

**FORM A**

**Format of covering letter of the annual audit report to be filed with the stock exchanges  
(Pursuant to Clause 31 of Equity Listing Agreement)**

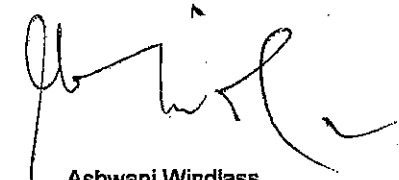
<b>Name of the Company</b>	Hindustan Media Ventures Limited
<b>Annual financial statements for the year ended</b>	31 <sup>st</sup> March 2014
<b>Type of Audit observation</b>	Un-qualified Auditors' Report
<b>Frequency of observation</b>	There are no observation in Auditors' Report issued pursuant to section 227 of the Companies Act, 1956

**For S.R. Batliboi & CO. LLP**  
ICAI Firm Registration Number: 301003E  
Chartered Accountants

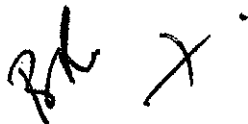


**per Manoj Gupta**  
Partner  
Membership No.: 83906

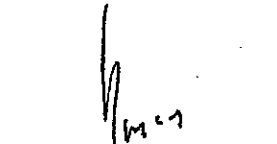
**Place of Signature: New Delhi**



**Ashwani Windlass**  
(Chairman, Audit Committee)



**Benoy Roychowdhury**  
(Whole-time Director)



**Ajay Kumar Jain**  
(Chief Financial Officer)



## Hindustan Media Ventures Limited

CIN: L21090BR1918PLC000013

Registered Office: Budh Marg, Patna - 800 001

Ph.: +91 612 661 0650 Fax: +91 612 222 1545

Corporate Office: Hindustan Times House, 2nd Floor, 18-20, Kasturba Gandhi Marg, New Delhi - 110 001

Ph.: +91 11 6656 1608 Fax: +91 11 6656 1445

E-mail: corporatedept@hindustantimes.com website: www.hmv.ln

### 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 Monday, the 8<sup>th</sup> September, 2014 at 3:00 P.M. at Hotel Maurya, South Gandhi Maidan, Patna - 800 001, to transact the following business:

#### **ORDINARY BUSINESS**

##### **ITEM NO. 1**

To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2014, including Balance Sheet as at 31<sup>st</sup> March, 2014 and Statement of Profit & Loss 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 financial year ended 31<sup>st</sup> March, 2014.

##### **ITEM NO. 3**

To appoint a Director in place of Shri Shamit Bhartia (holding DIN: 00020623), who retires from office by rotation, and being eligible, offers himself for re-appointment.

##### **ITEM NO. 4**

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 an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. S.R. Batliboi & Co., LLP, Chartered Accountants [Firm Registration No. 301003E], be and are hereby re-appointed as the auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the third consecutive Annual General Meeting to be held in the calendar year 2016 (subject to ratification of their appointment by the members at the Annual General Meeting to be held in the calendar year 2015), on such remuneration as may be agreed upon between the Board of Directors and the Auditors, in addition to the reimbursement of Service Tax and out of pocket expenses in connection with audit of the accounts of the Company."

#### **SPECIAL BUSINESS**

##### **ITEM NO. 5**

To appoint Shri Piyush G. Mankad as an Independent Director and in this regard, to consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Shri Piyush G. Mankad (holding DIN: 00005001), Director of the Company who retires by rotation at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to 31<sup>st</sup> March, 2019."

##### **ITEM NO. 6**

To appoint Shri Ajay Relan as an Independent Director and in this regard, to consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Shri Ajay Relan (holding DIN: 00002632), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to 31<sup>st</sup> March, 2019."

##### **ITEM NO. 7**

To appoint Shri Ashwani Windlass as an Independent Director and in this regard, to consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Shri Ashwani Windlass (holding DIN: 00042686), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to 31<sup>st</sup> March, 2019."

##### **ITEM NO. 8**

To appoint Shri Shardul S. Shroff as an Independent Director and in this regard, to consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Shri Shardul S. Shroff (holding DIN: 00009379), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to 31<sup>st</sup> March, 2019."

