

हिन्दुस्तान

ekhajokha

Hindustan Media Ventures Limited

Annual Report 2010-11



DEBUT ON THE
STOCK EXCHANGES

PERFORMING
AHEAD OF THE CURVE

No.2
and counting...

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SHRI TRIDIB KUMAR BARAT

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TRANSFER AGENT**

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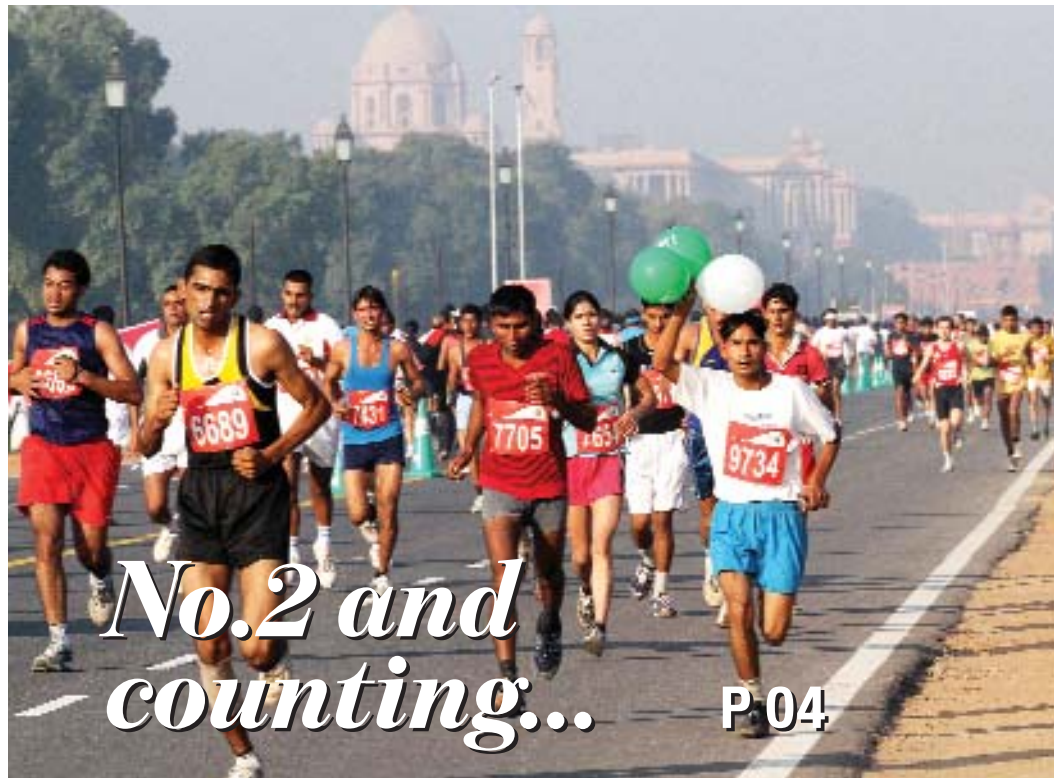
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02 *Debut on a
winning note*
Letter from the Chairperson

12 *A diverse bouquet
of brands*

14 *Tarakki ko chahiye
Naya Nazariya*



16 *Management
Discussion &
Analysis*

22 *Directors' Report*

26 *Report on
Corporate
Governance*

35 *Financial
Statements*



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Note to Stakeholders

As the stakeholders are aware, the Hindi Business of the Company was acquired by way of a demerger from the parent company viz., HT Media Limited ("HTML"), on a going concern basis w.e.f. 1st December, 2009. Accordingly, for a fair comparison throughout the Annual Report (other than the section on Financial Statements), the performance of FY 10, comprises of Hindi Business for complete 12 months (i.e., 8 months carved out from HTML and 4 months of HMVL). Further, the performance for FY 07, FY 08 and FY 09 reflects Hindi Business, as carved out from HTML.

DRIVEN BY VISION, FUELLED BY VALUES

With a rich legacy of 75 years, our Hindi daily, *Hindustan*, has informed and empowered millions of Indians across many generations. It has witnessed many game changing events all across. It has shared and shaped the vision of a progressive society and ensured the active participation of Hindi speaking people from the Indo-Gangetic belt. In the process of doing so, it has transformed itself many a time - as the agent of change at some times and as the adapter of change at others. One thing that has remained constant is its vision of a strong and progressive India.

As a Company that owns such a legendary newspaper brand, besides *Nandan* and *Kadambini* magazines, Hindustan Media Ventures Limited is governed by a set of five modern values. The values of Courage, Responsibility, Empowerment, Continuous Self-renewal, and People-centric are deeply ingrained in every single facet of its day to day operations. The five values govern the Company and its employees every day, in the endeavour to create value sustainably for the stakeholders.

As the Company set-out to present its first Annual Report since going public, it chose to call it *Lekha Jokha* which means transparent statement of affairs. The first issue of *Lekha Jokha* is historic, as it reports the listing of Company's shares on the stock exchanges, a healthy growth across all parameters, and also rise of *Hindustan* to emerge as the No.2 newspaper in India.

As it moves ahead on the growth path, HMVL invites all fellow stakeholders to continue the journey together.

Happy reading!



Debut on a winning note

A key aspect of this socio-economic progress is the increasing participation of rural and semi-urban populations and geographies in the national economy.

Dear Shareholders,

Let me begin by thanking each one of you for the overwhelming response to our maiden IPO during the year. The successful listing of Hindustan Media Ventures Limited marked the end of the restructuring process by our parent company, HT Media Limited. The separation was well envisioned, keeping in mind the underlying growth potential of our Hindi business and the focus that was needed to unlock its true potential.

We have reached a critical juncture in our growth journey. While the first decade of the 21st century served as a period of consolidation for India; the second decade, in my view, will witness the unlocking of our true potential. A key aspect of this socio-economic progress is the increasing participation of rural and semi-urban populations and geographies in the national economy. While growth is reaching its high point in developed parts of the

 **While the first decade of the 21st century served as a period of consolidation for India; the second decade, in my view, will witness the unlocking of our true potential.**

country, it is also finding new centers in underdeveloped areas.

The latest census estimated that the overall literacy rate has improved to 74% from 65%. Another study by FICCI-KPMG estimated the total literate population in India at 579 million, with print media's penetration put at a little over 30%. It is encouraging to note that socio-economic indicators are registering growth, even at the furthest mile. This augurs well for regional language newspapers like *Hindustan*.

The revival of the Indian economy after the slump, that was brought on by the global financial crisis, has helped the media sector to regain its growth momentum. The FICCI-KPMG report suggests that the surge in advertising has acted as a catalyst for expansion of the media industry in general, and print media in particular. Advertising spends grew by 17% to ₹ 266 billion and accounted for 41% of the overall size of the media industry. Rising literacy levels amid low print media penetration signify



Printing facility of the Company at Danapur, Bihar

substantial room for growth. According to the report, the overall print media industry may witness a CAGR of 10%, to touch ₹ 310 billion in five years. Regional media is expected to grow at an even higher rate of 12%.

FY 11 was a landmark year for your Company. A major breakthrough came in the latter half, when IRS Q4 for the year 2010 confirmed that our flagship brand *Hindustan* had emerged as the second-largest newspaper in terms of total readership, in all languages in the country.

Our vision is to sustain and build on this, continuing the march forward to reach the top spot. We will make efforts to benefit from the rising interest of readers and advertisers in Hindi print media and translate this into stable, robust growth in the years ahead.

We have tried to make the best of the growth in the vernacular and regional media print space by focusing our efforts on serving the requirements of the target audience, be it readers or advertisers. We have continued with our endeavour to localize news, while offering a judicious mix that includes national news. We have also addressed the requirement of our growing readership within the student community, keeping the publication tuned in and updated with the latest trends, which includes meeting the burgeoning demand for career opportunities in a growing economy.

The notable initiatives of the fiscal year include the launch of *Hindustan* in Gorakhpur, the strengthening of existing printing and publishing facilities, and our decision to retire long-term debt of ₹ 135 crore.

During the fiscal year, our revenue improved 19% from the previous year. Advertisement revenue rose 27%, whereas circulation revenue showed a modest growth of 1%. We were able to take advantage of this at the level of profitability, with EBITDA gains of 12%.

Finally, I wish to place on record my sincere thanks to the senior management team and the employees, and my gratitude to our shareholders, readers, advertisers, the government, bankers, vendors and associates, for their valuable contribution and continued support to Hindustan Media Ventures Limited as always.

Thank You!

Shobhana Bhartia
Chairperson



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The marathon crosses an all important milestone of No.2

Hindustan races ahead of competition to become second largest read Indian newspaper in all languages

At the turn of the first decade of 21st century, the contours of a new world order are getting clearer. India, as many would undoubtedly agree, features amongst the key drivers of world economy today. Known long for its diversity, India's economic drivers can be divided along two broad groups of cosmopolitan & urban populace at one end and the semi-urban & rural populace at the other. While the former has evolved as an economic group of sizeable scale, it is the unleashing of the latter's potential that will truly augment India's next round of growth.

Indian media, newspapers in particular, have played a significant role in awakening and empowering fellow citizens towards progress and prosperity. *Hindustan* – the flagship Hindi daily of Hindustan Media Ventures Limited – has led from the front in empowering Hindi readers. It has been making a positive impact in the lives of its readers – from Delhi - NCR to UP to Uttarakhand to Bihar to Jharkhand -





with a slew of content initiatives that tend to defy the trends that the regional language press has been following. It has, in a sense, redefined the role that non-English print media must play in today's time and context.

Not surprising then, *Hindustan* has evoked tremendous reader-acceptance and has grown by leaps and bounds over the last three years in terms of spread, readership and leadership. The decision to aggressively invest in expanding footprints, consistently improving the content and presentation mix, and enriching readers with the option of choosing a Hindi newspaper that reflects changing times, has got vindicated in many gains for *Hindustan*.

Thought leadership

The growth story of *Hindustan* is inspirational. There is much that has gone into scripting its successful march forward. As a result, the newspaper is now being handpicked by more and more readers and advertisers alike.

In March 2008, the newspaper had 4 editions, 11 print locations, circulation of 13 lac copies and 235.32 lac readers (IRS R2 2007). In a span of just 3 years, it has grown to 15 editions, 16 print locations, circulation of 21 lac copies and 351.92 lac readers (IRS Q4 2010). From the 3rd position to the 2nd position amongst all newspapers in all languages, *Hindustan's* rise has been meteoric and vindicates all the hard work that has gone into it. The verdict of No.2 is cast and the march towards No.1 will also be an equally inspiring one.

The rise of *Hindustan*, all these years, has been engineered with a multi-pronged strategy. The key constituents of this strategy have been well-planned geographic expansion; better supply chain management; product improvisation and innovation; yield-oriented marketing initiatives; perception building

Delivering content through activation



Actor Manoj Tiwari entertaining audiences at Hindustan Kisan Mela

The commitment of *Hindustan* to benefit its readers as well as fellow community in the geographical surroundings of its circulation areas is not just limited to the newspaper. It has been taking up issues of concern and community interest with many on-ground activations and periodical events. Through these effective media vehicles and engagement platforms, *Hindustan* has been bringing about a definitive change in the lives of its readers.



A health camp in progress at Hindustan Health Fair

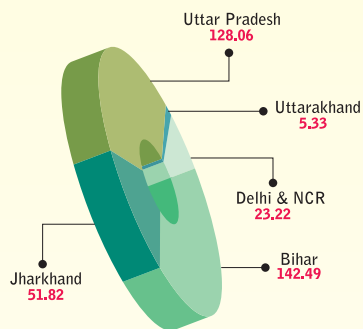
The agrarian India is willing to play a bigger role as the nation continues to clock higher GDP growth, year after year. In order to optimise their potential, farmers need exposure to the latest farming techniques and equipment, besides gaining awareness on various welfare schemes initiated for them by the government. With an aim to reach the farmers in the agricultural part of Northern India, *Hindustan* organises a farmer fair, namely, *Hindustan Kisan Mela* every year. During the FY 11, the fair was organised at 14 locations across Bihar, Jharkhand and Uttar Pradesh. The fair recorded a combined footfall of over 1.5 lac visitors.

Another campaign, *Hindustan Health Fair* was organised at 8 locations across UP, Uttarakhand, Bihar and Jharkhand. The fair included an editorial series and numerous health camps. Aimed at promoting wellness through prevention, cure and information, the event touched a footfall of 40,000 visitors in its last edition. *Hindustan* also organised *Hindustan Shopping Festival*, a retail-market focused activity held across 10 markets in October 2010.

Consistent growth in readership

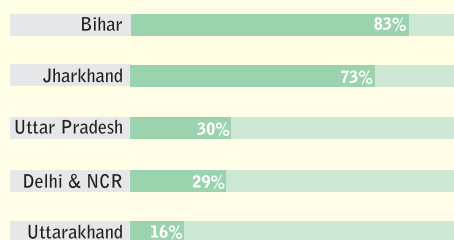
The most important aspect of *Hindustan's* readership growth has been the sheer consistency it has shown over the last three years in the Indian Readership Survey (IRS). In terms of Total Readership (TR), it raced ahead of the competition to emerge as the second largest read newspaper with TR of 352 lac readers in the latest round of IRS Q4 2010. It added over 100 lac readers in the last three years. The momentum has picked up in the last nine months where *Hindustan* has added 57.8 lac readers (TR), 42 lac of which has come from UP and Uttarakhand alone. It has also been the only player to grow in the last 3 years. It enjoys an enviable 83 per cent share in Bihar (TR, IRS Q4 2010). Its readership in Jharkhand crossed 50 lac readers, taking its share to 73 per cent (TR, IRS Q4 2010).

Hindustan: State-wise Readership Mix



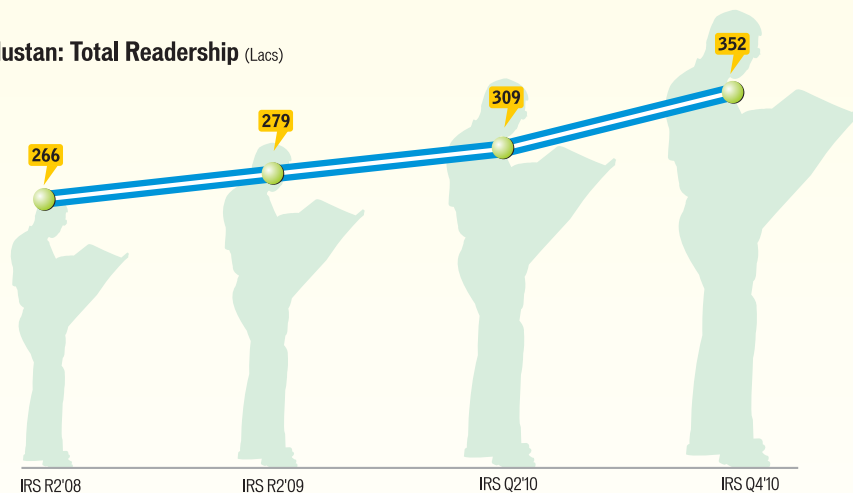
Total Readership in Lacs, IRS Q4 2010

Hindustan: State-wise Readership Share



Total Readership, IRS Q4 2010

Hindustan: Total Readership (Lacs)





and reader engagement; and superlative leveraging of reach and quality amongst advertisers.

Translating leadership from intent to content

Hindustan has consistently translated its thought leadership into a meaningful and progressive newspaper in terms of rich and contemporary editorial content. It all began with 'Badal Raha Hai Hindustan' (Hindustan is changing) campaign, way back in December 2005. It was the time to shed the stereo-typed look of traditional black & white era and adorn a fresh, colourful and vibrant look.

A serious consideration was spent on the type and mix of content that the readers - more importantly the young ones -

wanted, as well as needed, in order to keep pace with a fast changing world. The time was ripe for unleashing 'Poori Taiyari' (complete preparedness). It was in this phase where the editorial initiatives like *Jaano English* (Learn English) and *Hindustan Money* were launched.

Jaano English was launched in June 2010 and became an instant hit with readers who accepted it to be their guide and companion in their journey of learning English. Such was the acceptance and impact of this supplement that it soon went on to be converted into a paid weekly publication. Today, more than 3.5 lac copies of *Jaano English* are circulated every week with *Hindustan*.

The expertise in matters of personal finance of the group

business daily - *Mint* - was leveraged in *Hindustan Money*, an 8-part personal finance guide for the readers of *Hindustan*. Encouraged by the readers' excellent response, *Hindustan Money* will be made a permanent supplement in all the key cities of *Hindustan*.

Hindustan also came up with many specials that mattered to its readers in various regions during the FY 11. One such initiative was *Patliputra ki Jung*, an exclusive 3-month series on the Bihar elections. The activity was aimed at empowering voters to make informed choice and it assisted people to exercise their right to vote effectively.

'*Badi Soch - jo le jayegi Jharkhand to Tarakki ki oar*' (big thinking that would propel Jharkhand on the path to progress) was an attempt to drive ideas that would revolutionize the state of Jharkhand. It was a 45-day multi-leg campaign with on-ground activations, sequential editorial coverage and a conclave. The campaign was successful in not only generating and bringing

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Hindustan Pratibha Samman, 2010

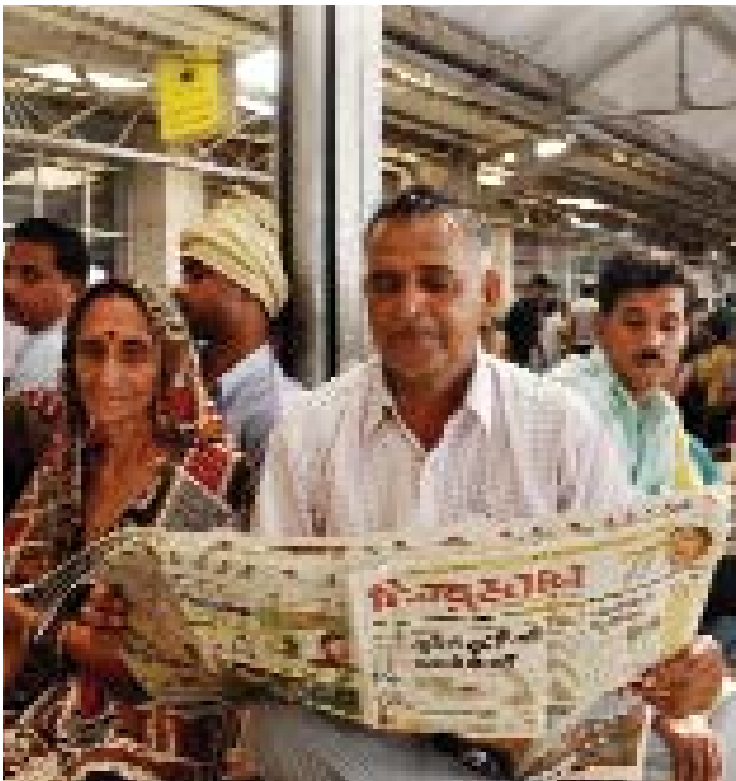
The caring touch

Hindustan has always been aware of its responsibility for community welfare. As its business is directly linked with literacy, it promotes the cause of education through various means.

Hindustan Media Ventures Limited organises *Hindustan Pratibha Samman* (Hindustan Honour of Merit) to felicitate meritorious students. With a belief that talent should not be constrained for financial reasons, scholarships worth ₹ 1 lac each were given to 25 students from various places of the Indo-Gangetic belt, during the FY 11. The event drew a record participation in the form of over 6,000

registrations from 2,000 schools across the region. A little over 5,000 meritorious students were felicitated and the event generated a strong pull of 15,000 strong audience including parents and teachers.

Fuhaar was another such programme aimed at sharing happiness with under-privileged children. The event was organised in association with a reputed NGO, *Prayas*, on the occasion of Children's Day. A large number of school children joined hands in collecting donations of clothes and toys from general public; and on 14th November, 2010, the collections were donated to under-privileged children.



several ideas to the fore, but also creating a momentum of positivity in the state.

Amongst other notable editorial initiatives of the year were *Hum Saath Saath Hain* - a series on the Ayodhya verdict and *Jaago Agra* - a 3-part editorial series giving voice to the concerns of Agra's local populace.

Hindustan Media Ventures Limited has recently launched a supplement, *Anokhi*, in a magazine format for its women readers. The magazine covers issues like grooming, food, lifestyle and health. The Company also launched an employment weekly *Hindustan Jobs* in May 2011, which provides information and updates on both government and private jobs. In order to provide easy navigation towards relevance, the job vacancies are presented in a clustered manner, with respect to requisite educational qualifications in those jobs.

A Year of all round Growth

In its first full year of operations since acquisition of the Hindi business, Hindustan Media Ventures Limited clocks all-round growth.

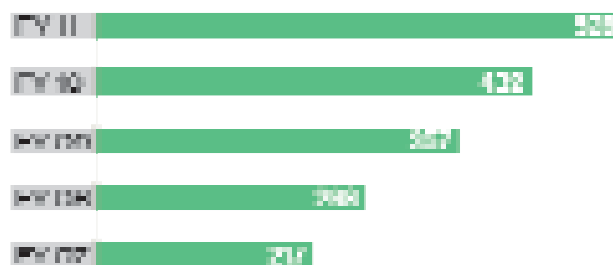


FY 11 proved to be an eventful year for Hindustan Media Ventures Limited in many ways. Riding on the wave of consistently increasing circulation and readership and improving advertising revenue, the Company delivered an all round growth in FY 11. Adding strength to the Company's performance were a slew of initiatives that included re-design of the Company's flagship Hindi daily '*Hindustan*', launch in Gorakhpur, expansion and modernisation of printing facilities at various locations, and launch of many new supplements like *Jaano English*, *Hindustan Money* and *Anokhi*. Its total revenues grew by 19% to reach ₹ 528 crore in FY 11, from ₹ 445 crore in the previous year. The revenue growth was primarily driven by an impressive 27% growth in advertising revenues, which reached an all time high of ₹ 376 crore from ₹ 297 crore a year ago. The Company recorded growth in advertising volume, as well as in advertising yield, during the year. Circulation revenues recorded a marginal growth of 1% to reach ₹ 122 crore from ₹ 121 crore in the previous year.

The infusion of IPO funds helped the Company in not only significantly bringing its interest cost down, but also enabled it to earn interest income in FY 11. The Company's EBITDA recorded a increase of 12% to reach ₹ 97 crore in FY 11 from ₹ 87 crore in FY 10. The Profit after Tax stood at ₹ 54 crore, representing an encouraging net profit margin of 10% for the year.

