

ANNUAL REPORT 2020-21





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Forward Looking Statement

The statement(s) made in this Annual Report describing the Company's objective, expectations and predictions may be forward looking statement within the meaning of applicable securities laws and regulations. These statements and expectations envisaged by the management are only estimates and actual results may differ from such expectations due to known and unknown risks, uncertainties and other factors including, but not limited to, changes in economic conditions, government policies, technology changes and exposure to market risks and other external and internal factors, which are beyond the control of the Company.



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CHAIRMAN'S MESSAGE

AROON PURIE

Chairman

Dear Shareholders,

WITH COVID-19 SWEEPING ACROSS the world, 2020-21 was the most unprecedented and challenging year since the Second World War. India's lockdown in March-May 2020 severely impacted all spheres of economic activity, with mobility coming to a near-complete halt across the wide geography and massive population of our country. Consumption and production were severely pummelled. As a result, the first half of FY21 saw the Indian economy fall into a steep pandemic-induced recession. For the year ended March 2021, the gross domestic product (GDP) witnessed a record decline of 7.3 per cent in growth, the worst in 40 years. The pandemic-induced recession in FY21 came on the back of an economy that had already started to slow down from the third quarter of 2016-17. GDP growth slid from 8.2 per cent in FY17 to 4 per cent by the final quarter of 2019-20. It was just about the time that the pandemic struck, pushing India into a 68-day severe lockdown. The economic impact of Covid-19 has been widespread and all-pervasive. It is estimated that the pandemic pushed 32 million people out of the middle class. The social impact of the economic recession has been devastating as well. Supply chains were disrupted within India and globally, leading to increased input costs and delayed delivery schedules in several sectors. Widespread job losses and falling incomes impacted consumer demand.

The stressed economy naturally affected the Media and Entertainment (M&E) sector, which fell by 24 per cent, taking revenues back to 2017 levels. Broadly, with all forms of outdoor entertainment coming to a standstill as people stayed indoors, advertising dried up, seeing a significant decline in all major segments, be it TV, Films or Print. Advertising in Television, the largest segment in the M&E industry, witnessed a 22 per cent fall in revenues even though ad volumes reduced only 3 per cent. While the News segment continued to lead with 31 per cent of overall TV ad volumes, most advertisers were reeling under severe stress due to Covid, which constricted their ad spend budgets. Ironically, total TV viewership in this crisis-laden environment grew by 9 per cent, and the news genre, which is your Company's primary area of operation, grew by 27 per cent in terms of average time spent over 2019. Although it did not lead to a commensurate increase in revenue, the increased viewership has enhanced the brand's salience and will potentially lead to increased revenues in the foreseeable future.



Digital advertising and OTT, on the other hand, fared much better, with massive spikes in digital consumption during the lockdown across geographies. The digital media overtook print and online gaming, the disrupted filmed entertainment segment in 2020. Digital and online gaming were the only segments that grew last year, leading to the overall M&E sector growing from 16 per cent in 2019 to 23 per cent in 2020.

Indians across metros, Tier I and Tier II cities rapidly embraced digital, mobile and social media, with the lockdown further accelerating the process. As a result, consumption of digital news has increased significantly during the past year. Users seem to be developing a penchant for the unique offerings brought to the table by digital real-time news updates, interactive articles with videos and images, news segregated by categories and access to multiple publishers through news aggregators. Between January 2020 and April 2020, the time spent on online news increased by 33 per cent in India. The worldwide average during the same period was 23 per cent. With people in India spending 68 billion minutes on news sites and apps in November 2020, the engagement was higher by 7 per cent compared to pre-Covid levels.

One of our main priorities in these Covid-ridden times is to keep our staff safe and the operations running. We enforced strict Corona protocols, isolated the reporting staff at different locations and achieved a high degree of Work from Home. I am happy to report that we kept all our channels and digital platforms on-air without missing a minute despite all the adverse conditions we operated in. It is a demonstration of their total commitment and dedication to journalism and the Company. I am proud to say that our news coverage from all our platforms during the pandemic has been outstanding and continues to be so.

No wonder the network yet again swept the 20th edition of the Indian Television Academy (ITA) Awards, with Aaj Tak and India Today TV winning both the Popular News Channel-Hindi and Popular News Channel-English awards, respectively etching the Group's undisputed leadership in television news journalism. I am also delighted to share that your broadcast and digital channels have won a total of 76 medals, including 31 Golds, at the exchange4media News Broadcasting Awards 2020. The awards recognised the Group's gold-standard news content and applauded its anchors, reporters and editorial leadership for their sterling coverage of major events in a pandemic-ravaged year. In a legacy spanning over 45 years, the Group continues to shine bright as India's most credible and trusted news source.