**ITEM NO. 9**

To appoint Shri Rajiv Verma as Director liable to retire by rotation and in this regard, to consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** Shri Rajiv Verma (holding DIN: 00017110), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 21<sup>st</sup> August, 2013 in terms of Section 260 of the Companies Act, 1956 [corresponding to Section 161(1) of the Companies Act, 2013] and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company, whose period of office shall be liable to determination by retirement of directors by rotation."

**ITEM NO. 10**

To appoint Shri Vikram Singh Mehta as an Independent Director and in this regard, to consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** Shri Vikram Singh Mehta (holding DIN: 00041197), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 21<sup>st</sup> August, 2013 in terms of Section 260 of the Companies Act, 1956 [corresponding to Section 161(1) of the Companies Act, 2013] and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company in terms of the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, to hold office for 5 (five) consecutive years for a term up to 31<sup>st</sup> March, 2019."

**ITEM NO. 11**

To re-appoint Shri Benoy Roychowdhury as Whole-time Director of the Company and in this regard, to consider, and if thought fit, to pass with or without modification(s), the following resolutions as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactments thereof, for the time being in force), and such other consents and approvals as may be required, consent of the Company be and is hereby accorded to the re-appointment of Shri Benoy Roychowdhury (holding DIN: 00816822) as Whole-time Director of the Company for a period of 5 (five) years with effect from 1<sup>st</sup> April, 2014, including payment of remuneration on the terms and conditions set out below, with liberty to Board of Directors to alter and vary the terms and conditions, not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof: -

1.	Salary and Special Pay	Rs. 9,53,570/- per month including Salary of Rs. 7,64,366/- per month, with authority to CEO of HT Media Limited (Holding Company) in consultation with Chairperson (hereinafter referred to as "the Authority") to revise the Salary and Special Pay from time to time, subject however to a ceiling of Rs. 18,00,000/- per month.
2.	Housing	Either Company's owned/hired/leased fully-furnished residential accommodation, or House Rent Allowance of equivalent amount in lieu thereof, or a combination of both, the cost of which shall not exceed Rs. 1,77,376/- per month, with power to the Authority to revise the limit from time to time, subject however to a ceiling of Rs. 3,50,000/- per month.
3.	Medical re-imbursment	Re-imbursment of medical expenses incurred in India and abroad (including insurance premium for medical and hospitalization policy, if any) on actual basis for self and family, subject to ceiling of one month's Salary in a year or three months' Salary over a period of three years.
4.	Leave Travel Allowance	For self and family, once a year in accordance with Rules of the Company upto a maximum of Rs. 10,00,000/- per annum with power to the Authority to revise the Leave Travel Allowance from time to time, subject however to a ceiling of Rs. 15,00,000/- per annum.
5.	Club Fees	Membership of one club in India (including admission and membership fee) in accordance with Rules of the Company upto a maximum of Rs. 4,00,000/- per annum.
6.	Entertainment expenses and other business expenses	Entertainment expenses incurred for the business of the Company shall be reimbursed as per Rules of the Company. Reimbursement of travelling expenses of spouse accompanying the Whole-time Director on any official trip as per Rules of the Company.
7.	Car & Telephone	The Company shall provide one car with driver and telephone at the residence of the Whole-time Director, for Company's business in accordance with Rules of the Company, upto a maximum of Rs. 40,00,000/- per annum.
8.	Personal Insurance as part of Key Man Insurance	For an amount, premium of which shall not exceed Rs. 7,00,000/- per annum.
9.	PF Contribution	Contribution to Provident Fund shall be as per Rules of the Company.
10.	Gratuity	Gratuity payable shall not exceed half a month's Salary for each completed year of service.
11.	Other allowances, benefits, perquisites and variable pay	Aggregate of - (i) any other allowances, benefits, perquisites admissible to senior Officers of the Company as per Rules of the Company from time to time; and (ii) variable pay to be fixed by the Authority on the basis of Company's performance, upto a maximum of 200% of aggregate of extant salary, special pay & housing under (1) and (2) above, per annum.

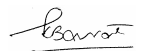
Shri Benoy Roychowdhury will also be entitled to Stock Options as per applicable policies from time to time. The next salary increment will be due on 1<sup>st</sup> April, 2015.

**RESOLVED FURTHER THAT** where in any financial year the Company has no profits or inadequate profits, the remuneration as decided by the Board from time to time, shall be paid to Shri Benoy Roychowdhury as minimum remuneration with the approval of the Central Government, if required.