EPS for the year stood at ₹ 7.80 per share. The Board of Directors have recommended a dividend of 10%, subject to the approval of the shareholders in the ensuing AGM. When approved by the shareholders, the dividend payout will amount to ₹ 7.34 crore (excluding corporate dividend distribution tax of ₹ 1.19 crore).

TOTAL INCOME (₹ crore)



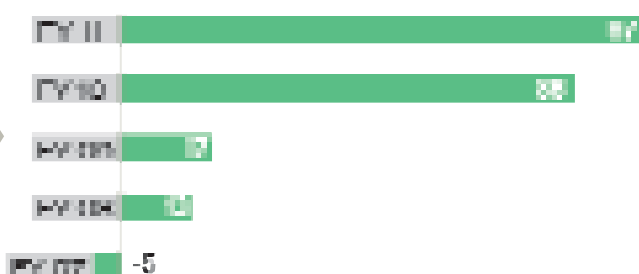
ADVERTISEMENT REVENUE (₹ crore)



CIRCULATION REVENUE (₹ crore)



EBITDA (₹ crore)



If *Hindustan* has led from the front as the flagship brand, our other brands have captured the attention of readers forming different elements of the society.

A diverse bouquet of brands

Hindustan

The flagship Hindi newspaper of the group, *Hindustan* is amongst the most widely read newspaper in all languages in India today. With a circulation of 21 lac copies and total reach of 352 lac readers, *Hindustan* is empowering its readers with credible, unbiased and informative content. To keep pace with changing times, *Hindustan* has revamped its look and expanded its brand portfolio, which now consists of a diverse mix of supplements across the spectrums of job, education, wellness, entertainment, learning, personal finance etc.

Kadambini

Kadambini, a cultural and literary magazine, commands high respect in the Hindi heartland. A monthly magazine, it has a readership ranging from young to old and from common people to intellectuals. In an era in which several Hindi magazines have ceased to exist after decades of their popularity, *Kadambini* continues to hold a wide readership, and has already completed 51 years.

Nandan

Another important element in HMVL portfolio is the children's magazine *Nandan*, which shapes children's mind and behaviour in a positive way. The magazine commands huge popularity amidst growing kids. Started in 1964, the magazine teaches kids about the best of both traditional and modern cultures. The 47 - year old magazine continues to live in the heart of kids, even as the family trees reach out to include the third generation.

Anokhi

A newly launched sub-brand of *Hindustan*, *Anokhi* is a Hindi woman centric magazine, which addresses issues close to a woman's heart. The magazine keeps its readers abreast with issues on health and lifestyle, food and nutrition etc. A complete package, it also touches upon Yoga, mental and physical health, law, parenting, diet, personality development and care tips.

Life 'n' Style

Covering topics ranging from celebrity interviews, fashion, travelogues, eating joints in the city etc., the supplement is a weekly. Bringing forward various insights from the capital city, the weekly tickles the mind of its readers with its informative and engaging content.

Hindustan Jobs

The recently launched weekly publication carries information regarding new jobs on the block. *Hindustan Jobs* is a print collaboration with the group's job portal *Shine.com*. Divided into various categories, the publication offers job solutions and information in diverse fields such as teaching, engineering, law, corporate profiles etc. With this publication on stands, searching jobs on the go has become easier.

Movie Magic

Movie Magic is a supplement for those who are keen followers of Bollywood, Hollywood and Entertainment. It carries the latest happenings in the world of glamour, including the juiciest gossips and latest news from tinsel town. The supplement also features interviews of movie stars. It can safely be termed as a complete guide for an entertainment buff.

Jaano English

A unique initiative by *Hindustan*, *Jaano English* aims at teaching the nuances of English language to its readers. The publication carries a mix of Hindi and English language content. The aim is to help those readers who are trying to learn the language, to get to know English words and their usages. The publication carries facts on English language, riddles, grammar exercises, jokes, quizzes etc.

Tann Mann

Dedicated to health and lifestyle, the supplement carries articles and information on diets, exercises and health trends, that are taking place around the world. A popular section of the supplement is expert opinion on readers' problems. Readers send in their queries and they are answered by health experts.

Nayi Dishayen

It is a supplement that carries insight into the avenues of education – from higher studies to professional education. In order to give post-education employment perspective, every week, two new careers are looked upon from an expert's lens and discussed threadbare to give students information that they can use. Targeted at the youth of today, it is an exercise in keeping them in line with what they can choose as an option for a successful career ahead.



तरक्की को चाहिए नया नजरिया

तरक्की यानी एक मुकाम से आगे बढ़ता एक और कदम। किसी भी स्थिति से बाहर निकलकर आगे बढ़ने की कवायद। तब बदलाव यानी तरक्की में रुकावट क्या है?



सोचने-समझने का नया नजरिया देता है 'हिन्दुस्तान'

चहत्तर साल कम नहीं होते। चाहे वो किसी शख्स की उम्र हो या फिर किसी अखबार की। 'हिन्दुस्तान' की उम्र भी पचहत्तर साल हो रही है। जाहिर है, इसके साथ कम से कम पाँच पीढ़ियाँ तो जवान हुई होंगी। देश ने भी इस दौरान कई अहम मोड़ पार किए। आजादी के लिए जद्दोजेहद, आजादी, नए देश के निर्माण के छह दशक, उसके उतार-चढ़ाव... दस्तावेज की मानिंद हिन्दुस्तान के पन्नों में दर्ज हैं। खास तौर से हिन्दी पट्टी के विकास का यह चश्मदीद गवाह है। लेकिन 'हिन्दुस्तान' इतिहास नहीं है। वह वर्तमान है। वह भविष्य है।

यानी पचहत्तर साल का हिन्दुस्तान, यादों में खोया कोई बुजुर्ग नहीं। यह हर नई पीढ़ी के साथ कदमताल कर रहा है। तब ही तो इस साल उसका जन्म दिन भी खास था। नए कलेवर और नए तेवर के साथ 'हिन्दुस्तान' की एक और मजबूत शुरुआत हुई। ताजादम और जोश से लबरेज।

'हिन्दुस्तान' की जड़ हमेशा अपनी मिट्टी में रही है। हिन्दी पट्टी का बड़ा इलाका अर्से से 'बीमारू' के नाम से नवाजा जाता रहा। अब यही

बीमारू राज्य करवट ले रहे हैं। तरक्की की राह पर आगे बढ़ रहे हैं। बिहार, उत्तर प्रदेश, झारखंड, उत्तराखंड जैसे राज्यों में यह दिख रहा है। यह सन् 2011 की बदलती हिन्दी पट्टी है। यह 'बीमारू पट्टी' अब बैठे-बैठे चीजों के बदल जाने का इंतजार नहीं करना चाहती। अब वह बदलाव में सक्रिय हिस्सेदारी चाह रही है और निभा रही है।

इस बदलाव की प्रक्रिया में बतौर अखबार 'हिन्दुस्तान', क्या कोई भूमिका अदा कर सकता है? अपने पाठकों का साझीदार बन सकता है। पिछले दिनों यह जानने-समझने की चुनौती 'हिन्दुस्तान' के सामने थी। इसीलिए दिल्ली, उत्तर प्रदेश, उत्तराखंड, बिहार, झारखंड के अलग-अलग जिलों के सैकड़ों पाठकों की राय जानने की कोशिश की गई। ढेर सारी बातों में से जो राय उभरी उसका लब्बोलुआब कुछ इस तरह था।

एक पाठक के मुताबिक, "मेरे चारों ओर तरक्की हो रही है और मैं इसका हिस्सा बनना चाहता हूँ। पर बैठे-बैठे इसका इंतजार नहीं करना चाहता। मैं आगे बढ़कर खुद इसमें शामिल होना चाहता हूँ और इसके लिए मैं तैयारी करना चाहता



हमारी तरक्की का हमसफर है 'हिन्दुस्तान'

हूँ। मैं चाहता हूँ, मेरा अखबार मुझे वह सारी जानकारी दे जो मेरी सलाहियत बढ़ाए और मेरी कामयाबी की नींव बने।'

एक और सुधि पाठक कहती हैं, 'मुझे हमेशा कहा गया इंतजार करने के लिए, मैंने अपने माता-पिता को भी सारी उम्र इंतजार करते ही देखा। मैंने अक्सर सुना कि ये कसूर हमारी किस्मत का है, पर मैं इंतजार नहीं करना चाहती। किस्मत को दोषी नहीं ठहराना चाहती। मैं अपनी किस्मत खुद लिखना चाहती हूँ। अपनी सूझ-बूझ से अपनी जिंदगी बनाना चाहती हूँ। और बदलाव के इस मुकाम पर मुझे चाहिए एक ऐसा अखबार जो इस काम में मेरी मदद करे।' यानी हमारा बड़ा पाठक वर्ग चाहता है कि तरक्की की बयार में वह कहीं पीछे न छूट जाए, इसलिए 'हिन्दुस्तान' उसकी जिंदगी और तरक्की का अहम हिस्सा बने।

तरक्की यानी एक मुकाम से आगे बढ़ता एक और कदम। किसी भी स्थिति से बाहर निकलकर आगे बढ़ने की कवायद। तब बदलाव यानी तरक्की में रुकावट क्या है? एक पाठक ने सर्वेक्षण के दौरान जवाब दिया, 'जब तक अपने देखने का तरीका नहीं बदलेगा, कुछ बदल नहीं सकता।' यानी बदलाव को हकीकत में उतरने से पहले देखने का तरीका बदलना होगा। नजरिया बदलना होगा।

इसका मतलब हुआ कि हिन्दुस्तान की खबरों में देखने का नया नजरिया मिले। प्रस्तुति में नया नजरिया दिखे। तब ही हमने अपने लिए यह सूत्रवाक्य बनाया- 'तरक्की को चाहिए नया नजरिया'।

पाठकों की यह ख्वाहिश हमारे लिए बड़ी

चुनौती बनी। हमने तय किया कि इस रिफ्रेश में पाठकों की ख्वाहिश के मुताबिक ही अखबार की रचना करें।

इसलिए पचहत्तरवें साल में हमने जो नया कंटेंट डिजाइन तैयार किया, उसका ताना-बाना है यही सूत्र वाक्य। यह कंटेंट डिजाइन दुनिया के सबसे मशहूर डिजाइनर डॉक्टर मारियो गार्सिया ने तैयार किया लेकिन उसकी नींव में अपनी मिट्टी है।

चाहे अक्षर हों या दो लाइनों के बीच जरूरी स्पेस...अखबार में खबरों को पेश करने का क्रम हो या फिर खबर को पढ़ने का अंदाज... मारियो ने हर उस चीज पर काम किया, जो नए जमाने के पाठकों के लिए जरूरी थी। ये डिजाइन आधुनिक है, नया है, पर पराया नहीं। रंगों और डिजाइन के तत्वों के चुनाव में खासतौर पर यह ध्यान रखा गया।

जब भी डिजाइन की बात आती है, तो आम तौर पर रंग-रूप का बदलाव ही खयाल में आता है। इस बार कंटेंट का डिजाइन हुआ। यह चीज हमें अपने प्रतियोगियों से अलग खड़ा कर रही है।

हमारे नए कंटेंट डिजाइन को लागू हुए कुछ महीने ही हुए हैं, पर पाठकों ने इसका जबरदस्त स्वागत किया है। इसने सामाजिक रूप से जिम्मेदार पत्रकारिता के दायरे को भी बढ़ाया है।

पचहत्तर साल के 'हिन्दुस्तान' को पाठकों का जबरदस्त समर्थन मिल रहा है, इसकी तसदीक इंडियन रीडरशिप सर्वे के ताजा आँकड़े भी करते हैं। आईआरएस के मुताबिक, 'हिन्दुस्तान' सबसे तेजी से बढ़ता अखबार है। यही नहीं सबसे ज्यादा पढ़े जाने

जब भी डिजाइन की बात आती है, तो आम तौर पर रंग-रूप का बदलाव ही खयाल में आता है। इस बार कंटेंट का डिजाइन हुआ। यह चीज हमें अपने प्रतियोगियों से अलग खड़ा कर रही है। हमारे नए कंटेंट डिजाइन को लागू हुए कुछ महीने ही हुए हैं, पर पाठकों ने इसका जबरदस्त स्वागत किया है। इसने सामाजिक रूप से जिम्मेदार पत्रकारिता के दायरे को भी बढ़ाया है।

वाला यह देश में दूसरे नम्बर का अखबार है।

पाठकों के इस भरसे ने 'हिन्दुस्तान' की जिम्मेदारियाँ भी काफी बढ़ा दी हैं। इसीलिए सम्पादकीय विभाग के साथियों की ट्रेनिंग की शुरुआत हुई है। हर संस्करण के अखबारों के कंटेंट क्वालिटी पर नजर रखी जा रही है। यही नहीं समाचार संकलन को बेहतर बनाने और नई तकनीक के इस्तेमाल के लिए एक पायलट प्रोजेक्ट पर भी काम चल रहा है। उम्मीद की जानी चाहिए कि आने वाले समय में 'हिन्दुस्तान' कामयाबी की एक नई इबारत लिखेगा। हिन्दी पट्टी के विकास की प्रक्रिया में अहम भागीदार बनेगा।



Shri Amit Chopra, CEO along with Shri Priyavrat Bhartia and Shri Rajiv Verma, Directors at the Pre-IPO meet with Press and Analysts

Management Discussion & Analysis

Overview of Economy

The emerging markets, especially those of China and India, powered by resurgence in Asia, led the global economy out of recession. The Advance Estimates of the Central Statistics Office (CSO) has anticipated the Indian economy to grow at 8.6 per cent during FY 11, following an improvement in the agriculture sector's growth. Favourable demographics, improving per capita income and increasing consumption growth, continued to drive the growth in Indian economy. FY 11 also proved to be a historical financial year for exports, with the ini-

tial estimates from the Ministry of Commerce suggesting the same to have grown by 37.5 per cent over the preceding financial year — the fastest ever growth since independence. With the growth in imports slowing down, even the trade deficit narrowed down to ₹ 4,57,600 crore from a mid-year estimate of ₹ 5,72,000 crore. However, the growth in capital goods and infrastructure sector continued to be a cause of concern, with the same registering contraction in some of the months in FY 11.

Challenge also remains on the inflation front with the WPI - based inflation continuing to remain on the higher side on

account of the rising prices of food articles. According to UNCTAD's World Investment Prospects Survey 2009-2011, India continued to be the second most attractive destination in the world (after China), for FDI. The country targets to achieve annual FDI worth ₹ 2,20,000 crore by the year 2012, and plans to double the inflows by year 2017.

Overview of the Industry

The year 2010 proved to be the year of resurgence for the domestic Media & Entertainment (M&E) industry. The year saw growth in advertising revenues for the

industry as a whole, following a subdued performance in 2009. The Indian M&E industry bounced back in 2010 registering a growth rate of 11 per cent as compared to a marginal growth of 1.4 per cent in 2009. The growth was primarily driven by the increased advertising spends across media platforms. The Indian M&E industry grew from ₹ 58,700 crore in 2009 to ₹ 65,200 crore in 2010. Riding on the positive business sentiments and growing media consumption, the industry is estimated to achieve a growth of 13 per cent in 2011 and reach ₹ 73,800 crore in size. The sector is poised to maintain a high CAGR of 14 per cent to reach ₹ 1,27,500 crore by 2015.

The contribution of advertising revenue to overall M&E industry pie is projected to increase from 38 per cent in 2007 to 42 per cent in 2012. The advertising spends across all media reached ₹ 26,600 crore in 2010. Advertising revenues witnessed a growth of 17 per cent in 2010 against a marginal decline of 0.4 per cent observed in 2009. Advertising spends are expected to grow at a CAGR of 15 per cent to reach ₹ 54,100 crore in the year 2015. Print media continues to be the largest aggregator, accounting for ₹ 12,600 crore and 47 per cent of the advertising pie.

The total literate population in India is estimated at 57.9 crore, with over 30 per cent readership penetration. The latest census suggested that the overall literacy rates in the country have improved to 74 per cent from 65 per cent in the previous census. The same is likely to act as a boost for the higher readership of print media, as it underlines the scope for improving readership in rural areas, particularly in the regional language space. The Indian print market, though highly fragmented, is much better off in comparison to the global print industry, which is witnessing a decline in print revenues over the past few years.

In contrast to the global trends, print circulation numbers in India continue to witness an uptrend. Furthermore, given the rising literacy levels and no immediate threat of new media platforms, the trend is expected to sustain over the near term. Print media, that accounts for approximately 30 per cent i.e. ₹ 19,288 crore of the total M&E revenues, is expected to grow at a CAGR of 10 per cent reaching ₹ 31,010 crore in 2015.

The advertisement-circulation revenue mix in print media is now estimated to be 65:35 and going forward, the sector is expected to have an increasing

resurgent growth in the economy and subsequent allocation of higher funds towards advertisement expenditure by the clients. The growth in circulation revenues, however, was modest with a little over 1 per cent improvement during the year.

Aided by improved turnover, the Company grew its EBITDA by over 12 per cent in FY 11. The EBITDA growth would have been even better, had it not been partially offset by increased newsprint prices and increased marketing spend in Jharkhand, to successfully counter the competitive battle.



The Company's turnover grew by around 19 per cent in the FY 11. The growth was driven by an impressive increase of 27 per cent in the advertisement revenues.

dependence on advertisement revenues. The fortunes of the print industry in India will remain closely tied to those of the advertising industry, which in turn is co-related with nominal GDP growth.

Regionalisation is expected to gain prominence in the years ahead as a key growth driver. During the year 2010, advertising revenues grew over by 13 per cent, while circulation revenues increased marginally by 2-3 per cent in the regional print space.

Backed by an increasing purchasing power across tier II and tier III cities, regional media consumption is expected to rise at a faster pace. In the print sector, revenues from Hindi and other language segments are expected to catch up with English, which has till date, enjoyed a majority share.

Financial Overview

The Company's turnover grew by around 19 per cent in the FY 11. The growth was driven by an impressive increase of 27 per cent in the advertisement revenues. This was aided by a

Operational Overview

Initial Public Offering

The FY 11 was a landmark year for Hindustan Media Ventures Limited. The acquisition of Hindi business undertaking from HT Media Limited, the holding company, was followed by a successful Initial Public Offering of Shares (IPO), raising ₹ 270 crore. The IPO attracted encouraging response from the investors. The Company's stock got listed on National Stock Exchange and Bombay Stock Exchange on 21st July, 2010. With this, the Company gained a listed entity status, and became even more focused on its expansion journey towards gaining a larger foothold of the Hindi belt.

The Company used part of the IPO proceeds to retire its existing debt worth ₹ 135 crore and emerged as a debt - free company by the close of FY 11. The same helped the Company to reduce its interest costs to ₹ 4.4 crore in FY 11 from ₹ 6.5 crore in the previous year.

The Company deployed part of the IPO proceeds to expand its existing printing facilities and



Shri Rajiv Verma and Shri Amit Chopra at the Lighting ceremony of the Company

set up a new printing unit at Gorakhpur (U.P.). As a result of continued investments, the gross block of HMVL expanded to ₹ 188.4 crore at the end of FY 11, from ₹ 148.4 crore a year ago. The Company's balance sheet got strengthened significantly, with the net worth increasing to ₹ 378.96 crore at the close of FY 11, from ₹ 73.2 crore a year ago.

Readership

The Company's flagship brand, *Hindustan* continued to surge ahead on readership. In its 75th year since inception, *Hindustan* continued the winning streak, adding 1 crore total readers over last 3 years

142 lac. Bihar and Jharkhand now constitute 55 per cent of total readership (IRS Q4 2010) of *Hindustan* against 62 per cent (IRS R2 2009). It is also important to note that the IRS Q4 2010 results do not reflect complete readership for relatively newer markets like Bareilly and Gorakhpur and their true reflection will only strengthen our No.2 position further.

Hindustan also strengthened its position in Jharkhand and became the first ever newspaper in the state to cross 50 lac total readership. It now has a 73 per cent readership share in the state.

The IRS results reaffirm the reach that *Hindustan* has

Dr. Mario Garcia, one of the best known newspaper designers in the world. The new design is more modern and reader - friendly and is receiving tremendous response from readers across all the geographies. It has more news, more breathing space and more readability. Content is now anchored around a strong positioning - *Tarakki* (Progress). *Hindustan's* tag line of '*Tarakki ko chahiye naya nazariya*' (Progress needs a new perspective), has been found extremely relevant by the readers. The entire supplement portfolio has also been revamped to attract youth and women to the newspaper. The launch was preceded by extensive training programmes for the entire editorial team across all editions. To make this training a permanent feature of *Hindustan's* code, the Company has identified and trained change agents across locations. These agents will focus on content enhancement. The impact of these efforts is likely to show in improved readership and revenues. In addition to the re-launch, a slew of reader engagement activities are being carried out by the edition teams. Some of these are *Samvad* - dialogue with the readers; phone-ins; door-to-door contact programmes; and Editorial Specials on various occasions.

Hindustan continues to create impact on communities across the geographies it operates through various measures like:

- Engaging with personalities and organisations that are instrumental in development and change
- An open channel of communication with community and society helps create a dialogue by getting their views on current issues and getting them published
- Covering community activities well and making them feel part of the *Hindustan* family

➔ *Hindustan* earned the distinction of becoming the second largest read daily in the country across all languages.

(IRS Q4 2010 vs. IRS R2 2007), notable being that 61 per cent of this growth came from UP and Uttarakhand alone. *Hindustan* earned the distinction of becoming the second largest read daily in the country across all languages.

Total readership of *Hindustan* in UP grew to 128 lac, next only to its readership in Bihar at

established in each of its geographies. IRS, being the most important currency used by advertisers, monetisation of the extended reach bodes well for *Hindustan's* continued growth in FY 12.

Editorial Initiatives

Hindustan refreshed its design with inputs from

Marketing and "Reader First" programmes

Hindustan has recognised the evolving needs of the market and has re-presented itself both in its form and in its thought. The guiding principle of the brand seemingly echoes the change that is sweeping through these markets. "Tarakki ko chahiye Naya Nazariya" is the new brand philosophy of *Hindustan*. It is as much market-driven as it is the intention and the commitment of the brand to make a difference to its readers' lives.