As digital penetration in India grows, so will the shift to digital news. Your Company has continued to expand its digital presence on all platforms, be it YouTube, Twitter, Facebook or the Aaj Tak and Live apps, to ensure subscribers and followers stay updated on regional and national news.

The India Today Group climbed to the position of No. 1 video news publisher towards the end of the financial year. Aaj Tak crossed 45 million subscribers and retained its position as the world's most subscribed and watched news channel on YouTube. With 170 per cent growth, the India Today Group's mobile apps were the most trusted news sources during the first pandemic lockdown (Mar. 2020-Apr. 2020).

Your Company has also been at the forefront of pioneering new technologies and in offering differentiated viewing. The re-launch of one of our news channels, 'Tez', with exciting new shows, new energy, new look and feel strengthened its competitive positioning. We now cover Crime, Sports, Politics, Defence, National Interest and Entertainment. Your Company has also launched 3 new websites in regional languages—Aaj Tak Bangla, India Today Malayalam and Mumbai Tak in Marathi.

The overall financial performance of your Company during FY 2020-21 has been satisfactory. With the adverse environment of the year, the total income was 8.85 per cent less than the year before despite the boost of election based revenue of 6.67 per cent of the previous year. The profit before tax also declined only by 12.04 per cent to stand at ₹193.31 crores. However, the operating profit margin for this year was a healthy 23.47 per cent (on a standalone basis).

As the pace of vaccination picks up in India, the World Bank has projected an 8.3 per cent growth rate for India's GDP in 2021-22, followed by 7.5 per cent in 2022-23. I am confident that with our strong brands on all platforms, your Company has a bright future.

I want to place on record my sincere appreciation to the Board of Directors for their guidance and support. I would also like to express my gratitude to all our stakeholders for their continued trust in the Company. Last but not least, I would like to express my heartfelt thanks to all the employees of the Company.

Stay safe

Warm Regards,

Aron Purie



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VICE CHAIRPERSON'S MESSAGE

KALLI PURIE

Vice Chairperson

Dear Shareholders,

THANK YOU FOR YOUR STEADFAST SUPPORT AND ENCOURAGEMENT IN THESE heart wrenching times. I hope that you have been fortunate through the traumatic COVID-19 second wave that has left our collective conscience scarred.

In grim circumstances, your Company, T.V. Today Network Limited, has tried to shine a light. It has been our duty and our privilege to help the nation fight against a humanitarian crisis. We have been on the battle front against this virus. Though we may not wield bullets, our warriors have demonstrated heroism too. Through the devastating second wave we stood by citizens and the medical fraternity solving problems by highlighting them to concerned authorities and connecting the dots. Armed with our IFCN training and Data Information Unit, our newsrooms dispelled the panic of misinformation and ensured that credible information was widely available to the general public.

In an effort to augment support for the community through this unprecedented emergency, your company launched Aaj Tak Corona Clinics, an open and free public helpline to access quality medical consultation from top doctors. We used our social media handles to amplify requests for plasma, oxygen, hospital beds and home consultations. Further, in response to the sudden surge in COVID-19 cases, we set up an India Today Covid Helpline where daily Q&As of audiences at large could be responded to by experts and medical professionals from the All India Institute of Medical Sciences and the Indian Defence Services.

Sometimes reporting is not enough. We believe that the new normal requires us to not only do spot reporting but give on-the-spot relief. Towards this challenge, our courageous journalists provided real and tangible assistance to those suffering around them. In the line of duty, we sadly lost seven of our invaluable colleagues. I would like to assure our shareholders that the surviving families are being looked after through an enhanced life cover and a long term child education plan. Nothing can

replace the loss of life. Respecting and honouring the sacrifice of those who passed, the team at TVTN continues to work with renewed fervour to keep doing our job as best as we can, saving as many lives as we can.

I am proud to share that the India Today Group's enterprise-wide strategy of urgent response, quality medical care and nurturing recovery amid the COVID-19 pandemic proved to be particularly successful for both employee well-being and effective news operations. Timely tie-ups with top hospital chains and diagnostic centres enabled critical care when healthcare shortages had reached desperation. Moreover, I would like to inform our shareholders that Vaccine Passports, a unique safety initiative, has been initiated and shall be the next milestone as we navigate this uncertain pandemic.

Your Company's digital business remains robust despite the COVID impact. Aaj Tak, one of the most searched News Brands online, already boasts over 85 million unique visitors. In October 2020, Aaj Tak announced the launch of its digital extension in Bangla - bangla.aajtak.in which is the first-ever regional offering in the digital space of the most popular news brand in India.

