5.6% surge in circulation revenue owing to higher circulation as well net realisation per copy. EBITDA was up by 6% over the last year, from ₹ 436 crore to ₹ 462 crore due to an increase in topline and decline in raw material costs by 2.6%.

SECTOR-WISE PERFORMANCE

During the year, we strengthened our position in each sector where we operate. In the print space, Hindustan Times retained its leadership position in Delhi-NCR. It was positioned as No. 2 in Mumbai. HT's circulation reached 1 million copies in Delhi-NCR and 0.43 million copies in Mumbai. On the other hand, Hindustan maintained its No. 1 position in Bihar, Jharkhand and Uttarakhand and No. 2 position in Delhi and Uttar Pradesh.



In the digital space, we are witnessing robust growth. Digital business reported a 35% increase in revenue from ₹ 104 crore to ₹ 140 crore. Shine.com registered revenue growth of 29% in FY 16 vis-à-vis last year. HT Mobile reported a revenue growth of 63% in FY 16 compared to the last year.

Our Radio business is growing at a steady pace with our continued efforts to expand this business. This segment grew by 18% over the last year from ₹ 99 crore to ₹ 117 crore in FY 16, driven by increase in advertising revenue.

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OUR FOCUS AREAS

Despite a highly competitive marketplace, we have been able to sustain our leadership and growth due to the trust of our customers. And we retained this trust through our strong editorial focus and content. At Hindustan Times, FY 16 was the year of Project Butterfly. The initiative involved integration of editorial operations of Hindustan Times for real-time reporting and breaking news stories across multiple platforms – print, digital and mobile. The larger goal was to set up a 'Digital Newsroom' and rollout a unified 'Content Management System'. By the year-end, India's finest newsroom was complete and staffed with editorial teams. The new space prioritises transparency, communication and efficiency, along with the ease of access to data.

The editorial team now manages news workflows on a single unified platform viz. Methode from Eidos Media. The full rollout of the system for print editions, which will potentially yield further efficiencies, is underway.

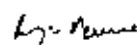
In FY 16, we continued to focus on reduction of costs of print business by various productivity initiatives. Total productivity savings of ₹ 2.56 crore were achieved by reduction in newsprint waste and overheads minimisation in factories including consolidation of printing volumes at Greater Noida factory. Regular safety and compliance audits were conducted in all print factories and corrective actions were taken.

We also made considerable progress in the technology space. A new strategic pricing tool for media marketing 'iPrice' was launched for enhancing yield using advanced built-in statistical modelling tools. We created an HR portal, HT Edge for learning and development purpose. Keeping abreast of the latest trends as well as the user expectations, the mobile and desktop sites of Desimartini were redesigned with new age UI/UX principles.

THE WAY FORWARD

Going forward, we aim to operationalise new FM Radio licences acquired by us in the recent FM Radio Phase III auctions. We expect to improve profitability of digital segment by focusing on growing revenue exponentially. In addition to this, we want to leverage the strong balance sheet to expand our business.

With warm wishes,



RAJIV VERMA

Chief Executive Officer

Reaching people through diverse media platforms

We started our journey with the launch of Hindustan Times in 1924. Over the years, we have strengthened our foothold in print media, and also diversified into other media platforms. Now, we have a strong presence in the radio & digital space, and in the education field.



Print

At HT Media, we have a portfolio of both English and Hindi publications with strong presence across metros as well as Tier II & Tier III cities. Hindustan Times (HT) retained its strong position in the English newspaper segment, nationally. Mint retained its No. 2 position among business dailies. Hindustan is the second largest newspaper in India amongst all newspapers.



Radio

We operate our FM radio business under the brand Fever, with presence in New Delhi, Kolkata, Bengaluru, Mumbai and Chennai. Fever FM is the fastest growing radio station in the country. Our strategic direction has been to segment the radio-listening market into two distinct spaces - while Fever 104 plays contemporary hit Bollywood music, the newly launched Radio Nasha plays cool retro music. We reach not just the people, but also keep up with the listeners' evolving preferences. We acquired 10 new FM radio frequencies, one each in Delhi, Mumbai & Hyderabad and in seven large towns of Uttar Pradesh, during the recent FM Radio Phase III auctions. Going forward, we will operationalise these new radio frequencies to expand our reach.