Under the guiding beacon of this brand thought, a new supplement-portfolio and the new look of the newspaper has evolved. Insights have helped create a crisp new look, which is easy on the eye without compromising on the quantum of news. A continuous process of looping back reader - feedback has resulted in a strong growth trajectory of readership for *Hindustan* across the belt. The "rejuvenated" *Hindustan* in its 75th year will only add to its momentum.

Marketing has worked over-time to build a bank of assets for the brand and the business. In this basket are initiatives which lift the readership experience, and then there are some which are out-of-product but very closely tied in with the lives of our readers.



A lucky-draw winner at *Hindustan Shopping festival*

The guiding principle is to make a difference to the lives of our readers. There are many occasions where *Hindustan* has stepped beyond from being a newspaper and has integrated itself with its readers. One such property that *Hindustan* has built up is *Pratibha Samman*.

provide a platform for educational institutions from across the country to reach out to prospective students. At the same time, they empower students of the region to access high quality education without making multiple trips to different parts of the country to



"Tarakki ko chahiye Naya Nazariya" is the new brand philosophy of *Hindustan*. It is as much market driven as it is the intention and the commitment of the brand to make a difference to its readers' lives.

This is an initiative aimed at promoting and inspiring academic achievers in the geographies that *Hindustan* caters to. There are two elements of the programme - one, to award scholarships to talented achievers from weaker backgrounds and two, to honour toppers from the respective school Board exams of Class 10 and 12. There is a plan to scale it up from the present level of 15 locations, 2,000 schools participation, 5,000 students felicitation and ₹ 25 lac of scholarships level. Efforts are underway to create a larger programme, which will recognise the strides in academics that students are making.

Recognising the power of youth and to harness their talent, *Hindustan* has initiated the Young Journalist Programme. Budding writers who are in college are selected as cub reporters and contribute with news from their world. This programme has been welcomed for the opportunity that it has created at the grass-roots. This talent may be given the opportunity to join *Hindustan* as trainee-journalists on their graduation. Not only is *Hindustan* committed to creating employment, it is also creating a talent pool for the world of journalism in the days to come.

Education Fairs are yet another example of reader relevant initiatives. They

decide the institution of their choice.

Financial Review

FY 11 proved to be an all-round growth year that truly vindicated Company's continued investments in expanding its footprints. The financial highlights of the Company for the year are given as under:

Revenues

Total revenues grew by 19% to ₹ 528.02 crore, over the previous year. Advertising revenues reached ₹ 376.39 crore, registering a growth of 27 per cent, which was amongst the highest in Hindi newspapers. Pressure on cover price, especially in the state of Jharkhand, led to static circulation revenues, despite the increase in circulation.

(₹ in Lacs)

Particulars	FY 11	FY 10	Growth %
Total Revenue	52802	44520	19%
Advertisement Revenue	37639	29705	27%
Circulation Revenue	12234	12078	1%
EBIDTA	9695	8640	12%
PBT	7617	6827	12%
PAT	5359	4651	15%
EPS(Rs.) *	7.80	2.61	199%
Total Expenditure	43107	35780	20%
Raw Material Cost	22453	17281	30%
Personnel Cost	6361	5670	12%
Spend on Sales & Marketing	2218	2377	-7%

* EPS for FY 10 basis Dec-Mar 10 PAT

Expenditure

Due to the increase in prices and increased consumption the newsprint cost increased by 29 per cent in FY 11 as compared with the same in previous year. Due to our leverage with the suppliers, opportunistic buying and

Fixed Assets

Gross Block, as at 31st March, 2011, increased to ₹ 188.39 crore as compared to ₹ 148.40 crore as at 31st March, 2010. The Company continued to invest in expanding capacities at Patna, Muzaffarpur, Bhagalpur, Ranchi, Jamshedpur, Gorakhpur and Meerut.



Hon'ble Chief Minister of Bihar, Shri Nitish Kumar inaugurating the Danapur printing facility of the Company

innovation in newsprint mix, the Company managed to contain the impact. The average price of newsprint was ₹ 28,616 per tonne as compared with ₹ 27,491 in the previous year. Ink prices were also higher by about 8-12 per cent during the year.

EBITDA

Impact of strong growth in advertising revenues was muted by higher raw material prices, increase in volumes and cover price erosion in Jharkhand. All this contained the EBITDA to ₹ 96.95 crore, which was 12 per cent higher than the previous year.

EPS

The Company retired its entire loan from the IPO proceeds and brought down its financial costs substantially. Basic as well as diluted EPS grew to ₹ 7.80 from ₹ 2.61 (based on Dec 09 - Mar 10 profits) in the previous year.



Total revenues grew by 19% to ₹ 528.02 crore, over the previous year. Advertising revenues reached ₹ 376.39 crore, registering a growth of 27 % which was amongst the highest in Hindi newspapers.

Capital Work-in-Progress, as at 31st March, 2011, decreased to ₹ 3.84 crore from ₹ 14.93 crore as at 31st March, 2010. This was due to completion of work related to installation and/or upgradation of new and/or existing printing facilities.

Investments

Investments as at 31st March, 2011 increased to ₹ 189.01 crore from ₹ 31.25 crore as at

31st March, 2010. This increase was on account of temporary investment of available IPO proceeds and fresh investment from the cash generated during the year.

Inventories

Inventories increased to ₹ 24.23 crore as at 31st March, 2011 from ₹ 16.44 crore as at 31st March, 2010, primarily led by higher volumes.

Accounts Receivable

Accounts Receivable increased to ₹ 77.34 crore as at 31st March, 2011 from ₹ 71.45 crore as at 31st March, 2010. Daily Sales Outstanding came down from 59 to 54 days, showing overall better control over collections.

Working Capital

Working capital increased to ₹ 26 crore as at 31st March, 2011 from 23.87 crore a year ago, due to increased scale of operations.

Risk Management and Internal Control

The Company has adequate internal control measures in place commensurate with the size and nature of its business. These systems are deployed to ensure:

- Accurate, timely and transparent reporting of financial performance
- Protection and enhancement of assets, including the Company's image
- Compliance in line with the legal and statutory requirements
- Efficient use /allocation of capital and resources within the Company

An adequate internal audit system remains in place to carry out risk focused audits across all business units in the organisation and make recommendations for minimising the associated risks. Key focus is given to the new printing locations to bring them at par with the established units by ensuring that the best practices of the organisation are

being adopted and followed by them. Post audit checks are regularly carried out to ensure that the identified risks have been mitigated. The Company follows the system of SAP, which ensures significantly improved controls and transparency.

An exhaustive budgetary control system has been put in place to monitor the progress on realisation of business objectives on a continuous basis.

Human Resources Initiatives

Being in the business of intellect, the Company views human capital as its most important asset and endeavours to build the skills and competencies of its people across all functions and geographies. The work culture of the Company is one of openness and people-centricity that in turn makes work enjoyable and leaders approachable. Values of HTism, namely Courage, Responsibility, Continuous Self-renewal, Empowerment and People-centric are deeply ingrained in the organisation.

Training has been incorporated into every leader's agenda. Annual Training Calendar, focusing on both skills and behaviour development programmes, is drawn up at the beginning of the year and is rigorously followed. Training on Company's values and certain supervisory development programmes are mandatory and are part of the joining formalities for each employee.

Besides nominations by supervisors, employees can nominate themselves to Open Sessions, based on their individual interest and needs. Training needs are ascertained from the annual performance management process forms and effectiveness of the training programs is tracked by interviews with the supervisors, before and after an employee attends a program. Editorial training in editing, reporting and design is conducted in

house, by experienced senior journalists.

Company's rewards and recognition programs ensure that every success is celebrated. Spot awards and recognitions are used as important tools to motivate achievers. Performers, who have made significant impact beyond their call of duty, are felicitated under the Star Awards Programme.

The structured approach to HR translates into a motivated and involved employee pool and the same gets reflected in the all round growth that the Company has achieved over recent years. As on 31st March, 2011, the Company employed 1,940 people.

Outlook

The Company views its outlook to be promising in FY 12 and beyond. The factors influencing Company's viewpoint are:

- ➔ The overall progress in the socio-economic indicators in Bihar & Jharkhand shall lead to increased allocation of advertising budgets for these states. The same shall also result in increased consumption of newspapers. *Hindustan* shall leverage its traditional and strong leadership in these states in garnering a major pie of this growth - in advertising as well as subscription revenues.
- ➔ The strength that the Company continues to gain in the states of Uttar

Pradesh and Uttarakhand shall translate into higher realisations of advertising and subscription revenues for the Company.

- ➔ The increased focus that the demerger has brought to the Hindi business, will realise its true potential in coming years.
- ➔ Company's strategy to focus on high growth areas of classifieds, display and education — leading contributors to advertising revenues — is likely to reap rich dividends, going forward.
- ➔ The Company will benefit from retiring its debt in FY 11 in the coming year.

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. Hindustan Media Ventures Limited will not, in any way, be 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.



Employees making a colourful Rangoli on the eve of Diwali festival

Directors' Report

Dear Shareholders,

Your Directors are pleased to present their Report, together with the Audited Statement of Accounts for the financial year ended on 31st March, 2011.

FINANCIAL RESULTS

Your Company's performance during the financial year ended on 31st March, 2011, is summarized below -

Particulars	₹ in Lacs	
	2010-11	2009-10*
Total Income	52,802.01	16,696.40
Profit before Interest, Depreciation Exceptional Items and Tax (EBITDA)	9,694.73	2,929.66
(Less) Depreciation	(1,644.69)	(250.85)
(Less) Financial expenses	(433.43)	(374.38)
Profit before Tax	7,616.61	2,304.43
(Less) Provision for Taxation	(1,728.59)	(455.10)
(Less) Deferred Tax Assets/ (Liabilities)	(528.67)	(309.15)
Profit after Tax but before prior period items	5,359.35	1,540.18
(Less) Prior period item - Gratuity Expenses	-	65.48
Net Profit for the year	5,359.35	1,474.70
Add: Profit brought forward from previous year	1,540.57	65.87
Balance carried to Balance Sheet	6,899.92	1,540.57

* The Hindi business of HT Media Limited (holding company) was transferred to your Company w.e.f. 1st December, 2009. The results of FY 2009-10 therefore, are not comparable with results of FY 2010-11.

During the year under review, your Company's flagship publication viz. "Hindustan" (Hindi daily), emerged as the second-largest newspaper in terms of total readership, in all languages in the country (Source: Indian Readership Survey (IRS) Q4 2010).

INITIAL PUBLIC OFFERING OF SHARES (IPO)

During the year under review, your Company successfully entered the domestic capital market with an IPO of 1,62,65,060 Equity Shares of ₹ 10/- each, at a premium of ₹ 156/- per Equity Share, aggregating to ₹ 270 Crore. The shares of the Company were listed on BSE and NSE on 21st July, 2010.

Post IPO, the paid-up Equity Share Capital of your Company rose to ₹ 73.39 Crore.

DIVIDEND

Your Directors are pleased to recommend a dividend of ₹ 1.00 per Equity Share of ₹ 10/- each i.e. 10% (previous year - Nil) for the financial year ended on 31st March, 2011 and seek your approval for the same.

The proposed dividend payment, including Corporate Dividend Distribution Tax would entail an outflow of ₹ 8.53 Crore.

COMPANY PERFORMANCE AND FUTURE OUTLOOK

A detailed analysis and insight into the financial performance and operations of your Company for the year under review and future outlook, is appearing in the Management Discussion and Analysis, which forms part of the Annual Report.

BORROWINGS AND DEBT SERVICING

During the year under review, your Company has met all its obligations towards repayment of principal and interest on the loans availed.

DEPOSITS

Your Company has not accepted any Public Deposits during the year.

DIRECTORS

During the year under review, Shri Dipak C. Jain and Shri Priyavrat Bhartia were inducted on the Board as Additional Directors w.e.f. 27th August, 2010.

In terms of the applicable provisions of the Companies Act, 1956, Shri Dipak C. Jain and Shri Priyavrat Bhartia hold office till the ensuing Annual General Meeting. As required under Section 257 of the Companies Act, 1956, the Company has received notice alongwith requisite deposit from a member proposing the candidature of both Shri Dipak C. Jain and Shri Priyavrat Bhartia for appointment as Directors of the Company liable to retire by rotation.

Further, Smt. Shobhana Bhartia, Shri Rajiv Verma and Shri Benoy Roychowdhury, Directors; retire from office by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment. A brief resume, details of expertise and other directorships/committee memberships held by the above Directors, form part of the Notice convening the Annual General Meeting.

AUDITORS

The Statutory Auditors of your Company, M/s. S.R. Batliboi & Co., are due to retire at the conclusion of the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment. In terms of the requirements under Section 224 (1B) of the Companies Act, 1956, the retiring Auditors have given a certificate regarding their eligibility for re-appointment as Statutory Auditors of the Company.

CORPORATE GOVERNANCE REPORT

The Report on Corporate Governance in terms of Clause 49 of the Listing Agreement, forms part of the Annual Report. The certificate issued by a Company Secretary-in-Practice, in terms of the requirements of the Listing Agreement, is annexed as Annexure – A.

PARTICULARS AS PER SECTION 217 OF THE COMPANIES ACT, 1956

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, is annexed to this Report as Annexure – B.

The particulars of employees required under Section 217(2A) of the Companies Act, 1956 and the rules thereunder, are annexed to this Directors' Report as

Annexure – C. However, pursuant to the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Annual Report is being sent to all the shareholders of the Company without the above information. Any shareholder interested in obtaining such particulars may write to the Company Secretary at the Registered Office address of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act 1956, your Directors report that:

- i. in the preparation of the annual accounts for the financial year ended on 31st March, 2011, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii. such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2011; and of the profit of the Company for the year ended on 31st March, 2011;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. the Annual Accounts have been prepared on a going concern basis.

ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation for the co-operation extended by all stakeholders including Ministry of Information & Broadcasting and other government authorities, shareholders, investors, readers, customers, banks, vendors and suppliers. Your Directors also place on record their deep appreciation of the committed services of the executives and employees of the Company.

For and on behalf of the Board



(Shobhana Bhartia)
Chairperson

Place: New Delhi
Date: 16th May, 2011

Annexure - A to Directors' Report

Certificate of Compliance of Corporate Governance

To

The Members of

Hindustan Media Ventures Limited

I have examined the compliance of conditions of Corporate Governance by Hindustan Media Ventures Limited, for the year ended on 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

I state that no investor grievances are pending for a period exceeding one month against the Company as certified by the Registrars & Share Transfer Agent of the Company.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: New Delhi
Date: 16th May, 2011

Sd/-
N.C. Khanna
Company Secretary-in-Practice
CP No. 5143

Annexure - B to Directors' Report

ANNEXURE TO THE DIRECTORS' REPORT ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO AS PER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

A. CONSERVATION OF ENERGY:-

(a) Energy conservation measures taken:

The following energy conservation measures were taken during the year under review:

- Automation of DG sets for synchronizing and load sharing, to reduce diesel consumption.
- Building streetlights were atomized with timers, for effective utilization of daylight.
- High efficiency lighting fixtures are in use, to reduce power consumption.
- Installation of capacitor banks & filters, for improvement of power factor.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

- Installation of additional capacitor banks and filters to maintain the power factor on additional load.

(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

- The measures were implemented as stretch targets and achieved excellent results.

(d) Total energy consumption and energy consumption per unit of production:

Not applicable

B. TECHNOLOGY ABSORPTION:-

(e) Efforts made in technology absorption:

Not applicable.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:-

	(₹ in lac)
Foreign exchange used (on CIF & Cash Basis)	5,286.16
Foreign exchange earned (on Cash Basis)	0.46

Report on Corporate Governance

In Hindustan Media Ventures Limited, commitment to Corporate Governance is reflected in dealings with shareholders, readers, customers and every other stakeholder, including the society at large. Corporate Governance in your Company rests on the pillars of Trusteeship and Accountability. These all-important values, underline our business initiatives and processes.

We commit ourselves to align our business practices to meet the stakeholders' aspirations and also societal expectations. A report on Corporate Governance in your Company in terms of the Listing Agreement requirements is given below.

BOARD OF DIRECTORS

Composition of the Board

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. Our Company also complies with the requirement of one-half of the Board to comprise of Independent Directors.

The composition of the Board of Directors is as follows -

NON- EXECUTIVE PROMOTER DIRECTORS

Name of the Director	Date of appointment	Relationship with other Directors	Director Identification Number (DIN)
Smt. Shobhana Bhartia	6 th January, 2010	Mother of Shri Priyavrat Bhartia	00020648
Shri Priyavrat Bhartia	27 th August, 2010	Son of Smt. Shobhana Bhartia	00020603

NON-EXECUTIVE INDEPENDENT DIRECTORS

Name of the Director	Date of appointment	Relationship with other Directors	Director Identification Number (DIN)
Shri Ajay Relan	22 nd February, 2010	None	00002632
Shri Ashwani Windlass	22 nd February, 2010	None	00042686
Shri Dipak C. Jain	27 th August, 2010	None	00228513
Shri Shardul S. Shroff	22 nd February, 2010	None	00009379

NON-EXECUTIVE DIRECTOR

Name of the Director	Date of appointment	Relationship with other Directors	Director Identification Number (DIN)
Shri Rajiv Verma	6 th January, 2010	None	00017110

WHOLE-TIME DIRECTOR

Name of the Director	Date of appointment	Relationship with other Directors	Director Identification Number (DIN)
Shri Benoy Roychowdhury*	6 th January, 2010	None	00816822

* Whole time Director w.e.f. from 23rd February, 2010

Our Directors are eminent professionals from diverse fields.

The Non-executive Directors do not hold any shares/convertible instruments of the Company, except Shri Priyavrat Bhartia, who holds 6,719 Equity Shares of the Company.

Directors' attendance record and Directorships held

During the financial year ended on 31st March, 2011, four Board meetings were held on 26th April, 2010, 26th July, 2010, 26th October, 2010 and 14th January, 2011.

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 2010-11	Attendance at the last AGM held on 4 th June, 2010	No. of other Directorships held	Committee position held in other companies [^]	
				Chairperson	Member
Smt. Shobhana Bhartia	4	No	14	1	-
Shri Ajay Relan	4	No	5	1	2
Shri Ashwani Windlass	4	No	1	1	1
Shri Dipak C. Jain *	1	NA	1	-	-
Shri Shardul S. Shroff	3	No	5	-	1
Shri Priyavrat Bhartia *	2	NA	10	2	4
Shri Rajiv Verma	4	No	8	1	4
Shri Benoy Roychowdhury	4	Yes	2	-	-

* Shri Dipak C. Jain and Shri Priyavrat Bhartia were co-opted as Additional Directors w.e.f. 27th August, 2010

[^] Only two committees viz. Audit Committee and Shareholders'/Investors' Grievance Committee are considered

N.A. denotes not applicable, since Shri Dipak C. Jain and Shri Priyavrat Bhartia joined the Board after 4th June, 2010.

As stipulated by Clause 49, none of the Directors was a member of more than 10 committees or chairperson 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, as agenda papers, circulated well in advance of the meeting. In cases where it was not practicable to forward the document(s) with the agenda papers, the same were circulated before the meeting/placed at the meeting.

The information provided to the Board from time to time covers the items mentioned in Annexure – IA to Clause 49.

Details of remuneration paid to Directors

The Non-executive Directors are paid sitting fee at the rate of ₹ 20,000/- per meeting, for attending meetings of the Board/Committee(s) thereof. The Non-Executive Independent directors are eligible for commission not exceeding 1% of the net profits of the Company for the financial year, subject to a limit of ₹ 5 Lac per Director per annum. The details of sitting fee and commission paid for FY 2010-11 are as under -

Name of the Director	Sitting fee	Commission	(₹ in Lacs)
			Total
Smt. Shobhana Bhartia*	Nil	Nil	Nil
Shri Ajay Relan #@	2.00	Nil	2.00
Shri Ashwani Windlass	1.60	5.00	6.60
Shri Dipak C. Jain	0.20	5.00	5.20
Shri Shardul S. Shroff	0.80	5.00	5.80
Shri Priyavrat Bhartia*	Nil	Nil	Nil
Shri Rajiv Verma*	Nil	Nil	Nil

* These Directors have voluntarily opted not to accept any sitting fee

Shri Ajay Relan has opted not to accept sitting fee after July, 2010

@ Shri Ajay Relan has opted not to accept commission

Shri Benoy Roychowdhury was appointed as Whole-time Director w.e.f. 23rd February, 2010. The details of remuneration paid to him for the financial year ended on 31st March, 2011, are as under:

Name of the Director	Salary & Allowances	Perquisites	(₹ in Lacs)
			Retirement benefits
Shri Benoy Roychowdhury	101.97	16.00	6.31

Notes:

- (1) Retirement benefits include contribution to Provident Fund. The Company did not have any pension scheme during the year.
- (2) Shri Benoy Roychowdhury has not been granted stock options pursuant to any stock options scheme framed by the Company.
- (3) Perquisites include 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) Salary & Allowances include ₹ 12 lac of variable pay viz. Enterprise Goal Award (EGA), which is linked to the sales & profits of the Company for each quarter.

During the year under review, none of the Non-executive Directors had any material pecuniary relationship or transactions vis-à-vis the Company, other than payment of sitting fee and commission as mentioned above and reimbursement of traveling and out-of-pocket expenses to Shri Dipak C. Jain for attending Board meetings.

BOARD COMMITTEES

As at year end, there were four standing committees of the Board of Directors, which were delegated requisite powers to discharge their functions, and they meet as often as required. These committees are as follows -

- (a) Audit Committee
- (b) Investors' Grievance Committee
- (c) IPO Committee
- (d) Investment and Banking Committee

The role and composition of the above committees, including the number of meetings held during the financial year ended on 31st March, 2011 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.

The terms of reference of the Audit Committee are in accordance with the Companies Act, 1956 and Listing Agreement of stock exchanges as amended from time to time, which are currently as follows -

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - o Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956
 - o Changes, if any, in accounting policies and practices and reasons for the same
 - o Major accounting entries involving estimates based on the exercise of judgment by management
 - o Significant adjustments made in the financial statements arising out of audit findings
 - o Compliance with listing and other legal requirements relating to financial statements
 - o Disclosure of any related party transactions
 - o Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter

- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- Discussion with the internal auditors any significant findings and follow up thereon
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
- Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
- Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- Review the functioning of the Whistle Blower mechanism

Meetings

During the financial year ended on 31st March, 2011, four meetings of the Audit Committee were held on 26th April, 2010, 26th July, 2010, 25th October, 2010 and 14th January, 2011. 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 Ashwani Windlass	Chairman	4
Shri Ajay Relan	Member	4
Shri Shardul S. Shroff	Member	1
Shri Priyavrat Bhartia*	Member	2

* Inducted in the Committee w.e.f. 27th August, 2010

The Chairman of the Audit Committee is a Non-executive Independent Director.