Your company has been a pioneer in launching and scaling up Digital First Brands in the News & Information space and you will be pleased to know that your dedicated Digital First Video Channels under the brand name Tak have deepened and expanded their Digital footprint. With a combined fanbase of over 51 million and over 8.7 billion combined views across social platforms, the Tak Channels have garnered ardent following across multiple content niches like Sports, Crime, Business, Lifestyle, Astrology, Fitness and Literature. Our Digital First national news channel News Tak has diversified into 9 additional regional channels. With unique dialects, local and hyperlocal focus UP Tak, Bihar Tak, MP Tak, Dilli Tak and Rajasthan Tak are growing steadily. Additionally, with content in the regional languages, Mumbai Tak, Gujarat Tak and Punjab Tak have been able to multiply their audience base. We are tremendously enthused by this journey as it has allowed us to reach new audiences and explore new frontiers of content that have added a novel dimension of creativity to our newsroom.

Amid the ongoing pandemic, there has been a surge in not just news but also OTT content consumption. To address this market and leverage our brand name for creating quality content we have established India Today Studios to create originals. We are working with the largest OTT players in the market like Netflix and Amazon Prime to produce original documentary series.

Beyond video, we continue to expand in the rapidly evolving Audio Podcasting space with the Aaj Tak Radio launch in 2020. Available across major podcasting platforms and our native website and app, Aaj Tak Radio offers news bulletins throughout the day besides reaching out to a dedicated listenership for its 18 podcast shows, 14 shows updated regularly, 4 has shelf life.

The other sunrise industry that is gathering momentum is Online Gaming. We have launched a sub brand called India Today Gaming to harness the increasing opportunities in this sector. Next year, please be sure to look out for a lot of action in this space with the launch of ESPL (Esports Premier



League), the first ever franchise based league of the world's top games followed by the World Esports Cup, the ultimate face-off between India, Pakistan and Bangladesh.

The overall operating performance of the Company during FY 2020-21 has been satisfactory. On standalone basis, your Company's total income for FY 2020-21 stood at ₹819.92 Crores. Profit before tax was ₹193.31 Crores. Profit after tax was ₹131.17 Crores. In pursuit of our commitment to maximize shareholder value, the Board has recommended a Final Dividend of 50% (i.e. ₹2.50 per share), on Equity Shares of face value of 5 each for FY 2020-21.

The times are trying but for the brave the future is always promising. We intend to move ahead with our heart in the right place and our head held high for the great work we have accomplished this year and are confident we will continue to do so in the days ahead. In closing, it is only in times of crisis such as these that you know who your real friends and supporters are: you, dear shareholder, have played a splendid role. Thank you, I am grateful to you for standing by us and for your continued faith in our team and Company.

I take this opportunity to wish you and your families a healthy and safe year ahead.

Warm Regards,

Kalli Purie





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TELEVISION



T.V. TODAY NETWORK LTD is an India-based company engaged in broadcasting operations. Part of the India Today Group, the company operates mainly in three segments—digital, television and radio broadcasting.

WITH ITS CORPORATE OFFICE IN NOIDA,

India, the company is spearheaded by Mr Aroon Purie, Chairman & Whole-time Director, and Ms Kalli Purie, Vice-Chairperson and Managing Director. Its shares are listed on the BSE Limited and the National Stock Exchange of India Limited.

THE COMPANY OPERATES four news channels—Aaj Tak, Aaj Tak HD, India Today and Tez. The company also operates three FM radio stations under the brand ISHQ 104.8 FM in Delhi, Mumbai and Kolkata. We have an unmatched digital footprint through the Aaj Tak & India Today websites, social media and we continue to aggressively build on it with our new digital-first ecosystem of the TAKs.

RATINGS

T.V. TODAY NETWORK reached an average monthly coverage of 309 million viewers during the BARC reported period in FY 2020-21, reaching an all-time-high coverage of 359 million viewers in April 2020.



“AAJ TAK” again maintained its leadership position in FY 2020-21 and was the clear leader during key news events such as Lockdown & Unlock, Ram Mandir Bhoomi Pujan & Vikas Dubey Encounter.



“INDIA TODAY TV” was stable and secured a market share of 18%. In the Morning Prime Time INDIA TODAY TV displayed a phenomenal growth and became the No. 1 channel. INDIA TODAY TV was No.1 during the PM’s call for “9 Baje 9 Minutes” to demonstrate the collective will to fight the pandemic on 5th April 2020 and was the No.1 English News channel during the first implementation of lockdown.



The Hindi News channel “TEZ” from the Network continues its lead over national news channels like News 24, NDTV India, Zee Hindustan, India News and DD NEWS. TEZ was at 3rd position in the first quarter and ascended to the 2nd position in the second quarter, behind only Aaj Tak in average weekly reach in free distribution platform.