All the members of the Audit Committee are financially literate and are Non-executive Directors. The Audit Committee satisfies the criteria that two-third of the members are Independent Directors.

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.

(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 declared dividends etc.

The terms of reference of the Investors' Grievance Committee are in accordance with the Listing Agreement of stock exchanges as amended from time to time, which are currently as follows –

- Redressal of investors' complaints;
- Approval of transfer or transmission of equity shares, debentures or any other securities;
- Issue of duplicate certificates and new certificates on split / consolidation / renewal, etc.; and
- Carrying out any other function contained in the Listing Agreement as and when amended from time to time.

Meetings

During the financial year ended on 31st March, 2011, seven meetings of the Investors' Grievance Committee were held on 8th May, 2010, 10th May, 2010, 15th July, 2010, 17th August, 2010, 10th September, 2010, 26th October, 2010 and 28th March, 2011. 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 Ajay Relan	Chairman	7
Shri Rajiv Verma	Member	7
Shri Benoy Roychowdhury	Member	6

Shri Tridib Kumar Barat, Company Secretary is the Compliance Officer of the Company.

During the year, 309 investor queries/requests were received, all of which were redressed/replied to the satisfaction of the investors. There were no outstanding investor complaints as on 31st March, 2011. The status on reply/ redressal of investors' complaints is reported to the Board of Directors from time to time.

(c) IPO COMMITTEE

The IPO Committee of the Board was constituted by the Board of Directors of the Company to supervise the activities relating to Initial Public Offering (IPO).

The IPO Committee was vested with the following responsibilities-

- Decide on the actual size of the Issue, including any offer for sale by promoters/shareholders, and/or reservation on a firm or competitive basis, no. of shares, timing, pricing and all the terms and conditions of the Issue, including the price, and to accept any amendments, modifications, variations or alterations thereto;

- Appoint and enter into arrangements with the book running lead managers, co-managers, underwriters, syndicate members, brokers, escrow collection bankers, registrars, IPO grading agency, monitoring agency, legal advisors, printers and any other agencies or persons whose appointment is required in relation to the Issue;
- Finalize the Draft Red Herring Prospectus, the Red Herring Prospectus, Prospectus, book running lead managers, co-book running lead managers, memorandum of understanding, syndicate agreement, underwriting agreement, escrow agreement and all other documents, deeds, agreements and instruments as may be required or desirable in connection with the Issue;
- Issue advertisements in such newspapers as it may deem fit and proper about the future prospects of the Company and the proposed issue conforming to the regulations and guidelines issued by SEBI;
- Open Current Account(s) with one or more scheduled bank(s) to receive applications along with application monies in relation to the Issue;
- Sign and execute the book running lead managers' memorandum of understanding, syndicate agreement, escrow agreement and the underwriting agreement and any other documents, agreements required in relation to the offer for sale of equity shares by the Company;
- Open bank account of the Company for handling of refunds for the Issue;
- Make application to the FIPB, Ministry of Information and Broadcasting, RBI and such other authorities, as may be required, for the purpose of issue of shares by the Company to non-resident investors, including NRIs and FIIs;
- Make applications for listing of the equity shares of the Company in one or more stock exchange(s) and to execute and to deliver or arrange the delivery of the listing agreement(s) or equivalent documentation to the concerned stock exchange(s);
- Finalize the basis of allocation and to allot the equity shares to the successful allottees and issue of share certificates in accordance with the relevant rules;
- Settle all questions, difficulties or doubts that may arise in relation to the Issue, as it may in its absolute discretion deem fit;
- Authorize and approve the incurring of expenditure and payment of fees in connection with the Issue;
- Submit undertaking/certificates or provide clarifications to the SEBI and the relevant stock exchanges where the equity shares of the Company are to be listed; and
- Do all acts and deeds, and execute all documents, agreements, forms, certificates, undertakings, letters and instruments as may be necessary for the purpose of or in connection with the Issue.

Meetings

During the financial year ended on 31st March, 2011, seven meetings of the IPO Committee were held on 26th April, 2010, 24th June, 2010, 30th June, 2010, 2nd July, 2010, 9th July, 2010, 10th July, 2010 and 15th July, 2010. The composition of the IPO Committee and attendance of Directors at the above meetings is as follows -

Name of the Director	Position in the Committee	No. of meetings attended
Smt. Shobhana Bhartia	Chairperson	3
Shri Ajay Relan	Member	5
Shri Rajiv Verma	Member	5
Shri Benoy Roychowdhury	Member	5

The Committee has been dissolved w.e.f. 16th May, 2011 on conclusion of all IPO related activities.

(d) INVESTMENT AND BANKING COMMITTEE

The Investment and Banking Committee of the Board is responsible for following functions -

- Recommending to the Board for approval, proposal(s) of prospective advertiser(s) body corporate(s), to invest in the equity share capital of such body corporate(s);
- Approving proposal(s) of prospective advertiser(s) to acquire moveable/ immovable property(ies) owned/ developed/ manufactured by such advertisers, subject to a maximum limit of ₹ 25 Crore in a single proposal comprising of one or more units of properties;
- Enter into foreign exchange transactions.

- Open, operate and close all types of bank accounts, whether Current, Savings or Fixed Deposits, Interest/ Dividend account or any other accounts as may be required to be opened in the name of the Company at any place in India/abroad with any bank. The Committee shall also be entitled to operate or delegate powers to operate such accounts;
- Nominate, authorise from time to time, officers of the Company to operate the said bank accounts, any two acting jointly, and to make, sign, draw and endorse all cheques, bills of exchanges, draft, promissory notes, hundies, acceptances and other negotiable instruments or documents on behalf of the Company; and
- Amend, modify, vary or revoke, whenever it is deemed fit, the authority of the persons so empowered to operate the bank accounts.

Meetings

During the year, the Investment and Banking Committee met four times on 26th July, 2010, 17th August, 2010, 6th October, 2010 and 22nd November, 2010. The composition of Investment and Banking 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
Shri Ajay Relan	Chairperson	4
Shri Rajiv Verma	Member	4
Shri Benoy Roychowdhury	Member	4
Shri Priyavrat Bhartia*	Member	2

* Inducted in the Committee w.e.f. 27th August, 2010

The Company Secretary acts as the Secretary to the Committee.

GENERAL BODY MEETINGS

Details of date, time and venue of the last three Annual General Meetings are as under:

Date & Time	26 th September, 2008 at 4.00 p.m.	29 th September, 2009 at 4.00 p.m.	4 th June, 2010 at 11.00 a.m.
Venue	Registered Office at Budh Marg, Patna-800001, India	Registered Office at Budh Marg, Patna-800001, India	Registered Office at Budh Marg, Patna-800001, India
Special Resolution(s) passed, if any	<ul style="list-style-type: none"> ▶ To alter the Objects clause of Memorandum of Association of the Company. ▶ To change the name of the Company. ▶ Adoption of new Articles of Association of the Company 	<ul style="list-style-type: none"> ▶ Re-appointment of Shri S.M. Agarwal as Whole time Director of the Company ▶ To amend Articles of Association of the Company. ▶ To offer and issue 15,00,000 Equity Shares with Differential Rights i.e., "Class-B Equity Shares" (Series-1) of ₹ 10/- each, on preferential basis to the holding company, i.e., HT Media Limited. 	<ul style="list-style-type: none"> ▶ To authorize payment of commission to one or more Non-executive Directors of the Company. ▶ To authorize investments over and above 60% of the Company's paid-up share capital and free reserves or 100% of the Company's free reserves, whichever is more, for an amount upto ₹300 Crore.

Postal Ballot

Since the listing of equity shares of the Company w.e.f. 21st July, 2010, no special resolution was passed by the Company which required use of postal ballot process.

DISCLOSURES

During the financial year ended on 31st March, 2011, there were no materially significant transactions with related parties viz. promoters, relatives, or the senior management etc. that may have a potential conflict with the interest of the Company at large. The required disclosures on related parties and transactions with them, is appearing in Note 9 to Schedule 22 of the Accounts.

No penalty or stricture was imposed on the Company by any stock exchange, statutory authority or SEBI on any matter related to capital markets, since the Company got listed.

The CEO/CFO certificate in terms of Clause 49(V) has been placed before the Board. The Company is complying with all mandatory requirements of Clause 49.

The Company has complied with some of the non-mandatory requirements of Listing Agreement on Corporate Governance. The aggregate tenure of none of the Independent Directors on the Board exceeds nine years. The Independent directors have the requisite qualifications and experience, which would be of use to the Company and which, in the opinion of the Company, would enable them to contribute effectively to the Company in capacity of an Independent Director. The Company has adopted a Whistle Blower Policy whereby a mechanism has been put in place to make employees to report to the management their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The policy provides for adequate safeguards against victimization of employees, who avail of the mechanism besides offering direct access to the Chairman of the Audit committee.

Code of Conduct for Directors and Key Managerial Personnel

In terms of the requirements of Clause 49 (I) (D), a "Code of Conduct for Directors and Key Managerial Personnel" (the "Code") governing the conduct of Directors and Key Managerial Personnel of the Company, is hosted on the website of the Company i.e., www.hmvl.in

The Directors and Key Managerial Personnel are responsible and committed to set the standards of conduct contained in this Code and have affirmed compliance of the Code. Further, a declaration of Chairperson regarding compliance of the Code is appearing at the end of this report.

Code of Conduct for Prevention of Insider Trading

In terms of the requirement of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, a "Code of Conduct for Prevention of Insider Trading" (Insider Code) is posted on the intranet of the Company for compliance by the designated employees. The purpose of the Insider Code is to prevent misuse of unpublished price sensitive information for individual benefit, by those who have access to such information by virtue of their employment or association with the Company.

MEANS OF COMMUNICATION

The quarterly and annual financial results of the Company are published in 'Hindustan' (Hindi newspaper), 'Hindustan Times' (English newspaper) and 'Mint' (English Business newspaper). The financial results are also displayed on the website of the Company, i.e., www.hmvl.in. The Investor section on the website hosts other useful investor information viz. Shareholding Pattern, Press Releases and Presentations made to Financial Analysts etc. The financial results are also forwarded to the investors by e-mail, wherever their e-mail addresses are available. Investors desirous to avail this service are

requested to provide their e-mail id to the Company.

Management Discussion and Analysis covering the operations of the Company, forms part of the Annual Report.

GENERAL SHAREHOLDER INFORMATION

First Annual General Meeting after Listing

Day, Date & Time:

Friday, the 15th July, 2011 at 3.00 PM

Venue:

Hotel Maurya
South Gandhi Maidan
Patna - 800 001, Bihar (India)

Financial Year

1st April of each year to 31st March of next year

Financial Calendar (Tentative)

Results for quarter ending 30 th June, 2011	Mid July, 2011
Results for quarter/ half-year ending 30 th September, 2011	End October, 2011
Results for quarter ending 31 st December, 2011	End January, 2012
Results for year ending 31 st March, 2012	End May, 2012
Annual General Meeting (i.e., next year)	End July, 2012

Book Closure

The Book Closure period for the purpose of payment of dividend for the financial year 2010-11 is from Friday, the 8th July, 2011 to Friday, the 15th July, 2011 (both days inclusive).

Dividend Payment Date (Tentative)

The Board of Directors of the Company have recommended payment of dividend @ 10% i.e. ₹ 1/- per Equity Share of ₹ 10/- each for the financial year ended on 31st March, 2011, subject to the approval of the shareholders at the ensuing Annual General Meeting. The dividend, if approved, shall be paid on or after 18th July, 2011.

Report on Corporate Governance

Registrar and Share Transfer Agent

Karvy Computershare Private Limited
Unit: Hindustan Media Ventures Limited
Plot Nos. 17-24, Vithal Rao Nagar
Madhapur

HYDERABAD – 500 081

Phone: 040 – 4465 5000

Fax: 040 – 2342 0814

E-mail: einward.ris@karvy.com

Website: www.karvy.com

Share Transfer System

Systems are in place to process requests for transfer of shares in physical form.

The Board has authorized the Investors' Grievance Committee to sub-delegate its powers to the Officers of the Company for prompt redressal of investor requests/complaints.

As required under Clause 47 (c) of Listing Agreement of Stock Exchanges, the Company obtains a certificate on half-yearly basis from a Company Secretary-in-practice, regarding share transfer formalities, copy of which is filed with the Stock Exchanges.

Listing of Equity Shares on Stock Exchanges and Stock Codes

The Equity Shares of the Company are listed on the following Stock Exchanges:

Name of the Stock Exchange	Stock Code
Bombay Stock Exchange Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	533217
National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, G- Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	HMVL

The annual listing fee for the financial year 2011-12 has been paid to both BSE and NSE.

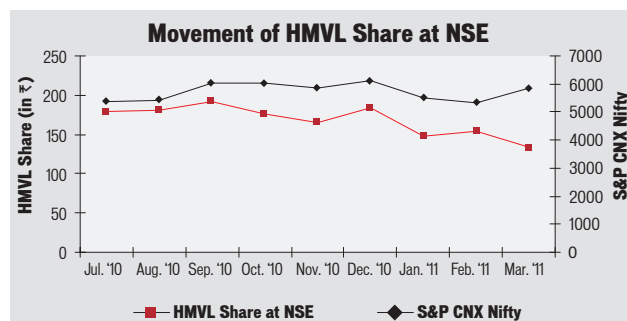
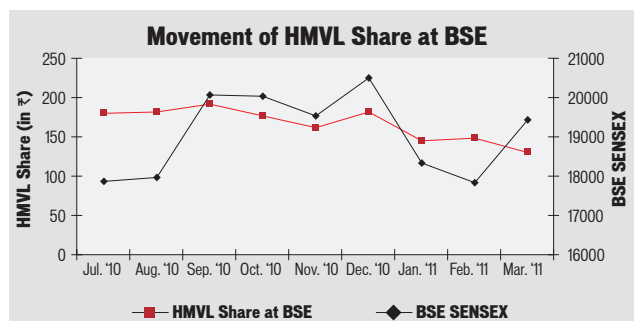
The ISIN of the Equity Shares of the Company is 'INE871K01015'.

Stock Price Data:

MONTH	BSE				NSE			
	HMVL		SENSEX		HMVL		S&P CNX NIFTY	
	High (in ₹)	Low (in ₹)	High	Low	High (in ₹)	Low (in ₹)	High	Low
* Jul. '10	197.80	170.00	18237.56	17838.92	198.70	174.15	5477.50	5349.20
Aug. '10	199.90	174.00	18475.27	17819.99	199.40	174.25	5549.80	5348.90
Sep. '10	219.90	177.00	20267.98	18027.12	219.00	174.40	6073.50	5403.05
Oct. '10	198.00	163.00	20854.55	19768.96	200.00	165.00	6284.10	5937.10
Nov. '10	188.90	150.00	21108.64	18954.82	181.00	131.10	6338.50	5690.35
Dec. '10	185.00	152.00	20552.03	19074.57	186.00	160.00	6147.30	5721.15
Jan. '11	194.00	145.05	20664.80	18038.48	189.00	142.60	6181.05	5416.65
Feb. '11	173.00	133.10	18690.97	17295.62	174.00	131.00	5599.25	5177.70
Mar. '11	164.95	126.00	19575.16	17792.17	165.00	123.40	5872.00	5348.20

* Trading in equity shares of the Company commenced w.e.f. 2nd July, 2010

Performance in comparison to broad-based indices



Distribution of Shareholding by size as on 31st March, 2011

No. of Equity Shares held	No. of Shareholders	% of Total no. of Shareholders	No. of Shares held	% of Total no. of Shares
Upto 500	1650	40.95	50578	0.07
501 - 1000	735	18.24	62023	0.09
1001 - 5000	1086	26.96	250227	0.34
5001 - 10000	360	8.94	222408	0.30
10001 & above	198	4.91	72808534	99.20
TOTAL	4029	100.00	73393770	100.00

Category of Shareholders as on 31st March, 2011 (in both physical and demat form)

Category	No. of Shares held	% of Shareholding
Promoters	57036985	77.71
Banks/Financial Institutions and Insurance Companies	587666	0.80
Foreign Institutional Investors (FIIs)	548788	0.75
Mutual Funds	11303069	15.40
Non-residents	1022260	1.39
Bodies Corporate	427813	0.58
Public	2295938	3.13
Clearing Members	137468	0.19
HUF	33783	0.05
TOTAL	73393770	100.00

Dematerialization of Shares and liquidity as on 31st March, 2011

Category	No. of Shares held	% of Shareholding
Shares held in Demat form	16836338	22.94
Shares held in Physical form	56557432	77.06
TOTAL	73393770	100.00

As on 31st March, 2011, there were no shares allotted in the IPO, which remained unclaimed/uncredited.

There are 42 cases of unclaimed refund warrants representing ₹ 1,57,680/- in respect of the IPO and the list has been posted on the web-site of the Company.

Number of outstanding GDRs/ADRs/Warrants or any convertible instruments

No GDRs/ADRs/Warrants or any convertible instruments have been issued by the Company.

Company Registration Details

The Company is registered in the office of Registrar of Companies, Bihar & Jharkhand. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is **L21090BR1918PLC000013**.

Address for correspondence

Company Secretary
Hindustan Media Ventures Limited
Hindustan Times House (2nd Floor)
18-20, Kasturba Gandhi Marg
New Delhi - 110 001 (India)
Tel: + 91 - 11 - 6656 1608
Fax: + 91 - 11 - 6656 1445
Website: www.hmvl.in

In terms of Clause 47 (f) of the Listing Agreement of stock exchanges, investors may please use the following **exclusive e-mail Id** for redressal of investor requests/complaints:

E-mail: hmvlinvestor@hindustantimes.com

Compliance Officer:

Shri Tridib Kumar Barat, Company Secretary

Tel. No.: + 91 -11 - 6656 1608

COMPLIANCE

A certificate dated 16th May, 2011 of Shri N.C.Khanna, Company Secretary-in-Practice, regarding compliance of conditions of 'Corporate Governance' as stipulated under Clause 49, is annexed to the Directors' Report.

ADDITIONAL INFORMATION FOR SHAREHOLDERS

(1) Payment of dividend

Shareholders may kindly note the following:

(a) National Electronic Clearing Services (NECS)/ Electronic Clearing Services (ECS) facility

Shareholders holding shares in electronic form and desirous of availing NECS/ ECS facility, are requested to ensure that their correct bank details alongwith 9 digit MICR code of the bank is noted in the records of the Depository Participant (DP). Shareholders holding shares in physical form may please contact the R&T Agent.

(b) Payment by Dividend Warrants

In order to prevent fraudulent encashment of dividend warrants, holders of shares in demat and physical form, are requested to provide their correct bank account details, to the DP and R&T Agent respectively.

The R&T Agent and/or the Company will not entertain requests for noting of change of address/bank details/NECS/ECS Mandate in case of shares held in demat form.

(2) Nomination facility

In terms of Section 109A of the Companies Act, 1956, shareholders holding shares in demat and physical form may, in their own interest, register their nomination with the DP and R&T Agent respectively.

Plant Locations (as on 31st March, 2011)

City	Address	City	Address
AGRA	Plot No. 660/2, Shastripuram Crossing Sikandra Artoni, Agra Mathura Road Agra - 282007	ALLAHABAD	F-1 Industrial Area, Naini Allahabad - 211001
BAREILLY	Plot Nos. 411, 412, 413, 424 & 425 Mathurapur, Rampur Road Bareilly - 243001	DEHRADUN	E-3, 4 Selaqui Industrial Area Selaqui, Dehradun - 248197
DHANBAD	Vill-Bhelatand, PO-Nagnagar PS-Barbadda, Bhela Tand Road, Dhैया Dhanbad - 826004	JAMSHEDPUR	NH 33, Vill-Tola Kumrum, Post Kapali Near Mango Telephone Exchange, Mango Jamshedpur - 831012
KANPUR	Plot No. D-9, Site - III Panki Industrial Area Kanpur - 208022	LUCKNOW	Pocket - 2, Vibhuti Khand Gomti Nagar Lucknow - 226010
MEERUT	Khasra No. 592/3, 0.5 KM Partapur By-pass, Opp. Kalka Dental College Meerut - 250103	PATNA	1. Budh Marg, PO- GPO, PS- Kotwali Patna - 800001 2. Vill-Bhagwatipur, PO- Neura, PS-Shahpur Danapur, Naubatpur Road, Near Shivala Chowk, Danapur, Patna - 801113
RANCHI	7 Kokar Industrial Area, PO-Kokar, PS-Kokar Ranchi - 834001		


Note: The above list does not include locations where printing of the Company's publications is done on job-work basis.

Declaration of Compliance with 'Code of Conduct for Directors and Key Managerial Personnel' of the Company

I, Shobhana Bhartia, Chairperson of the Company, do hereby confirm that all the Board members and the Key Managerial Personnel of the Company have complied with the 'Code of Conduct for Directors and Key Managerial Personnel', during the financial year 2010-11.

The declaration is based on and is in pursuance of the individual affirmations received in writing from the Board members and the Key Managerial Personnel of the Company.

Date: 16th May, 2011
Place: New Delhi


(Shobhana Bhartia)
Chairperson

Auditors' Report

To
The Members of
Hindustan Media Ventures Limited

1. We have audited the attached Balance Sheet of Hindustan Media Ventures Limited ('the Company') as at March 31, 2011 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central

Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

4. Further to our comments in the Annexure referred to above, we report that:
 - i. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - iv. in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- v. On the basis of the written representations received from the directors, as on March 31, 2011, and taken on record by the

Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
 - b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For S.R. Batliboi & Co.
Firm Registration Number: 301003E
Chartered Accountants

Per Manoj Gupta
Partner
Membership No.: 83906

Place : New Delhi
Date : May 16, 2011

Annexure referred to in paragraph 3 of our report of even date

Re: Hindustan Media Ventures Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its asset. No material discrepancies were noticed on such verification.
- (c) There was no disposal of a substantial part of fixed assets during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on its physical verification.
- (iii) (a) The Company has not granted any loans, secured or un-secured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(a) to (d) of the Companies (Auditor's Report) Order, 2003 (as amended) (herein referred to as the Order), are not applicable to the Company and hence not commented upon.
- (b) The Company has not taken any loan, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(e) to (g) of the Order, are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- (v) In our opinion, there are no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4 (v) (b) of the Order are not applicable to the Company and hence not commented upon.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 for the products of the Company.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, or employees'

state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, cess and other material statutory dues applicable to it. The provisions relating to excise duty are not applicable to the Company.

Further, since the Central Government has till date not prescribed the amount of cess payable under Section 441 A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanation given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.

(x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.

(xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks. The Company has no outstanding dues in respect of debentures or financial institution

(xii) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order, are not applicable to the Company.

(xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order, are not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

(xvi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

(xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.

(xix) The Company did not have any outstanding debentures during the year.

(xx) We have verified that the end use of money raised by public issue is as disclosed in the Note no. 6 (b) of Schedule 22 to the Financial Statements.

(xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S.R. Batliboi & Co.
Firm Registration Number: 301003E
Chartered Accountants

Per Manoj Gupta
Partner
Membership No. 83906

Place : New Delhi
Date : May 16, 2011

Balance Sheet

as at March 31, 2011

(₹ in Lacs)

	Schedule	As at March 31, 2011	As at March 31, 2010
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	7,339.38	5,712.87
Reserves and Surplus	2	30,556.43	1,824.96
		37,895.81	7,537.83
Loan Funds			
Secured Loans	3	2,052.22	13,500.00
Deferred Tax Liabilities (Net)	4	357.80	277.58
TOTAL		40,305.83	21,315.41
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	18,839.42	14,840.13
Less : Accumulated Depreciation/Amortisation		2,367.02	748.33
Net Block		16,472.40	14,091.80
Capital Work-In-Progress (including Capital Advances) and Expenditure during construction period		384.48	1,493.22
		16,856.88	15,585.02
Investments	6	18,900.81	3,124.65
Current Assets, Loans and Advances			
Inventories	7	2,421.92	1,643.73
Sundry Debtors	8	7,733.36	7,145.38
Cash and Bank Balances	9	3,613.78	2,713.10
Other Current Assets	10	587.46	1.72
Loans and Advances	11	3,179.02	2,591.65
A		17,535.54	14,095.58
Less: Current Liabilities and Provisions			
Current Liabilities	12	11,821.55	11,460.08
Provisions	13	1,165.85	248.73
B		12,987.40	11,708.81
Net Current Assets (A-B)		4,548.14	2,386.77
Miscellaneous Expenditure (to the extent not written off or adjusted)	14	-	218.97
TOTAL		40,305.83	21,315.41
Significant accounting policies and Notes to Accounts	22		

The Schedules referred to above and Notes to Accounts form an integral part of the Balance Sheet.

As per our report of even date

For and on behalf of the Board of Directors of
Hindustan Media Ventures Limited

For S.R. Battliboi & Co.

Firm Registration No. 301003E
Chartered Accountants

Shobhana Bhartia
(Chairperson)

Per Manoj Gupta
Partner
Membership No. 83906

Tridib Kumar Barat
(Company Secretary)

Ajay Kumar Jain
(Chief Financial Officer)

Rajiv Verma
(Director)

Benoy Roychowdhury
(Whole Time Director)

Place: New Delhi
Date: May 16, 2011

Profit and Loss Account for the year ended March 31, 2011

(₹ in Lacs)

	Schedule	For the year ended March 31, 2011	For the year ended March 31, 2010
INCOME			
Turnover	15	51,969.53	16,347.32
Other Income	16	832.48	349.08
		52,802.01	16,696.40
EXPENDITURE			
Raw Materials Consumed	17	22,453.03	6,422.76
Personnel Expenses	18	6,360.82	2,327.53
Operating and Other Expenses	19	14,317.22	4,970.53
(Increase)/Decrease in Inventories	20	(23.79)	45.92
		43,107.28	13,766.74
Profit before depreciation/amortisation, interest, income tax and prior period item (EBITDA)		9,694.73	2,929.66
Depreciation/Amortisation charge		1,644.69	250.85
Financial Expenses	21	433.43	374.38
Profit before tax and prior period items		7,616.61	2,304.43
Provision for income tax			
Current tax (Net of tax credit of ₹ 55.39 lacs relating to previous year, Previous year ₹ 2.97 lacs, pertaining to earlier years)		(1,728.59)	(455.10)
Deferred Tax (Charge) (Refer Note 18 of Schedule 22)		(528.67)	(309.15)
Total Tax Expense		(2,257.26)	(764.25)
Net Profit after Tax but before prior period item		5,359.35	1,540.18
Prior Period Items [Previous Year Gratuity Expenses (Net of Deferred Tax of ₹ 33.71 lacs)] (Refer Note 20 of Schedule 22)		-	65.48
Net Profit for the year		5,359.35	1,474.70
Balance brought forward from previous year		1,540.57	65.87
Amount available for appropriation		6,899.92	1,540.57
Appropriations			
Proposed dividend (on equity shares)		733.94	-
Tax on Proposed dividend		119.06	-
Surplus carried to Balance Sheet		6,046.92	1,540.57
Earnings Per Share (Refer Note 17 of Schedule 22)			
Basic [Nominal value of shares ₹ 10 (Previous year ₹ 10)] [in ₹]		7.80	2.61
Diluted [Nominal value of shares ₹ 10 (Previous year ₹ 10)] [in ₹]		7.80	2.61
Significant accounting policies and Notes to Accounts		22	

The schedules referred to above and notes to accounts form an integral part of the Profit and Loss Account.

As per our report of even date

For and on behalf of the Board of Directors of
Hindustan Media Ventures Limited

For S.R. Batliboi & Co.
Firm Registration No. 301003E
Chartered Accountants

Shobhana Bhartia
(Chairperson)

Per Manoj Gupta
Partner
Membership No. 83906

Tridib Kumar Barat
(Company Secretary)

Ajay Kumar Jain
(Chief Financial Officer)

Rajiv Verma
(Director)

Benoy Roychowdhury
(Whole Time Director)

Place: New Delhi
Date: May 16, 2011

Cash Flow Statement

for the year ended March 31, 2011

	(₹ in Lacs)	
	For the year ended March 31, 2011	For the year ended March 31, 2010
A. Cash flow from operating activities		
Net Profit before taxation	7,616.61	2,304.43
Adjustments for:		
Depreciation/Amortization charge	1,644.69	250.85
Loss on disposal of fixed assets (net)	12.10	37.92
Unrealized foreign exchange (gain)/loss	(15.34)	-
Unclaimed balances/unspent liabilities written back (net)	(21.05)	(224.37)
Income from investments, bank deposits and others	(699.19)	(3.69)
Interest expense	386.26	254.03
Prior Period Expenses [Gross of deferred tax of Nil (Previous year ₹ 33.71 lacs)]	-	(99.19)
Dividend Income	(68.02)	(24.65)
Provision for doubtful debts and advances	102.99	107.45
Operating profit before working capital changes	8,959.05	2,602.78
Movements in working capital :*		
(Increase)/Decrease in sundry debtors	(690.97)	(193.86)
(Increase)/Decrease in inventories	(778.16)	529.85
(Increase)/Decrease in loans and advances	(478.80)	(2,256.51)
Increase/ (Decrease) in current liabilities and provisions	603.54	3,994.02
Cash generated from operations	7,614.66	4,676.28
Direct taxes paid (net of refunds)	(1,912.91)	(300.50)
Net cash from operating activities	5,701.75	4,375.78
B. Cash flows from investing activities		
Purchase of fixed assets*	(2,930.87)	(2,357.29)
Proceeds from sale of fixed assets	2.22	15.18
Purchase of investments	(24,100.81)	(3,147.65)
Sale of investments	8,324.65	23.00
Dividend received	68.02	24.65
Income from investments, bank deposits and others	125.26	2.74
Deposits made with banks	(17.56)	(2.26)
Net cash (used) in investing activities	(18,529.09)	(5,441.63)

	(₹ in Lacs)	
	For the year ended March 31, 2011	For the year ended March 31, 2010
C. Cash flows from financing activities		
Proceeds from Issuance of Share Capital (including Securities Premium)	26,999.99	4,770.00
Share Issue expenses	(1,377.86)	(218.97)
Acquisition of Hindi Division of HT Media Limited **	-	(14,163.56)
Term loan taken / (repaid)	(13,500.00)	13,500.00
Interest paid	(452.38)	(174.92)
Buyer's Credit taken	2,492.11	-
Buyer's Credit repaid	(451.40)	-
Net cash from financing activities	13,710.46	3,712.55
Net Increase in cash and cash equivalents (A + B + C)	883.12	2,646.70
Cash and cash equivalents at the beginning of the year	2,685.48	38.78
Cash and cash equivalents at the end of the year	3,568.60	2,685.48
Components of cash and cash equivalents as at end of the year		
Cash and cheques on hand	1,964.55	1,622.99
With Scheduled banks - on current accounts	1,604.05	1,062.49
- on deposit account	45.18	27.62
Cash & Bank balances as per Schedule 9	3,613.78	2,713.10
Less : Deposits not considered as cash equivalent***	45.18	27.62
Cash & Cash equivalents in Cash Flow Statement	3,568.60	2,685.48

* Previous year figures are after excluding net fixed assets and net working capital acquired on acquisition of Hindi Division from HT Media Limited (Refer Note 5 of Schedule 22)

** The purchase consideration discharged by means of cash and cash equivalents amounts to Nil (Previous year ₹ 14,163.56 lacs (net of cash acquired of Nil (Previous year ₹ 154.71 lacs)

*** Includes deposits pledged amounting to ₹ 30.34 lacs (Previous year ₹ 13.50 lacs)

Note: The above Cash Flow Statement has been prepared under the "Indirect Method" as stated in Accounting Standard 3 on Cash Flow Statement

As per our report of even date

For and on behalf of the Board of Directors of
Hindustan Media Ventures Limited

For S.R. Batliboi & Co.
Firm Registration No. 301003E
Chartered Accountants

Shobhana Bhartia
(Chairperson)

Per Manoj Gupta
Partner
Membership No. 83906

Tridib Kumar Barat
(Company Secretary)

Ajay Kumar Jain
(Chief Financial Officer)

Rajiv Verma
(Director)

Benoy Roychowdhury
(Whole Time Director)

Place: New Delhi
Date: May 16, 2011

Schedules to the Accounts

(₹ in Lacs)

	As at March 31, 2011	As at March 31, 2010
Schedule 1: Share Capital		
Authorised		
87,000,000 equity shares of ₹ 10/- each (Previous year 87,000,000 equity shares of ₹ 10/- each) (Refer Note 21 of Schedule 22)	8,700.00	8,700.00
	8,700.00	8,700.00
Issued, Subscribed and Paid up		
73,393,770 equity shares of ₹ 10/- each (Previous year 57,128,710 equity shares of ₹ 10/- each) fully paid	7,339.38	5,712.87
	7,339.38	5,712.87
Of the above :		
i) 56,472,485 equity shares of ₹ 10/- each (Previous Year 56,472,485 equity shares of ₹ 10/- each) are held by HT Media Limited, the holding company.		
ii) 16,265,060 equity shares of ₹ 10 each fully paid were issued to the public through Initial Public Offer on July 16, 2010 (Refer Note 6(a) of Schedule 22)		
iii) Nil (Previous Year 49,408,614) equity shares of ₹ 10/- each were issued and allotted to all existing shareholders of the Company as fully paid-up Bonus Shares, in the ratio of 6.4 : 1, by capitalizing a sum of ₹ 4,940.86 lacs from Securities Premium Account.		
Schedule 2 : Reserves and Surplus		
Securities Premium Account		
As per last Balance Sheet	14.02	258.27
Add : Received during the year on account of fresh issue of equity shares (Refer Note 6 (a) of Schedule 22)	25,373.49	4,696.61
Less: Share issue expenses written off* (Refer Note 6 (c) of Schedule 22)	1,148.37	-
Less: Bonus Shares issued	-	4,940.86
	24,239.14	14.02
Capital Reserve		
As per last Balance Sheet	238.00	0.09
Add : On account of purchase of Hindi Business (Refer Note 5 of Schedule 22)	-	237.91
	238.00	238.00
General Reserve		
	31.87	31.87
Capital Redemption Reserve		
	0.50	0.50
Profit and Loss Account Balance		
	6,046.92	1,540.57
	30,556.43	1,824.96
* Net of Tax impact of ₹ 448.45 lacs (Previous year Nil)		
Schedule 3 : Secured Loans		
Rupee Term Loan from Yes Bank		
Secured by way of first pari passu charge on all movable assets and fixed assets of the Company except land and building (Repayable within a year Nil, Previous year ₹ 1,687.50 lacs)	-	13,500.00
Buyer's Credit from HDFC Bank		
Secured by way of first charge to the bank on all the stock in trade both present and future consisting of raw materials, finished goods, goods in process of manufacturing and other merchandise and all book debts, outstanding monies receivable, claims and bills both present and future which are now due and owing or which may at any time hereafter during the continuance of this security becomes due and owing to the borrower. (Repayable within a year ₹ 2,052.22 lacs (Previous year Nil))	2,052.22	-
	2,052.22	13,500.00

(₹ in Lacs)

	As at March 31, 2011	As at March 31, 2010
Schedule 4 : Deferred Tax Liabilities (Net)		
Deferred Tax Liabilities		
Differences in depreciation in block of fixed assets as per tax books and financial books	885.28	382.90
Effect of Income accrued on investment	62.22	-
Gross Deferred Tax Liabilities	947.50	382.90
Deferred Tax Assets		
Difference in Voluntary Retirement Scheme expenses	-	1.17
Share issue expenses allowed for tax purposes in future years u/s 35D of Income Tax Act	358.75	-
Effect of expenditure debited to Profit and Loss Account in the current year/earlier years but allowable for tax purposes in following years	141.15	68.46
Provision for doubtful debts and advances	89.80	35.69
Gross Deferred Tax Assets	589.70	105.32
Net Deferred Tax Liabilities*	357.80	277.58

* Refer Note 18 of Schedule 22

Schedules 5: Fixed Assets

(₹ in Lacs)

Particulars	Gross Block				Depreciation/Amortisation				Net Block	
	At 01.04.10	Additions	Deductions/ (Adjustments)	At 31.03.11	At 01.04.10	For the year	Deductions/ (Adjustments)	At 31.03.11	At 31.03.11	At 31.03.10
Tangible Assets										
Land Freehold	304.38	-	-	304.38	-	-	-	-	304.38	304.38
Land - Leasehold	352.66	267.75	-	620.41	5.12	5.02	-	10.14	610.27	347.54
Buildings	2,895.50	139.37	0.33	3,034.54	118.66	97.24	0.20	215.70	2,818.84	2,776.84
Improvement to Leasehold Premises	799.37	285.05	-	1,084.42	25.23	113.47	-	138.70	945.72	774.14
Plant & Machinery	10,171.10	3,269.99	30.90	13,410.19	511.41	1,349.86	17.79	1,843.48	11,566.71	9,659.69
Furniture & Fittings	130.29	40.51	9.02	161.78	73.52	38.05	8.01	103.56	58.22	56.77
Vehicles	4.56	-	0.07	4.49	3.47	0.22	-	3.69	0.80	1.09
Total Tangible Assets	14,657.86	4,002.67	40.32	18,620.21	737.41	1,603.86	26.00	2,315.27	16,304.94	13,920.45
Previous Year	1,294.20	13,453.97*	90.31	14,657.86	534.69	239.93	37.21	737.41	13,920.45	759.51
Intangible Assets										
Website Development	-	8.27	-	8.27	-	1.12	-	1.12	7.15	-
Software Licenses	182.27	28.67	-	210.94	10.92	39.71	-	50.63	160.31	171.35
Total Intangible Assets	182.27	36.94	-	219.21	10.92	40.83	-	51.75	167.46	171.35
Previous Year	-	182.27*	-	182.27	-	10.92	-	10.92	171.35	-
Grand Total	14,840.13	4,039.61	40.32	18,839.42	748.33	1,644.69	26.00	2,367.02	16,472.40	14,091.80
Previous Year	1,294.20	13,636.24	90.31	14,840.13	534.69	250.85	37.21	748.33	14,091.80	
Capital Work In Progress (Refer Note 2 below)	357.13								61.98	357.13
Capital Advances (Unsecured and considered good)	1,136.09								322.50	1,136.09
Total									16,856.88	15,585.02

* Includes ₹ 9,560.08 lacs and ₹ 102.60 lacs due to purchase of Hindi business undertaking in the previous year.

Notes:

1. Vehicle of net block of ₹ 0.67 lac (Previous year ₹ 1.30 lacs) is pending for registration in the name of the Company.
2. Capital Work in Progress includes Nil (Previous year ₹ 4.62 lacs) of expenditure during construction period pending allocation for tangible assets. (Refer Note 15 of schedule 22)

Schedules to the Accounts

(₹ in Lacs)

	As at March 31, 2011	As at March 31, 2010
Schedule 6: Investments		
Investments in Mutual Funds and Shares		
I Long Term Investments (At Cost)	-	-
A. Trade (Unquoted)		
B. Other than Trade (Quoted)		
GTL Limited	494.48	-
114,199 (Previous year Nil) shares of ₹ 10 each fully paid up		
GTL Infrastructure Limited	499.25	-
1,097,686 (Previous year Nil) shares of ₹ 10 each fully paid up		
II Current Investments (At lower of cost and market value)		
A. Other Than Trade Investments (Unquoted)		
Units in Mutual funds		
Reliance Money Manager Fund - Institutional -Daily Divided Plan	-	1,109.63
Nil (Previous year 110,814.67) Units of ₹ 1000/- each, fully paid		
HDFC High Interest Fund - Short Term Plan - Growth	-	2,000.00
Nil (Previous year 10,864,369.21) Units of ₹ 10/- each, fully paid		
HDFC Cash Management-Treasury Advantage Plan-Wholesale Fund Daily Dividend	-	15.02
Reinvestment Option Nil (Previous year 149,726.06) Units of ₹ 10/- each, fully paid		
Reliance Regular Savings Fund - Debt Plan - Institutional Growth Plan	1,000.00	-
7,708,792.65 (Previous year Nil) Units of ₹ 10/- each		
HDFC High interest fund short term plan - Growth	2,000.00	-
10,656,436.48 (Previous year Nil) Units of ₹ 10/- each		
Templeton India Short Term Income Institutional Plan - Growth	1,000.00	-
66,054.84 Units (Previous year Nil) Units of ₹ 1,000/- each		
Templeton India Income Opportunities Fund - Growth	2,000.00	-
18,879,145.15 Units (Previous year Nil) Units of ₹ 10/- each		
Birla Sun Life Dynamic Bond Fund - Growth	500.00	-
3,169,833.33 (Previous year Nil) Units of ₹ 10/- each		
Kotak Credit Opportunities Fund - Growth	500.00	-
4,940,467.37 (Previous year Nil) Units of ₹ 10/- each		
Units in Fixed Maturity Plans		
Reliance Fixed Horizon Fund XV Series 7 - Growth Plan (FMP)	1,000.00	-
10,000,000 (Previous year Nil) Units of ₹ 10/- each		
Reliance Fixed Horizon Fund XV Series 8 - Growth Plan (FMP)	1,000.00	-
10,000,000 (Previous year Nil) Units of ₹ 10/- each		
Reliance Fixed Horizon Fund XV Series 9 - Growth Plan (FMP)	1,000.00	-
10,000,000 (Previous year Nil) Units of ₹ 10/- each		
HDFC FMP 370D August 2010 (1) Growth Series XV (FMP)	1,500.00	-
15,000,000 (Previous year Nil) Units of ₹ 10/- each		
HDFC FMP 370D September 2010 (1) Growth Series XV (FMP)	1,000.00	-
10,000,000 (Previous year Nil) Units of ₹ 10/- each		
IDFC Fixed Maturity Yearly Series - 32 Growth	1,500.00	-
15,000,000 (Previous year Nil) Units of ₹ 10/- each		
Kotak FMP 370 Days Series 7 - Growth	500.00	-
5,000,000 (Previous year Nil) Units of ₹ 10/- each		
ICICI Prudential FMP Series 52 -1 Year Plan	1,000.00	-
10,000,000 (Previous year Nil) Units of ₹ 10/- each		
DSP Black Rock Money FMP - 12 M Series 11 - Growth	800.00	-
8,000,000 (Previous year Nil) Units of ₹ 10/- each		
DSP Black Rock Money FMP - 12 M Series 13 - Growth	1,007.08	-
10,070,849 (Previous year Nil) Units of ₹ 10/- each		
Reliance Fixed Horizon fund - XIX - Series 10 - Growth Plan	600.00	-
6,000,000 (Previous year Nil) Units of ₹ 10/- each		
	18,900.81	3,124.65

Notes

(₹ in Lacs)

	As at March 31, 2011	As at March 31, 2010
1) Aggregate amount of Quoted investments	993.73	-
Market Value ₹ 885.05 lacs (Previous year Nil)		
2) Aggregate amount of Unquoted investments	17,907.08	3,124.65
3) Detail of Investments purchased, reinvested and sold are as follows:		
	No. of Units	Cost
a) Current Year		
Units in Mutual Funds		
Axis Treasury Advantage Fund - Institutional Daily Dividend Reinvestment Plan Face Value ₹ 1,000/- each	100,175	1,001.76
Canara Robeco Treasury Advantage Super Institutional Growth Fund Plan Face Value ₹ 12.4164/- each	8,162,316	1,200.00
UTI Treasury Advantage Fund - Institutional Plan (Growth Option) Face Value ₹ 1,000/- each	30,478	400.00
Birla Sun Life Savings Fund - Institutional Daily Dividend - Reinvestment Plan Face Value ₹ 10/- each	15,067,375	1,507.76
Axis Treasury Advantage Fund - Institutional Growth Plan Face Value ₹ 1,000/- each	55,814	600.00
DSP BlackRock Money Manager Fund - Institutional Plan - Growth Face Value ₹ 1,000/- each	111,889	1,500.00
DSP BlackRock Money Manager Fund - Institutional Plan - Daily Dividend Face Value ₹ 1,000/- each	160,406	1,605.34
Reliance Money Manager Fund - Institutional -Daily Divided Plan Face Value ₹ 1,000/- each	92,889	930.17
HDFC Cash Management-Treasury Advantage Plan-Wholesale Fund Daily Dividend Reinvestment Option Face Value ₹ 10/- each	35,084,733	3,519.52
b) Previous Year		
Units in Mutual Funds		
Reliance Money Manager Fund - Institutional - Daily Dividend Plan Face Value ₹ 1,000/- each	179,796	1,800.00
HDFC Cash Management - Treasury Advantage Plan - Wholesale Fund Daily Dividend Reinvestment Option Face Value ₹ 10/- each	4,984,299	2,000.00

(₹ in Lacs)

	As at March 31, 2011	As at March 31, 2010
Schedule 7: Inventories		
Raw materials [Includes stock in transit of ₹ 420.95 lacs (Previous year ₹ 230.43 lacs)]	1,960.66	1,255.93
Stores and spares	413.23	363.56
Work-in- progress	5.09	7.31
Scrap and waste papers	42.94	16.93
	2,421.92	1,643.73
Schedule 8 : Sundry Debtors		
Debts outstanding for a period exceeding six months		
Secured, considered good	30.28	0.07
Unsecured, considered good	1,312.17	1,054.19
Unsecured, considered doubtful	271.52	309.30
Other debts		
Secured, considered good	880.08	803.00
Unsecured, considered good	5,510.83	5,288.12
Unsecured, considered doubtful	5.25	5.11
	8,010.13	7,459.79
Less : Provision for doubtful debts	276.77	314.41
	7,733.36	7,145.38
Included in debtors are:		
i) Due from Company under same management within the meaning of Section - 370 (1B) of the Companies Act, 1956		
- HT Media Limited.	243.25	289.69
(Maximum amount outstanding during the year - ₹ 731.48 lacs (Previous year ₹ 710.76 lacs)		
- HT Music & Entertainment Company Limited	0.40	0.40
(Maximum amount outstanding during the year - ₹ 0.40 lac (Previous year ₹ 0.41 lac)		
- Firefly e-Ventures Limited	108.16	27.16
(Maximum amount outstanding during the year - ₹ 221.08 lacs (Previous year ₹ 27.16 lacs)		
- HT Burda Media Limited	1.19	0.95
(Maximum amount outstanding during the year - ₹ 1.20 lacs (Previous year ₹ 0.97 lac)		
- HT Mobile Solutions Limited	4.62	-
(Maximum amount outstanding during the year - ₹ 4.72 lacs (Previous year Nil)		
ii) Due from an officer / director of the Company		
(Maximum amount outstanding during the year - Nil (Previous year Nil)	-	-

Schedules to the Accounts

(₹ in Lacs)

	As at March 31, 2011	As at March 31, 2010
Schedule 9 : Cash and Bank Balances		
Cash on hand	102.31	101.18
Cheques in hand	1,862.24	1,521.81
Balances with scheduled banks:		
On current accounts	1,604.05	1,062.49
On deposit accounts *	45.18	27.62
	3,613.78	2,713.10
* Includes fixed deposit receipts pledged amounting to ₹ 30.34 lacs (Previous year ₹ 13.50 lacs)		
Schedule 10 : Other Current Assets		
Unamortized premium on forward exchange contracts	11.81	-
Interest accrued on deposits	0.32	0.19
Income accrued on Investments	575.33	1.53
	587.46	1.72
Schedule 11 : Loans and Advances		
Unsecured, considered good		
Advances recoverable in cash or kind or for value to be received	397.34	461.00
Security deposits	2,044.52	204.09
Service Tax credit recoverable	52.01	-
Advance income tax (net of provision for tax of ₹ 1,783.98 lacs)	120.38	-
Others	564.77	1,926.56
	3,179.02	2,591.65
Included in Loans and Advances are:		
i) Due from an officer / director of the Company	-	-
Maximum amount outstanding during the year - Nil (Previous year Nil).		
ii) Security deposits include deposit given to Company under the same management within the meaning of Section 370 (1B) of the Companies Act, 1956:		
-HT Media Limited	1,800.00	-
Maximum amount due as security deposit from such companies at any time during the year:		
-HT Media Limited	2,450.00	-
iii) Others include amount due (towards the debtors collected on behalf of Hindustan Media Ventures Limited) from Company under the same management within the meaning of Section 370 (1B) of the Companies Act, 1956:		
-HT Media Limited	564.77	1,926.56
Maximum amount due as others from such companies at any time during the year:		
-HT Media Limited	3,871.30	2,528.73
Schedule 12 : Current Liabilities*		
Sundry creditors		
i) total outstanding dues of Micro and Small Enterprises. (Refer Note 12 of Schedule 22)	9.41	17.51
ii) total outstanding dues of creditors other than Micro and Small Enterprises.	8,061.20	8,991.95
Customers and Agents Balances	567.81	354.60
Advances from Customers	1,222.19	350.51
Sundry deposits	1,790.57	1,521.63
Interest accrued but not due on loans	12.99	79.11
Other Liabilities	157.38	144.77
	11,821.55	11,460.08
Included in Sundry creditors are:		
(Due to Holding Company (HT Media Limited) included in (ii) above)	1,959.17	3,779.98
*Includes Nil (Previous year Nil) as amount payable to Investor Education and Protection Fund		

	As at March 31, 2011	As at March 31, 2010
(₹ in Lacs)		
Schedule 13 : Provisions		
For Staff Benefit schemes*	312.85	184.79
For Taxation (Previous year net of advance tax of ₹ 399.09 lacs)	-	63.94
For Proposed dividend - on equity shares	733.94	-
For Tax on proposed dividend	119.06	-
	1,165.85	248.73
* Included in provisions for staff benefit schemes are: Provision for Gratuity ₹ 187.02 lacs (Previous year ₹ 76.50 lacs) Provision for Leave Encashment ₹ 125.83 lacs (Previous year ₹ 108.29 lacs)		
Schedule 14 : Miscellaneous Expenditure (To the extent not written-off or adjusted)		
Share Issue Expenses (Refer Note 6 of Schedule 22)		
As per last Balance Sheet	218.97	-
Add : Incurred during the year	1,377.85	218.97
	1,596.82	218.97
Less: Adjusted during the year from Securities Premium account	1,596.82	-
	-	218.97
(₹ in Lacs)		
	For the year ending March 31, 2011	For the year ending March 31, 2010
Schedule 15 : Turnover		
Advertisement Revenue	37,637.72	10,421.67
Sale of News and Publications	12,234.04	3,904.53
Job Work Revenue	1,313.79	1,738.28
Sale of Scrap & Waste papers	783.98	282.84
	51,969.53	16,347.32
Schedule 16 : Other income		
Interest (Gross) on:		
- Bank deposits (Gross, tax deducted at source ₹ 5.77 lacs, Previous year ₹ 0.12 lacs)	58.34	2.16
- Others (Gross, tax deducted at source Nil, Previous year Nil)	6.70	-
Dividend income (From current investments - other than trade)	68.02	24.65
Income from Investments (Current - other than trade) (Gross, tax deducted at source Nil, Previous year Nil)	634.15	1.53
Foreign exchange difference (net)	5.92	-
Unclaimed balances/unspent liabilities no longer required written back	21.05	224.37
Miscellaneous income	38.30	96.36
	832.48	349.07
Schedule 17 : Raw Materials Consumed *		
Inventories as at the beginning of the year	1,255.93	26.88
Purchases during the year **	23,324.64	7,685.95
Less: Sale of damaged newspaper	166.88	34.14
	24,413.69	7,678.69
Less: Inventories as at the end of the year	1,960.66	1,255.93
	22,453.03	6,422.76
* Refer Note 15 of Schedule 22 for Expenditure during construction period. ** Received Nil (Previous year ₹ 1,715.30 lacs) from Holding Company due to purchase of Hindi Business.		
Schedule 18 : Personnel Expenses		
Salaries, wages and bonus	5,700.89	2,104.74
Gratuity expense	109.94	13.46
Contribution to provident and other funds	310.58	116.40
Workmen and staff welfare expenses	239.41	92.93
	6,360.82	2,327.53

Schedules to the Accounts

(₹ in Lacs)

		For the year ending March 31, 2011	For the year ending March 31, 2010
Schedule 19 : Operating and Other Expenses			
Consumption of stores and spares		1,683.04	748.54
Printing and service charges		3,460.02	1,009.62
News services and despatches		1,079.58	338.88
Power and fuel		908.42	306.57
Advertising and sales promotion		2,218.48	760.57
Freight and forwarding charges		735.36	217.35
Service charges on advertisement revenue		353.24	89.18
Rent*		695.99	214.97
Rates and taxes		14.49	6.47
Insurance		65.64	18.77
Repairs and maintenance:			
- Plant and Machinery		239.68	110.50
- Buildings		46.20	23.46
- Others		4.66	2.58
Travelling and conveyance*		579.15	202.78
Communication costs		336.53	120.81
Legal and professional fees*		583.54	171.93
Directors' sitting fees		3.60	0.63
Auditor's remuneration (Refer Note 14.4 of Schedule 22)		39.24	14.89
Provision for doubtful debts and advances			
	(₹ in Lacs)		
	2010-2011	2009-2010	
Provision for bad debts created during the year	82.90	107.45	
Bad debts written off	134.04	70.88	
Less: Provision for bad debts written back to Profit and Loss Account	(113.95)	(70.88)	
		102.99	107.45
Loss on disposal of fixed assets (net)		12.10	37.92
Donations		2.40	-
Miscellaneous expenses*		1,152.87	466.66
		14,317.22	4,970.53
* Refer Note 15 of Schedule 22 for Expenditure during Construction Period			
Schedule 20 : (Increase)/Decrease in Inventories			
Inventories as at the end of the year			
- Work-in-progress		5.09	7.31
- Scrap and waste papers		42.94	16.93
		48.03	24.24
Inventories as at the beginning of the year *			
- Work-in-progress		7.31	5.91
- Scrap and waste papers		16.93	64.25
		24.24	70.16
		(23.79)	45.92
* Acquired from Holding Company Work-in-progress Nil (Previous year ₹ 5.70 lacs) and Scrap and waste papers Nil (Previous year ₹ 64.25 lacs) due to purchase of Hindi Business.			
Schedule 21 : Financial Expenses			
Interest			
- on term loans		283.28	232.43
- to banks and others		102.98	21.60
Bank charges		47.17	120.35
		433.43	374.38

Schedule 22: Notes to Accounts

1. Nature of Operations

Hindustan Media Ventures Limited ("HMVL or the Company") is a 76.94% subsidiary of HT Media Limited ("Parent Company"). The Company is engaged in the business of publishing 'Hindustan', a Hindi Daily, and two monthly Hindi magazines 'Nandan and Kadambani'.

2. Basis of preparation

The financial statements are prepared to comply in all material aspects with Indian Accounting Standards as notified by the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

3. Use of estimate

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

4. Statement of Significant Accounting Policies

(a) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Values of fixed assets acquired from the holding company in the previous year are allocated based on fair valuation carried out by an independent expert.

Borrowing costs relating to acquisition of Fixed Assets which takes substantial period of time to get ready are also included to the extent they relate to the period till such assets are ready for their intended use.

Leasehold improvements represent expenses incurred towards civil works, interior furnishings, etc on the leased premises at various locations.

(b) Depreciation

Leasehold Land is amortised over the primary period of lease which is between 65-90 years.

Leasehold Improvements are amortized over the useful life of upto 10 years or unexpired period of lease (whichever is lower) on a straight line basis.

In respect of fixed assets acquired from the parent

company in the previous year, depreciation is provided as per the useful lives of the assets estimated by the independent valuer as mentioned below. These rates are greater than or equal to the corresponding rates prescribed in Schedule XIV of the Companies Act, 1956.

	SLM Rates	Schedule XIV Rates (SLM)
Plant and Machinery	5% to 47.50%	4.75%
Buildings (Factory)	3.34% to 5.94%	3.34%
Furniture and Fittings	6.33% to 47.50%	6.33%
IT Equipments	16.21% to 47.50%	16.21%
Office Equipment	4.75% to 47.50%	4.75%
Vehicles	23.75%	9.50%

Assets costing below Rs.5,000 each, are fully depreciated in the year of acquisition.

Depreciation on other assets (except for those assets acquired from the holding company) are provided on Straight Line Method at the rates computed based on estimated useful life of the assets, which are equal to or greater than the corresponding rates prescribed in Schedule XIV of the Companies Act, 1956.

(c) Intangibles

Software Licenses

Values of individual software license acquired from holding company during the earlier year is allocated based on a fair valuation carried out by an independent expert.

Cost relating to software licenses which are purchased is capitalized and amortized on a straight line basis over their estimated useful lives of five years or six years, as the case may be.

Software licenses costing below Rs.5,000 each are fully amortised in the year of acquisition.

Website Development

Cost relating to website development is capitalized and amortized over their estimated useful lives of six years on a straight line basis.

(d) Expenditure on new projects and substantial expansion

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period, which is not related to the construction activity nor is incidental thereto is charged to the Profit & Loss Account. Income earned during construction period is adjusted against the total of the indirect expenditure.

All direct capital expenditure incurred on expansion is capitalized. As regards indirect expenditure on expansion, only that portion is capitalized which

represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase the value of the asset beyond its originally assessed standard of performance.

(e) Leases (Where the Company is the lessee)

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss Account on a straight-line basis over the lease term.

(f) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

(g) Inventories

Inventories are valued as follows:

Raw materials, stores and spares	Lower of cost and net realisable value. However, material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
Work-in-progress	Lower of cost and net realizable value. Cost represents direct materials cost. Cost is determined on a weighted average basis.
Scrap and Waste papers	At net realizable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(h) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Specifically, the following basis is adopted:

Advertisements

Revenue is recognized as and when advertisement is published / displayed and is disclosed net of discounts.

Sale of News & Publications, Waste Paper and Scrap

Revenue is recognized when the significant risks and rewards of ownership have passed on to the buyer and is disclosed net of sales return and discounts.

Printing Job Work

Revenue from printing job work is recognized on the completion of job work as per terms of the agreement.

Interest

Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Income on investments made in units of Fixed Maturity Plans of mutual funds is recognized based on yield earned and to the extent of its reasonable certainty.

Commission Income

Commission Income from sourcing of advertisement orders on behalf of other entities' publications is accrued on printing of the advertisement in the publications.

Dividend Income

Revenue is recognised when the right to receive payment is established by the Balance Sheet date.

(i) Foreign currency transactions

Initial Recognition

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency prevailing at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of the Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Forward Exchange Contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

(j) Retirement and other employee benefits

i. Retirement benefits in the form of Provident Fund and Pension Schemes are defined contribution schemes and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

ii. Gratuity is a defined benefit plan and provision in respect of the same is made as per actuarial valuation carried out as per Projected Unit Credit (PUC) method by an independent actuary as at the year end.

iii. Provision for leave encashment arising on long term benefits is accrued and made on the basis of an actuarial valuation carried out as per Projected Unit Credit method by an independent actuary at the year end. Short term compensated absences are provided for based on estimates.

iv. Actuarial gains/losses are immediately taken to Profit and Loss account and are not deferred.

(k) Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(l) Provisions

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at each Balance Sheet date. These are reviewed at each Balance Sheet date and are adjusted to reflect the current best estimates. Provision for expenditure relating to voluntary retirement is made when the employee accepts the offer of early retirement and such provision amount is charged to Profit and Loss Account in the year of provision.

(m) Income Taxes

Tax expense of the Company comprises current tax and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each Balance Sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any

such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Profit and Loss Account and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income-tax during the specified period.

(n) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(o) Employee Stock Compensation Cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis.

(p) Cash and Cash equivalents

Cash and Cash equivalents for the purposes of Cash Flow Statement comprise cash in hand and at bank, cheques-in-hand and short-term investments with an original maturity of three months or less.

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated.

(q) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expenses in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(r) Expenses incurred on Initial Public Offer (IPO)

Expenses incurred in Initial Public Offer are adjusted against the Securities Premium Account.

5. Pursuant to Business Purchase Agreement dated November 16, 2009, executed with HT Media Limited (the Parent Company), the Company during the

previous year, with effect from December 1, 2009 purchased the Hindi Business undertaking comprising of "Hindustan" (Hindi news daily), "Nandan" & "Kadambini" (Hindi magazines) and its related facilities (the Hindi Business) from the Parent Company, on slump sale and going concern basis for a lump sum consideration of ₹ 14,318.27 lacs comprising net fixed assets (including Capital work in progress and capital advances) of ₹ 12,534.26 lacs and net working capital of ₹ 1,784.01 lacs. The acquisition cost of the individual fixed assets was recognised based on the valuation carried out by an independent expert. As a result, Capital Reserve of ₹ 237.91 lacs being difference between the aggregate value of assets as per valuation report and consideration towards the fixed assets paid by the Company, was recognized in the previous year.

Due to above, the results for the current year are not strictly comparable with results of preceding financial year

6. a) The Company had filed a Prospectus with Registrar of Companies, Bihar and Jharkhand on July 12, 2010, for an Initial Public Offering (IPO) of 16,265,060 shares aggregating to ₹ 26,999.99 lacs. The issue opened for subscription on July 5, 2010 and closed on July 7, 2010. Pursuant to this IPO, 16,265,060 equity shares of ₹ 10 each were allotted for cash at a premium of ₹ 156 per share. With effect from July 21, 2010 the shares were listed on National Stock Exchange and Bombay Stock Exchange.

b) Utilization of IPO funds:

(₹ in lacs)	
Proceeds	Amount
Gross Proceeds of the Issue	26,999.99
Less: Issue expenses	(1,596.82)
Net proceeds of the issue	25,403.17

(₹ in lacs)			
Objectives	Amount to be utilized as per Prospectus	Amount utilized till 31-03-2011	Balance unutilized as on 31-03-2011
Setting up new publishing units	6,600.00	872.20	5,727.80
Upgrading existing plant and machinery	5,500.00	4,030.14	1,469.86
Prepayment of loans	13,500.00	13,500.00	-
Total	25,600.00	18,402.34	7,197.66

The actual amount of unutilized IPO funds as on March 31, 2011 was ₹ 7,000.83 lacs. The difference being a shortfall of ₹ 196.83 lacs between proceeds of the issue and requirement of funds to be utilized for the objects of the IPO Issue, will be met through internal accruals.

Unutilized IPO funds of ₹ 7,000.83 lacs as on March 31, 2011, were temporarily invested in debt-based mutual funds, pending their use for the objects of the issue.

c) Expenses aggregating to ₹ 1,596.82 lacs incurred by the company in relation to said IPO activity (Share issue expenses) were accounted for as "Miscellaneous Expenditure" (to the extent not written off or adjusted)". These expenses (net of deferred taxes of ₹ 448.45 lacs) have been written-off against the securities premium received from the Initial Public Offer of the equity shares of the Company.

7. Segment Information

The Company is engaged in the business of Printing and Publication of Newspapers and Periodicals. The entire operations are governed by the same set of risk and returns, hence, the same has been considered as representing a single primary segment. The said treatment is in accordance with the guiding principles enunciated in Accounting Standard - 17 on 'Segment Reporting'.

The Company sells its products mostly within India with insignificant export

income and does not have any operations in economic environments with different risks and returns and hence, it has been considered as to be operating in a single geographical segment.

8. Gratuity (Post Employment Benefit plan)

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. For employees other than those transferred to the Company on account of the business purchase, the scheme is funded with LIC in the form of a Group Gratuity policy, to which contributions is made based on actuarial valuation done by independent valuer. For the employees transferred to the Company on account of business purchase, the parent company has formed a gratuity trust to which the contributions are made.

The following table summarizes the components of net benefit expenses recognized in the Profit and Loss Account and the Funded status and amount recognized in the Balance Sheet for respective plans:

Amount recognized in Profit and Loss Account

Net employee benefit expense (recognised in Employee Cost)

	(₹ in lacs)	
	For the year ended March 31, 2011	For the year ended March 31, 2010
Current service cost	55.67	43.65
Interest cost on benefit obligation	28.97	11.09
Expected return on plan assets	(29.49)	(4.30)
Past Service Cost	-	-
Net actuarial (gain) / loss recognised in the year	54.79	184.73
Net Benefit Expense	109.94	235.17*

* Includes liability assumed on acquisition of Hindi Business where related expense has already been recognized by the transferor Company (HT Media Limited)

Amount recognized in Balance Sheet

	(₹ in lacs)	
	As at March 31, 2011	As at March 31, 2010
Present value of defined benefit obligations	475.24	371.38
Fair value of plan assets	288.22	294.88
Total Surplus/ (Deficit)	(187.02)	(76.50)
Net (liability)/Asset recognized in Balance Sheet	(187.02)	(76.50)

Changes in the present value of the defined benefit obligation are as follows:

	(₹ in lacs)	
	For the year ended March 31, 2011	For the year ended March 31, 2010
Present value of obligation as at the beginning of the year	371.38	142.18
Current Service cost	55.67	43.65
Interest cost	28.97	11.09
Actuarial loss / (gains) on obligation	48.17	190.66
Benefits paid	(28.96)	(16.20)
Present value of obligation as at the end of the year	475.24	371.38

Changes in the fair value of plan assets are as follows:

	(₹ in lacs)	
	For the year ended March 31, 2011	For the year ended March 31, 2010
Fair value of plan assets as at beginning	294.88	42.98
Expected return plan assets	29.49	4.30
Contributions by employer	-	257.86*
Benefits paid	(28.96)	(16.20)
Actuarial gain/ (losses) on plan assets	(7.19)	5.94
Fair value of plan assets as at the end of the year	288.22	294.88

* Includes transferred from parent company on account of Hindi Business Purchase.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	(₹ in lacs)	
	For the year ended March 31, 2011	For the year ended March 31, 2010
Fund managed by insurer	100%	100%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to the improved stock market scenario.

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

	(₹ in lacs)	
	For the year ended March 31, 2011	For the year ended March 31, 2010
Discount rate	7.8%	7.8%
Expected rate of return on plan assets	10%	10%
Future Salary Increase	4%	4%
Employee turnover		
upto 30 years	3%	3%
From 31 to 44 years	2%	2%
Above 44 years	1%	1%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors on long term basis.

The disclosure of the amount required by paragraph 120 (n) of AS-15 need not to be given as the Company has adopted the standard with effect from financial year 2008-2009.

Amounts for current and previous year are as follows:

	(₹ in lacs)		
	For the year ended March 31, 2011	For the year ended March 31, 2010	For the Year ended March 31, 2009
Defined Benefit Obligation	475.24	371.38	142.17
Plan Assets	288.22	294.88	42.98
Surplus / (Deficit)	(187.02)	(76.50)	(99.19)
Experience Adjustment on Plan Liabilities- Gain/(Loss)	(46.07)	(219.40)	3.15
Experience Adjustment on Plan Assets- Gain/(Loss)	(7.19)	6.31	0.33

The Company expects to contribute ₹ 69.67 lacs to gratuity fund in the year 2011-12.

(₹ in lacs)

Defined Contribution Plan:	For the year ended March 31, 2011	For the year ended March 31, 2010
Contribution to Provident and other fund		
Charged to Profit and Loss Account	310.58	106.50

9. Names of Related Parties	
Name of related parties where control exists whether transactions have occurred or not	HT Media Limited (Parent Company) The Hindustan Times Limited (Ultimate Parent Company)
Names of other related parties (whether transactions with them have occurred or not): Fellow Subsidiaries (whether transactions with them have occurred or not)	HT Music and Entertainment Company Limited Firefly e-Ventures Limited HT Digital Media Holdings Limited HT Burda Media Limited HT Mobile Solutions Limited HT Overseas Pte. Ltd.(w.e.f. September 20, 2010) Shradhanjali Investment & Trading Co. Limited HTL Investment and Trading Company Limited HT Interactive Media Properties Limited Go4i.com (Mauritius) Limited Go4i.com (India) Private Limited HT Films Limited White Tide Amusement Limited HT Education Limited HT Learning Centres Limited
Group companies where common control exists (whether transactions with them have occurred or not)	Paxton Trexim Private Limited Metropolitan Media Company Private Limited
Key Management Personnel	Shri S.M.Agarwal (Whole-time Director) (from 01.04.2009 to 22.02.2010) Shri Benoy Roychowdhury (Whole-time Director) (w.e.f 23.02.2010)

Details of transactions entered with related parties during the year

₹ in Lacs

	Holding Company		Fellow Subsidiary				Key Management Personnel (KMP)				Total		
	HT Media Limited		HTMusic and Entertainment Company Limited	Firefly e-Ventures Limited	HT Burda Media Limited	HT Mobile Solutions Limited	S M Agarwal	Benoy Roychowdhury					
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	
REVENUE TRANSACTIONS													
Sale of goods													
- Stores Material	7.93	-	-	-	-	-	-	-	-	-	-	7.93	-
- Waste Papers	3.25	16.47	-	-	-	-	-	-	-	-	-	3.25	16.47
Purchase of goods													
- Stores Material	3.89	8.46	-	-	-	-	-	-	-	-	-	3.89	8.46
- Waste Papers	0.72	10.03	-	-	-	-	-	-	-	-	-	0.72	10.03
Job Revenue	673.05	1,449.45	-	-	-	-	-	-	-	-	-	673.05	1,449.45
Share of Advertisement revenue paid	-	-		11.58	-	-	-	-	-	-	-	11.58	-
Share of Advertisement revenue received	1.03	-		9.30	-	-	-	-	-	-	-	10.33	-
Printing & Service Charges paid	1,704.81	487.66										1,704.81	487.66
Royalty paid	1.15	0.38										1.15	0.38
Rent received	-	12.00										-	12.00
Advertisement Revenue	98.32	104.30		319.69	27.16	0.24	0.97	4.72	-	-	-	422.97	132.84
Collection on behalf of the Company by parties	9,705.00	6,793.55										9,705.00	6,793.55
Collection on behalf of the parties by Company	2,697.94	1,008.70										2,697.94	1,008.70
Remuneration paid to Key Managerial Personnel										10.05	124.28	124.28	22.69
Paid to vendors on behalf of the Company by parties	-	435.47										-	435.47
Advertising and Sales Promotion Expenses paid	273.81	20.75		4.96	-			5.47	0.61			284.24	21.36
Reimbursement of expenses incurred on behalf of the Company by parties	51.64	90.06										51.64	90.06
Reimbursement of expenses incurred on behalf of the parties by Company	0.76	-										0.76	-
Purchased consideration for Hindi Business paid	-	14,318.27										-	14,318.27
Seat Sharing Expenses paid	348.88	118.24										348.88	118.24
Seat Sharing income received	136.03	37.02										136.03	37.02

Details of transactions entered with related parties during the year

₹ in Lacs

	Holding Company		Fellow Subsidiary				Key Management Personnel (KMP)				Total				
	HT Media Limited		HTMusic and Entertainment Company Limited		Firefly e-Ventures Limited		HT Burda Media Limited		HT Mobile Solutions Limited			S M Agarwal		Benoy Roychowdhury	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10		2010-11	2009-10	2010-11	2009-10
Purchase of publication for Circulation	595.49	196.58												595.49	196.58
Sale of own publication to parties for Circulation	2,245.34	695.98												2,245.34	695.98
Commission Paid for sourcing of Advertisement	125.76	6.63												125.76	6.63
Commission Received for Sourcing of Advertisement	21.51	36.26												21.51	36.26
CAPITAL TRANSACTIONS															
Inventories given on Loan	-	49.78												-	49.78
Return of Material given on Loan	-	49.78												-	49.78
Material Received on Loan	-	3,187.84												-	3,187.84
Material Received on Loan returned	1,439.54	-												1,439.54	-
Purchase/ (Sale) of Fixed Assets by Company (Net)	137.52	259.25												137.52	259.25
Security Deposits given by the Company	2,450.00	-												2,450.00	-
Refund of Security Deposits given by the Company	650.00	-												650.00	-
Share Capital issued (including Share premium)	-	4,527.30												-	4,527.30
BALANCE OUTSTANDING AT YEAR ENDED ON 31-03-11															
Receivable as Advances/ Debtors	808.02	2,216.25	0.40	0.40	108.16	27.16	1.19	0.95	4.62	-				922.39	2,244.76
Payable as Creditors	210.87	3,779.98							0.91	0.15				211.78	3,780.13
Material received on loan	1,748.30	-												1,748.30	-
Security Deposits given by the Company	1,800.00	-												1,800.00	-

(₹ in lacs)

10. Leases

Rental expenses in respect of operating leases are recognized as an expense in the Profit and Loss Account, on a straight-line basis over the lease term.

Operating Lease (for assets taken on Lease):

a) The Company has taken various residential, office and godown premises under operating lease agreements. These are generally cancellable leases and are renewable by mutual consent on mutually agreed terms with or without rental escalations.

b) Lease payments recognized for the year are ₹ 695.99 lacs (Previous year ₹ 214.97 lacs) and are disclosed as Rent under schedule 19.

c) The future minimum lease payments under non-cancellable operating leases

- Not later than one year is ₹ 0.84 lac (Previous year ₹ 0.84 lac);
- Later than one year but not later than five years is ₹ 5.31 lacs (Previous year ₹ 5.07 lacs);
- Later than five years is ₹ 90.50 lacs (Previous year ₹ 91.59 lacs).

11. Contingent Liabilities not provided for

(a) Claim against company not acknowledged as debts:

	(₹ in lacs)	
	As at March 31, 2011	As at March 31, 2010
The Company has filed a petition before the Hon'ble Patna High Court against an initial claim for additional contribution of ₹ 73.37 lacs made by Employees State Insurance Corporation (ESIC) relating to the years 1989-90 to 1999-2000. The Company has furnished a bank guarantee amounting to ₹ 12.50 lacs to ESIC and the Hon'ble High Court has stayed the matter. There is no further progress in the matter during the year.	73.37	73.37
The Company has filed a petition before the Hon'ble Patna High Court against the demand of ₹ 10.07 lacs (including interest) for short payment of ESIC dues pertaining to the years from 2001 to 2005. The Hon'ble Patna High Court has stayed the matter. There is no further progress in the matter during the year.	10.07	10.07
Total	83.44	83.44

There are few legal cases in relation to labor relations for which amount is not ascertainable at this point of time.

On the basis of current status of individual cases and as per legal opinion taken by the Company, discussions with the solicitors, etc. the Company believes that there is fair chance of decisions in its favour in respect of the above cases and hence no provision is considered necessary against the same.

(b) Bank guarantees issued by Company's bankers on behalf of a fellow subsidiary ₹ 28.03 lacs (Previous year Nil)

12. Based on the information available with the Company, following are the disclosures required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)

(₹ in lacs)			
S No	Details of dues to Micro and Small Enterprises as per MSMED Act, 2006	2010-11	2009-10
I	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year		
	Principal Amount Unpaid	9.41	17.51
	Interest Due	Nil	Nil

S No	Details of dues to Micro and Small Enterprises as per MSMED Act, 2006	2010-11	2009-10
II	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year		
	Payment made beyond the Appointed Date	Nil	Nil
	Interest Paid beyond the Appointed Date	Nil	Nil
III	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
IV	The amount of interest accrued and remaining unpaid at the end of the period; and	Nil	Nil
V	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

13. Hedged and Unhedged Foreign Currency Exposure

(a) Particulars of hedged credit borrowing/import vendors at applicable exchange rates in respect of Forward Contracts outstanding as at Balance Sheet date (Previous year - Nil)

Currency	Exchange rates (in ₹)	Amount in Foreign Currency (in lacs)	Amount in Indian Rupees (in lacs)	Purpose
USD	44.83 - 46.11	40.78	1,857.24	To hedge buyers credit borrowing

(b) Particulars of Unhedged Foreign Currency exposure as at Balance Sheet date (Previous year - Nil)

Particulars	Currency	As at March 31, 2011		
		Amount in Foreign Currency (in lacs)	Exchange Rate (in ₹)	Amount in Indian Rupees (in lacs)
Acceptances	USD	5.58	44.60	248.97
Sundry Creditors	USD	5.69	44.60	253.66

14. Additional information pursuant to the provisions of paragraphs 3, 4, 4B, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956**14.1 Directors' Remuneration**

	(₹ in lacs)	
	For the year ended March 31, 2011	For the year ended March 31, 2010
Salaries and other allowances	101.97	16.40
Contribution to provident fund	6.31	1.00
Perquisites	16.00	5.29
Commission to Non Executive Independent Directors	15.00	-
Total	139.28	22.69

Note: As the future liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the directors is not ascertainable and, therefore, not included above.

Computation of Net Profits in accordance with Section 349 of the Companies Act, 1956 for calculation of commission payable to directors

	(₹ in lacs)	
	For the year ended March 31, 2011	For the year ended March 31, 2010
Profit before tax	7,616.61	2,304.43
Add:		
Depreciation as per Profit and Loss Account	1,644.69	250.85
Provision for doubtful debts	102.99	107.45
Loss on sale of fixed assets(net) as per Profit and Loss Account	12.10	37.92
Less: Depreciation (to the extent specified in Section 350 of the Companies Act 1956)	(1,644.69)	(250.85)
Net Profit as per Section 349 of the Companies Act, 1956	7,731.70	2,449.80
Add: Directors Remuneration	139.28	22.69
Profit as per Section 198	7,870.98	2,472.49

	(₹ in lacs)	
	For the year ended March 31, 2011	For the year ended March 31, 2010
Remuneration/Commission to Whole time Directors		
Maximum commission u/s 309 of the Companies Act 1956 at 10% of net profits	787.10	247.25
Remuneration actually paid	124.28	22.69
Remuneration/Commission to other directors		
Maximum commission u/s 309 of the Companies Act 1956 at 1% of net profits	78.71	24.72
Commission actually paid	15.00	-

14.2 Earnings in foreign currency (on accrual basis)

	(₹ in lacs)	
	For the year ended March 31, 2011	For the year ended March 31, 2010
Export of newspapers and periodicals at FOB Value	0.20	0.03
Advertisement Revenue	0.26	-
Total	0.46	0.03

14.3 Expenditure in foreign currency (on accrual basis)

	(₹ in lacs)	
	For the year ended March 31, 2011	For the year ended March 31, 2010
Travelling	5.54	0.79
Professional Fees	23.45	16.50
Others	20.61	-
Total	49.60	17.29

14.4 Auditor's Remuneration*

	(₹ in lacs)	
	For the year ended March 31, 2011	For the year ended March 31, 2010
As Auditor :		
- Audit Fee	16.00	10.00
- Tax Audit Fee	4.00	3.50
- Limited Review	12.00	-
- Out of Pocket expenses	3.57	-
Total	35.57	13.50

* These figures are exclusive of Service Tax of ₹ 3.67 Lacs (Previous year ₹ 1.39 Lacs) ₹ 75.05 lacs (Previous year ₹ 115.41 lacs), inclusive of out of pocket expenses and Service Tax of ₹ 10.55 lacs (Previous year ₹ 17.41 lacs), has been paid to the auditors in respect of their services in Initial Public Offer work and it has been included in Miscellaneous Expenditure (to the extent not written off or adjusted). The entire Miscellaneous Expenditure has been written off in Share Premium account.

14.5 Licensed Capacity and Installed Capacity

	(₹ in lacs)	
	As at March 31, 2011	As at March 31, 2010
Installed Capacity (Impression per hour)	780,000	649,000

Notes:

- (i) Licensed capacity is not applicable
- (ii) Installed capacity is as per technical estimates (excludes press owned by others where the Company's publications are printed.)

14.6 Value of Imports on CIF basis

	(₹ in lacs)	
	For the year ended March 31, 2011	For the year ended March 31, 2010
Raw Materials	5,229.29	-
Components and spare parts	7.27	-
Total	5,236.56	-

14.7 Actual Production and Sales

(₹ in lacs)

	Unit	Quantity (in lacs)		Value (₹ in lacs)	
		For the year ended March 31, 2011	For the year ended March 31, 2010	For the year ended March 31, 2011	For the year ended March 31, 2010
Actual Production	Pages	160,810.26	48,232.94	NA	NA
	Copies	7,292.61	2,130.24	NA	NA
Sales	Copies	7,026.34	2,032.95	12,234.04	3,904.53

Notes: Difference in the quantity tally is on account of unsold, complimentary copies etc.

14.8 Consumption of raw materials

	Quantity (M.T.)		Value (₹ in lacs)	
	For the year ended March 31, 2011	For the year ended March 31, 2010	For the year ended March 31, 2011	For the year ended March 31, 2010
Newsprint	73,230.58	22,165.12	20,818.19	5,825.01
Ink	1,460.01	605.25	1,634.84	597.75
Total	74,690.59	22,770.37	22,453.03	6,422.76

14.9 Imported and indigenous raw materials, stores and spares consumed (excluding consumption included in expenditure during construction period)

Unit	Percentage of total consumption		Value (₹ in lacs)	
	For the year ended March 31, 2011	For the year ended March 31, 2010	For the year ended March 31, 2011	For the year ended March 31, 2010
i) Raw materials				
- Imported	19.35	0.23	4,345.20	14.99
- Indigenously obtained	80.65	99.77	18,107.83	6,407.77
	100.00	100.00	22,453.03	6,422.76
ii) Stores and Spares				
- Imported	0.26	0.00	4.25	0.03
- Indigenously obtained	99.74	100.00	1,653.93	722.55
Total	100.00	100.00	1658.18	722.58

15. Expenditure during construction period netted off from respective heads in Profit and Loss Account

(₹ in lacs)

Particulars	2010-11 Tangible	2009-10 Tangible
Balance brought forward	4.62	-
Add: Acquisition of pre-operative expenditure from Holding Company pursuant to Business Purchase Agreement dated November 16, 2009	-	228.82
Add: Incurred during the year		
- Consumption of Raw Materials (Trial Run Expenses)	16.40	23.01
- Legal and Professional fees	18.79	-
- Rent	0.84	-
- Travelling & Conveyance	10.76	-
- Miscellaneous expenses	1.99	-
- Less: Allocated to fixed assets during the year	53.40	247.21
- Balance Carried Forward*	-	4.62

* included under Capital Work in Progress in Schedule 5

16. Capital Commitment

	As at March 31, 2011	As at March 31, 2010
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	1,156.63	929.10

17. Calculation of Earnings Per Share (EPS)

	For the year ended March 31, 2011	For the year ended March 31, 2010
Net profit for the year after tax (₹ In lacs)	5,359.35	1,474.70
Weighted average number of equity shares in calculating basic and diluted EPS	68,670,218	56,549,676
Number of Equity Shares at the beginning of the year (outstanding for 365 days)	57,128,710	6,986,250
Number of Equity Shares issued on Jan 14, 2010 (considered to be outstanding for 77 days)	-	733,846
Number of Bonus Shares issued on Feb 21, 2010 (considered to be outstanding for 365 days)	-	49,408,614
Number of Equity Shares issued on July 16, 2010 on account of IPO (considered to be outstanding for 259 days)	16,265,060	-
Number of Equity Shares at the end of the year	73,393,770	57,128,710
Weighted average number of equity shares in calculating basic and diluted EPS	68,670,218	56,549,676
Basic Earnings per share [in ₹]	7.80	2.61
Diluted Earnings per share [in ₹]	7.80	2.61

18. The Company follows Accounting Standard (AS-22) "Accounting for taxes on Income" as notified by the Companies (Accounting Standards) Rules, 2006 (as amended). Movement of deferred tax is recognized as below

	March 31, 2011	March 31, 2010
Deferred Tax Liability as at end of year	357.80	277.58
Add: Deferred Tax impact of prior period items	-	33.71
Less: Opening Deferred Tax Liability	(277.58)	(2.14)
Less: Deferred tax assets recognized on Share issue expenses written off in Share Premium Account	(448.45)	-
Deferred Tax Liability recognised in Profit and Loss Account (includes ₹ 89.70 lacs related to Share issue expenses allowed as deduction in income tax in current year) (Previous year Nil)	528.67	309.15

19. Share Based Compensation

Disclosures in accordance with the Guidance Note on Accounting for Employee Share-based Payments

The Institute of Chartered Accountants of India has issued a Guidance Note on Accounting for 'Employees Share-based Payments', which is applicable to employee share based payment plans. The scheme detailed below is managed and administered, compensation benefits in respect of the scheme is assessed and accounted by the Ultimate Parent Company, Parent Company and the Group Company and there is no cross charge to the Company for obligation towards expenses. Accordingly, the Company is of the opinion that there is no further accounting required. However, to have an understanding of the scheme, relevant disclosures are given below.

I. The Hindustan Times Limited (the Ultimate Parent Company) and HT Media Limited (the Parent Company) has given loan to "HT Group Companies - Employee Stock Option Trust" which in turn has purchased 37,338 Equity Shares of ₹ 10/- each of the Company for the purpose of granting Options under the 'HT Group Companies -Employee Stock Option Rules' ("HT ESOP"), to eligible employees of the group. On these purchased shares, the trust has also received 238,964 shares out of the bonus shares issued by the Company on February 21, 2010.

A. Details of these plans are given below:

Employee Stock Options

A stock option gives an employee, the right to purchase equity shares of the Company at a fixed price within a specific period of time. The details of exercise price for stock options outstanding at the end of the year are as under:

Year	Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
2010-2011	₹ 1.35 to ₹ 60	364,110	10.65	22.07
2009-2010	₹ 1.35 to ₹ 60	366,345	11.62	21.56

Options granted are exercisable for a maximum period of 14 years after the scheduled vesting date as per the Scheme.

B. Details of Options existing during the Year ended March 31, 2011 are given below:

Type of arrangement	Date of grant	Options granted (nos.)	Fair value on the grant date (₹)	Vesting conditions	Weighted average remaining contractual life (in years)
Employee Stock Options	September 15, 2007	193,782	16.07	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	10.47
Employee Stock Options	May 20, 2009	11,936	14.39	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	12.15
Employee Stock Options	February 4, 2010	150,729	87.01	50% on the date of grant and 25% vest each year over a period of 2 years starting from the date of grant	10.47
Employee Stock Options	March 8, 2010	17,510	56.38	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	12.95
Employee Stock Options	April 1, 2010	4,545	53.87	¼ of the shares vest each year over a period of four years starting from one year after the date of grant	13.00

C. Summary of activity under the plans is given below.

Employee Stock Options *

	2010-2011			2009-2010		
	Number of options	Weighted-average exercise price (₹)	Weighted average remaining contractual life (in years)	Number of options	Weighted-average exercise price (₹)	Weighted average remaining contractual life (in years)
Outstanding at the beginning of the year	366,345	21.56	11.62	193,782	33.92	11.47
Granted during the year	4,545	60	13.00	180,175	9.21	12.01
Forfeited/Cancelled during the year	-	-	-	7,612	43.73	-
Exercised during the year	6,780	19.95	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	364,110	22.07	10.65	366,345	21.56	11.62

Weighted average fair value of the options outstanding is ₹46.90 per option.

The estimated fair value of each stock option granted on each date was made using the Black-Scholes option pricing model with the following assumptions:

	2010-2011		2009-2010	
	April 1, 2010	May 20, 2009	February 4, 2010	March 8, 2010
Grant Date	April 1, 2010	May 20, 2009	February 4, 2010	March 8, 2010
Expected Volatility	0%	0%	0%	0%
Life of the options granted (Vesting and exercise period) in years	6 to 9 years	7.5 to 9 years	6.5 to 7.11 years	7.5 to 9 years
Average risk-free interest rate	7.69% to 8.12%	6.79 % - 7.05 %	7.64 % - 7.76 %	8.05 % - 8.25 %
Expected dividend yield	0%	0%	0%	0%

Difference between employee compensation cost (calculated using the intrinsic value of stock options) and the employee compensation cost (calculated on the fair value of the options) is ₹ 7.24 lacs (Previous year ₹ 27.80 lacs). However, these will not be charged back to the Company by the trust, Parent and Ultimate Parent Company, hence not accounted for by the Company.

II. The Group Company, Firefly e-Ventures Limited has given Employee Stock Options (ESOPs) to employees of Hindustan Media Ventures Limited (HMVL).

A. Details of these plans are given below:

Employee Stock Options

A stock option gives an employee, the right to purchase equity shares of Firefly e-Ventures Limited at a fixed price within a specific period of time. The grant price (or strike price) for options granted during the financial year 2009-10 shall be ₹ 10 each per option

B. Details of stock options existing during the year ended March 31, 2011 are as given below:

Type of arrangement	Date of grant	Options granted (nos.)	Fair value on the grant date (₹)	Vesting conditions	Weighted average remaining contractual life (in years)
Employee Stock Options	October 16, 2009	23,66,000	4.82	Starts from the date of listing of the Firefly e-Ventures Limited as per the following vesting schedule 25% 12 months from the date of grant 25% 24 months from the date of grant 25% 36 months from the date of grant 25% 48 months from the date of grant	11.53

C. Summary of activity under the plan for the year ended March 31, 2011 and March 31, 2010 are given below.

Employee Stock Options

Employee Stock Options	Number of options	2010-2011		Number of options	2009-2010	
		Weighted-average exercise price (₹)	Weighted average remaining contractual life (in years)		Weighted-average exercise price (₹)	Weighted average remaining contractual life (in years)
Outstanding at the beginning of the year	23,66,000	10	12.53	-	-	-
Granted during the year	-	-	-	23,66,000	10	12.53
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	23,66,000	10	11.53	23,66,000	10	12.53

Weighted average fair value of the options outstanding is ₹ 4.82 per option. Since no options have been exercised during the period, thus weighted average share price has not been disclosed.

The estimated fair value of each stock option granted on each date was made using the Black-Scholes option pricing model with the following assumptions:

Grant Date	Expected volatility for stock options	Contractual life (in years)	Dividend yield	Risk-free interest rate	Exercise price of options (₹)	Fair Value of options granted (₹)
October 16, 2009	0%	7.74	0%	7.62%	10	4.82

Difference between employee compensation cost (calculated using the intrinsic value of stock options) and the employee compensation cost (calculated on the fair value of the options) is ₹ 21.35 lacs (Previous year ₹ 2.30 lacs). However, these have not been charged back to the Company by the Group Company, hence not accounted for by the Company.

III. Pursuant to purchase of Hindi Business, certain employees of HT Media Limited (the Parent Company) have become employees of the Company on continued service basis under HT ESOS - Plan A (Plan A), HT ESOS - Plan B (Plan B) and HT ESOS - Plan C (Plan C). These employees continue to hold the Employee Stock Options (ESOPs) of Parent Company which were granted to them during their employment with the Parent Company.

A. Details of these plans are given below:

Employee Stock Options

A stock option gives an employee, the right to purchase equity shares of HT Media Limited at a fixed price within a specific period of time.

The details of exercise price for stock options outstanding at the end of the year ended March 31, 2011 are as below:

Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
Plan A ₹ 92.30 to 170.80	91,280	8.85	97.01
Plan C ₹ 117.55	83,838	10.53	117.55

Options granted are exercisable for a period of 10 years after the scheduled vesting date of the last tranche of the Options as per the Scheme.

B. Details of Options existing during the year ended March 31, 2011 are as given below:

Type of arrangement	Date of grant	Options granted (nos.)	Fair value on the grant date (₹)	Vesting conditions	Weighted average remaining contractual life (in years)
Employee Stock Options - Plan A	January 9, 2006	91,280	50.05	1/4 of the shares vest each year over a period of four years starting from one year after the date of grant	8.85
Employee Stock Options - Plan C	October 8, 2009	83,838	68.90	50% on the date of grant and 25% vest each year over a period of 2 years starting from the date of grant	10.53

C. Summary of activity under the plans is as given below:

Employee Stock Options

Plan A

	March-2011			March-2010		
	Number of options	Weighted-average exercise price (₹)	Weighted average remaining contractual life (in years)	Number of options	Weighted-average exercise price (₹)	Weighted average remaining contractual life (in years)
Outstanding at the beginning of the year	91,280	92.30	9.85	4,76,790	92.30	9.85
Granted during the year	-	-	-	-	-	-
Forfeited/Cancelled during the year	-	-	-	3,85,510	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	91,280	92.30	8.85	91,280	92.30	9.85

Plan B

	March-2011			March-2010		
	Number of options	Weighted-average exercise price (₹)	Weighted average remaining contractual life (in years)	Number of options	Weighted-average exercise price (₹)	Weighted average remaining contractual life (in years)
Outstanding at the beginning of the year	-	-	-	108,809	208.15	13.15
Granted during the year	-	-	-	-	-	-
Forfeited/Cancelled during the year	-	-	-	108,809	208.15	13.15
Exercised during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	-	-	-	-	-	-

Plan C

	March-2011			March-2010		
	Number of options	Weighted-average exercise price (₹)	Weighted average remaining contractual life (in years)	Number of options	Weighted-average exercise price (₹)	Weighted average remaining contractual life (in years)
Outstanding at the beginning of the year	83,838	117.55	11.53	-	-	-
Granted during the year	-	-	-	1,79,388	117.55	11.53
Forfeited/Cancelled during the year	-	-	-	95,550	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	83,838	117.55	10.53	83,838	117.55	11.53

Weighted average fair value of the options outstanding is:

- Plan A - ₹ 50.05
- Plan C - ₹ 68.90

Since no option has been exercised during the year, thus weighted average share price has not been disclosed.

The estimated fair value of each stock option granted on each date was made using the Black-Scholes option pricing model with the following assumptions:

	2010-2011	2009-2010
Grant Date	No options have been granted during the year	October 8, 2009
Expected Volatility		49.97%
Life of the options granted (Vesting and exercise period) in years		6.5 to 7 years
Average risk-free interest rate		7.18 % - 7.28 %
Expected dividend yield		0.27%

Difference between employee compensation cost (calculated using the intrinsic value of stock options) and the employee compensation cost (calculated on the fair value of the options) is ₹ 29.88 lacs (Previous year ₹ 26.48 lacs). However, these have not been charged back to the Company by the Parent Company, hence not accounted for by the Company.

20. Prior Period item in the previous year represents provision for gratuity liability relating to earlier years to the extent of ₹ 99.19 lacs which has been recognized in the FY 2009-10.

21. During the previous year, the Company has amended its Capital Clause of Memorandum of Association, detailed as below:-

- Amendment vide resolution dated September 29, 2009

Authorized Equity Share Capital of ₹ 1,700 lacs divided into 170 lacs number of equity shares of ₹ 10 each was converted into two class of shares namely - Class A" 150 lacs Equity Shares of ₹ 10 each and "Class B" 20 lacs Equity Shares of ₹ 10 each with differential voting rights as to voting and/or dividend.

- Increase in authorized share capital as per following table

S No	Category	Face Value	Authorised Capital (Number of Shares)		
			Resolution dated September 29, 2009	Resolution dated December 5, 2009	Resolution dated January 14, 2010
1	Class - A Equity Shares	₹ 10	150 lacs	750 lacs	850 lacs
2	Class - B Equity Shares (with differential voting rights as to voting and/or dividend)	₹ 10	20 lacs	20 lacs	20 lacs
	Total		170 lacs	770 lacs	870 lacs

- Amendment vide resolution dated February 22, 2010

Authorized Equity Share Capital of ₹ 8700 lacs has been converted back into 870 lacs number of Equity Shares of ₹ 10 each.

22. Previous Year Comparatives

Previous year figures have been regrouped/ rearranged wherever considered necessary.

As per our report of even date

For and on behalf of the Board of Directors of
Hindustan Media Ventures Limited

For S.R. Batliboi & Co.
Firm Registration No. 301003E
Chartered Accountants

Shobhana Bhartia
(Chairperson)

Per Manoj Gupta
Partner
Membership No. 83906

Tridib Kumar Barat
(Company Secretary)

Ajay Kumar Jain
(Chief Financial Officer)

Rajiv Verma
(Director)

Benoy Roychowdhury
(Whole Time Director)

Place: New Delhi
Date: May 16, 2011

Balance Sheet Abstract and Company's General Business Profile as per part (IV) of Schedule VI to the Companies Act, 1956

I Registration Details :			
Registration No.	13	State Code	03
Balance Sheet Date	31.03.2011		
II Capital Raised during the year (Amount in ₹ Thousands)			
Public Issue	162,651	Right Issue	NIL
Bonus Issue	NIL	Private Placement	
		- Equity	NIL
		- Preference	NIL
III Position of Mobilisation and Deployment of Funds (Amount in ₹ Thousands)			
Total Liabilities	4,030,583	Total Assets	4,030,583
Sources of Funds			
Paid-up Capital	733,938	Reserves & Surplus	3,055,643
Secured Loans	205,222	Deferred Tax Liabilities	35,780
		Unsecured Loans	NIL
Application of Funds			
Net Fixed Assets	16,85,688	Investments	1,890,081
Net Current Assets	454,814	Accumulated Losses	NIL
		Miscellaneous expenditure	NIL
IV Performance of the Company (Amount in ₹ Thousands)			
Turnover (Gross Revenue)	5,280,201	Total Expenditure	4,518,540
Profit / (Loss) Before Tax	761,661	Profit / (Loss) After Tax	535,935
Earning Per Share in (₹)	7.80	Dividend Rate	10%
V Generic Name of Two Principal Products/Services of the Company (as per monetary terms)			
Product Description		Item Code	
Printing/Publication of Newspapers		490210.01	
Printing/Publication of Periodicals		490290.02	

हिन्दुस्तान

शैतान बच्चा?



या अगला सचिन?

तरक्की को चाहिए
नया नजरिया

- खबर जो आपके काम आए
- आपको तरक्की की राह दिखाते लेख
- ज़िन्दगी के हर पहलू को छूते सप्लीमेन्ट

नया



तरक्की को चाहिए
नया नजरिया

हिन्दुस्तान

सम्मान एक छात्र का गर्व पूरे परिवार का



हिन्दुस्तान
प्रतिभा सम्मान
2010

अपने परिवार का गर्व बनने के लिए SMS कीजिए PS 54242 पर

नया



तरक्की को चाहिए
नया नजरिया

हिन्दुस्तान

Hindustan Media Ventures Limited

Registered Office : Budh Marg, Patna - 800 001

Notice of Annual General Meeting

NOTICE is hereby given that an Annual General Meeting of the Members of **Hindustan Media Ventures Limited** will be held on Friday, the 15th July, 2011 at 3.00 P.M. at Hotel Maurya, South Gandhi Maidan, Patna - 800 001, to transact the following businesses:

ORDINARY BUSINESS

ITEM NO. 1

To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2011, the Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.

ITEM NO. 2

To declare dividend on Equity Shares for the year ended on 31st March, 2011.

ITEM NO. 3

To appoint a Director in place of Smt. Shobhana Bhartia, who retires from office by rotation, and being eligible, offers herself for re-appointment.

ITEM NO. 4

To appoint a Director in place of Shri Rajiv Verma, who retires from office by rotation, and being eligible, offers himself for re-appointment.

ITEM NO. 5

To appoint a Director in place of Shri Benoy Roychowdhury, who retires from office by rotation, and being eligible, offers himself for re-appointment.

ITEM NO. 6

To appoint Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

"RESOLVED THAT M/s. S.R. Batliboi & Co., Chartered Accountants [Firm Registration No. 301003E], be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS

ITEM NO. 7

To re-appoint Shri Dipak C. Jain as a Director of the Company and in respect of whom, the Company has received a notice in writing pursuant to the provisions of Section 257 of the Companies Act, 1956 from a member, signifying intention to propose Shri Dipak C. Jain as a candidate for the office of Director; and to consider and, if thought fit, to pass the following resolution which will be proposed as Ordinary Resolution:


"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 1956, Shri Dipak C. Jain be and is hereby appointed as Director of the Company, liable to retire by rotation."

ITEM NO. 8

To re-appoint Shri Priyavrat Bhartia as a Director of the Company and in respect of whom, the Company has received a notice in writing pursuant to the provisions of Section 257 of the Companies Act, 1956 from a member, signifying intention to propose Shri Priyavrat Bhartia as a candidate for the office of Director; and to consider and, if thought fit, to pass the following resolution which will be proposed as Ordinary Resolution:

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 1956, Shri Priyavrat Bhartia be and is hereby appointed as Director of the Company, liable to retire by rotation."

By Order of the Board



(Tridib Kumar Barat)
Company Secretary

Place: New Delhi

Date: 6th June, 2011

NOTES:

1. A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend the meeting and vote on a Poll, if any, in his / her stead and the proxy need not to be a Member of the Company. The instrument appointing proxies, in order to be effective, must be received by the Company at the Registered Office, not less than 48 hours before the scheduled time of the meeting. A blank proxy form is annexed to this Notice.
2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Businesses to be transacted at the meeting (Item Nos. 7 & 8 of the Notice) is annexed hereto.
3. As required by Clause 49 of the Listing Agreement entered into with the stock exchanges, the relevant details of Smt. Shobhana Bhartia, Shri Rajiv Verma, Shri Benoy Roychowdhury, Shri Priyavrat Bhartia and Shri Dipak C. Jain, Directors, are annexed herewith.
4. Register of Members and Share Transfer Books of the Company shall remain closed from Friday, the 8th July, 2011 to Friday, the 15th July, 2011 (both days inclusive) for determining the names of Members eligible for dividend on Equity Shares, if any, declared at the meeting.
5. Dividend on Equity Shares, if declared at the meeting, shall be paid on or after 18th July, 2011, to the shareholders whose names appear on the Register of Members of the Company on Friday, 15th July, 2011. In case of shares held in dematerialized form, the dividend thereon shall be paid to the beneficial owners, as per list provided by the depositories for the said purpose.
6. Members are requested to visit the website of the Company viz. www.hmvl.in for viewing the quarterly and annual financial results and for more information on the Company.
7. Shareholders are requested to participate in the green initiative in Corporate Governance by providing their name, shareholding details, e-mail id and consent to receive the Annual Reports and Accounts and other documents permissible to be sent through electronic mode, by sending an e-mail at hmvl.cs@karvy.com. For any other investor-related queries, communication may be sent by e-mail to hmvlinvestor@hindustantimes.com.
8. Karvy Computershare Private Limited is the Registrar & Share Transfer Agent of the Company. All investor related communication may be addressed to Karvy at the following address:

Karvy Computershare Private Limited
Unit: Hindustan Media Ventures Limited
Plot Nos. 17-24, Vithal Rao Nagar
Madhapur
Hyderabad - 500 086 (India)

Tel : + 91-40-4465 5000
Fax : + 91-40-2342 0814
E-mail : einward.ris@karvy.com
9. Pursuant to Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form No.2B in duplicate (which will be made available on request) to Karvy.
10. For effecting changes in address/bank details/NECS (National Electronic Clearing Services)/ECS (Electronic Clearing Services) mandate; members are requested to notify:
(i) Karvy, if shares are held in **physical form**; and
(ii) their respective Depository Participant (DP), if shares are held in **electronic form**.

11. Members/Proxies are requested to kindly note the following:
 - (i) copies of Annual Report will not be distributed at the venue of the meeting;
 - (ii) Attendance Slip sent herewith, is required to be produced at the venue duly filled-in and signed, for attending the meeting;
 - (iii) entry to the hall will be strictly on the basis of the entrance pass, which shall be provided at the counters at the venue, in exchange for duly completed and signed Attendance Slips; and
 - (iv) in all correspondence with the Company and/or Karvy, Folio No. or DP & Client ID No., as the case may be, must be quoted.
12. Members are requested to send their queries, if any, on the operations of the Company, to reach the Company Secretary at the Company's Corporate Office, atleast 5 days before the meeting, so that the information can be compiled in advance.
13. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
14. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the meeting.
15. The Annual Report of the Company for the year 2010-11 circulated to the members of the Company is available on the Company's website, viz. www.hmvl.in.
16. **Member may please note that briefcase, bag, mobilephone and/or eatables shall not be allowed to be taken inside the hall for security reasons.**

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

ITEM NO. 7

Shri Dipak C. Jain, who was appointed as an Additional Director (Independent) pursuant to the provisions of Section 260 of the Companies Act, 1956 w.e.f. 27th August, 2010, holds office upto the date of the ensuing Annual General Meeting and as required by Section 257 of the Companies Act, 1956, a notice alongwith requisite deposit has been received from a member signifying intention to propose Shri Dipak C. Jain as a candidate for the office of Director of the Company, liable to retire by rotation.

Shri Dipak C. Jain does not hold any share in the Company.

None of the Directors except Shri Dipak C. Jain are, in any way, concerned or interested in the resolution set out at Item no. 7 of the Notice.

The resolution mentioned in Item no. 7 of the Notice is recommended for your approval.

ITEM NO. 8

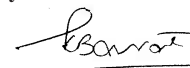
Shri Priyavrat Bhartia, who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956 w.e.f. 27th August, 2010, holds office upto the date of the ensuing Annual General Meeting and as required by Section 257 of the Companies Act, 1956, a notice alongwith requisite deposit has been received from a member signifying his intention to propose Shri Priyavrat Bhartia as a candidate for the office of Director of the Company, liable to retire by rotation.

Shri Priyavrat Bhartia holds 6,719 Equity Shares in the Company.

None of the Directors except Shri Priyavrat Bhartia and Smt. Shobhana Bhartia are, in any way, concerned or interested in the resolution set out at Item no. 8 of the Notice.

The resolution mentioned in Item no.8 of the Notice is recommended for your approval.

By Order of the Board



(Tridib Kumar Barat)
Company Secretary

Place: New Delhi
Date: 6th June, 2011

Details of the Directors seeking appointment / re-appointment in the Annual General Meeting to be held on 15th July, 2011, pursuant to Clause 49 of Listing Agreement of Stock Exchanges

Name of Director	Smt. Shobhana Bhartia	Shri Dipak C. Jain	Shri Priyavrat Bhartia	Shri Rajiv Verma	Shri Benoy Roychowdhury
Date of Birth	04.01.1957	09.06.1957	04.10.1976	16.09.1958	17.09.1960
Relationship with other Directors inter-se	Mother of Shri Priyavrat Bhartia	None	Son of Smt. Shobhana Bhartia	None	None
Date of Appointment	06.01.2010	27.08.2010	27.08.2010	06.01.2010	06.01.2010
Expertise in specific functional areas	Industrialist	Professor in Entrepreneurial Studies and Marketing	Industrialist	General management and establishing foreign collaborations	General management, marketing and sales.
Qualification	Graduate from Calcutta University	M.S. in Mathematical Statistics from Guwahati University, Ph.D. in Marketing and M.S. in Management Science from University of Texas	Bachelor in Economics from Dartmouth College (USA) and MBA from Stanford University	Degree in Mechanical Engineering from Delhi College of Engineering	Bachelor in Economics (Honours) from Calcutta University and PGDBM from XLRI, Jamshedpur
No. of Equity Shares held in the Company	NIL	NIL	6,719	NIL	NIL
List of other companies in which Directorships are held	<ul style="list-style-type: none"> • The Hindustan Times Ltd. • Firefly e-Ventures Limited • HT Media Limited • Air Travel Bureau Limited • Nilgiri Plantations Limited • Goldmerry Investment & Trading Co. Limited • Britex (India) Limited • Ronson Traders Limited • Usha Flowell Limited • Shradhanjali Investment & Trading Co. Limited • Hero Honda Motors Ltd. • Udit (India) Limited • Yashovardhan Investment & Trading Co. Limited • HTL Investment & Trading Co. Ltd. 	<ul style="list-style-type: none"> • Reliance Industries Limited 	<ul style="list-style-type: none"> • The Hindustan Times Limited • Firefly e-Ventures Limited • HT Interactive Media Properties Limited • HT Media Limited • HT Burda Media Limited • The Birla Cotton Spg. & Wvg. Mills Limited • HT Mobile Solutions Limited • Udit (India) Limited • HT Digital Media Holdings Limited • HT Education Limited 	<ul style="list-style-type: none"> • HT Media Limited • HT Music and Entertainment Company Limited • Firefly e-Ventures Limited • HT Digital Media Holdings Limited • HT Education Limited • HT Burda Media Limited • HT Mobile Solutions Limited • HT Learning Centers Limited 	<ul style="list-style-type: none"> • The Advertising Standards Council of India • The Indian Newspaper Society
List of Committees of the Board of Directors (across all companies) in which Chairmanship/ Membership is held	<p>Chairperson</p> <ul style="list-style-type: none"> • Audit Committee of The Hindustan Times Limited 	None	<p>Chairman</p> <ul style="list-style-type: none"> • Audit Committee of HT Digital Media Holdings Limited • Audit Committee of HT Mobile Solutions Limited <p>Member</p> <ul style="list-style-type: none"> • Investors' Grievance Committee of HT Media Limited • Audit Committee of The Hindustan Times Limited • Audit Committee of Firefly e-Ventures Limited • Audit Committee of The Birla Cotton Spg. & Wvg. Mills Limited • Audit Committee of Hindustan Media Ventures Limited 	<p>Chairman</p> <ul style="list-style-type: none"> • Audit Committee of HT Burda Media Limited <p>Member</p> <ul style="list-style-type: none"> • Investors' Grievance Committee of Hindustan Media Ventures Limited • Audit Committee of HT Music and Entertainment Company Limited • Audit Committee of Firefly e-Ventures Limited • Audit Committee of HT Digital Media Holdings Ltd. • Audit Committee of HT Mobile Solutions Limited 	<p>Member</p> <ul style="list-style-type: none"> • Investors' Grievance Committee of Hindustan Media Ventures Limited

Note:

1. As per latest disclosures received from the Directors, the directorship(s) mentioned above do not include directorship(s) of Foreign Companies, Section 25 Companies and Private Limited Companies.
2. Pursuant to Clause 49 of the Listing Agreement, only two Committees viz. Audit Committee and Shareholders'/Investors' Grievance Committee have been considered.

हिन्दुस्तान

Hindustan Media Ventures Limited
Registered Office: Budh Marg, Patna - 800 001

ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the entrance of the meeting hall

Ledger Folio/DP & Client ID No.:	No. of Shares held:
Name:	
Address:	

I hereby record my presence at the **Annual General Meeting** of the Company held on Friday, the 15th July, 2011 at 3.00 P.M. at Hotel Maurya, South Gandhi Maidan, Patna - 800 001.

* I hereby give my consent to receive the Annual Reports and Accounts and other documents permissible to be sent through electronic mode, on my e-mail ID – instead of physical form.

Signature of Shareholder/Proxy:

**Delete if not required.*

.....✂.....✂.....

हिन्दुस्तान

PROXY FORM

Hindustan Media Ventures Limited
Registered Office: Budh Marg, Patna - 800 001

I/We of being a member of Hindustan Media Ventures Limited, hereby appoint of or failing him of as my/our proxy, to attend and vote for me/us and on my/our behalf at the **Annual General Meeting** of the Company to be held on Friday, the 15th July, 2011 at 3.00 P.M. at Hotel Maurya, South Gandhi Maidan, Patna - 800 001, and/or at any adjournment thereof.

Signed this day of, 2011

Affix Revenue
Stamp of
Re.0.30/-

Signature

Ledger Folio/DP & Client ID No.:	No. of Shares held:
Name:	
Address:	

NOTE:

- The Proxy in order to be effective must be deposited at the Registered Office of the Company duly stamped and signed, at least 48 hours before the time for holding of meeting. The Proxy need not be a member of the Company.
- The Proxy form should be signed across the stamp as per specimen signature registered with the Registrar & Share Transfer Agent/Depository.