**RESOLVED FURTHER THAT** so long as Shri Benoy Roychowdhury functions as the Whole-time Director of the Company, he will not be paid any fees for attending the meetings of the Board of Directors or any Committee thereof.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the foregoing resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of re-appointment of Shri Benoy Roychowdhury as aforesaid without being required to seek any further consent or approval of the Members of Company or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

By Order of the Board



(Tridib Kumar Barat)  
Company Secretary

Place: New Delhi

Date: 1<sup>st</sup> August, 2014

**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.**  
**A person can act as proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy, and such person shall not act as proxy for any other person or member.**
2. Corporate Members intending to send their authorized representative 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.
3. 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.
4. A Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting (Item Nos. 5 to 11 of the Notice) is annexed hereto.
5. As required by Clause 49 of the Listing Agreement entered into with the stock exchanges, the relevant details of Shri Shamit Bhartia, Shri Piyush G. Mankad, Shri Ajay Relan, Shri Ashwani Windlass, Shri Shardul S. Shroff, Shri Rajiv Verma, Shri Vikram Singh Mehta and Shri Benoy Roychowdhury, Directors, is annexed herewith.
6. Copy of the Board resolutions dated 21<sup>st</sup> August, 2013 and Written Memorandum under Section 190 of the Companies Act, 2013 dated 7<sup>th</sup> May, 2014 are open for inspection at all business days (except Saturday and Sunday) during 10.00 a.m. to 5.00 p.m. upto the date of the Annual General Meeting.
7. Register of Members and Share Transfer Books of the Company shall remain closed from Monday, the 1<sup>st</sup> September, 2014 to Monday, the 8<sup>th</sup> September, 2014 (both days inclusive) for determining the names of Members eligible for dividend on Equity Shares, if any, declared at the meeting.
8. Dividend on Equity Shares, if declared at the meeting, shall be paid on or after Wednesday, 10<sup>th</sup> September, 2014, to the shareholders whose names appear on the Register of Members of the Company on Monday, 8<sup>th</sup> September, 2014. 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.
9. 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.
10. 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 Annual Reports and other documents permissible to be sent through electronic mode, by sending e-mail at hmvl.cs@karvy.com. For any other investor-related queries, communication may also be sent by e-mail to hmvlinvestor@hindustantimes.com.
11. 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, Vittalrao Nagar, Madhapur, Hyderabad - 500 081 (India)  
Tel: + 91-40-2342 0818, Fax: + 91-40-2342 0814  
E-mail: einward.ris@karvy.com
12. Shareholders who have not encashed/received dividend for the financial years ended on 31<sup>st</sup> March, 2011, 31<sup>st</sup> March, 2012 and 31<sup>st</sup> March, 2013 may please approach the Company and/or Karvy for payment of such unpaid dividend.
13. Pursuant to Section 72 of the Companies Act, 2013, 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 prescribed form (which will be made available on request) to Karvy.
14. For effecting changes in address / bank details / NECS (National 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.
15. 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 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.
16. 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.
17. The Notice of the Annual General Meeting and the Annual Report of the Company for the year 2013-14 circulated to the members is available on the Company's website, viz. www.hmvl.in.
18. **Members may please note that briefcase, bag, mobile phone, and/or eatables shall not be allowed to be taken inside the hall for security reasons.**
19. **In compliance with provisions of Section 108 of the Companies Act, 2013 & Rule 20 of the Companies (Management and Administration) Rules, 2014, and Clause 35B of the Listing Agreement with Stock Exchanges, the Company is pleased to extend to its members the facility to exercise their right to vote at this Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Karvy Computershare Private Limited.**

**PROCEDURE AND INSTRUCTIONS FOR E-VOTING****A. The procedure and instructions for e-voting are as follows:**

- (i) Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'
- (ii) Enter the login credentials (i.e., user-id & password) mentioned in a separate communication annexed to this Notice. Your folio no./DP ID and Client ID will be your User-ID.

User - ID	For Members holding shares in Demat Form:- a) With NSDL:- 8 Character DP ID followed by 8 Digits Client ID b) With CDSL:- 16 digits beneficiary ID For Members holding shares in Physical Form:- ● Event number followed by Folio Number registered with the Company
Password	Your unique password is printed on the separate communication annexed to this Notice/via email forwarded through the electronic notice
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- (iii) After entering these details appropriately, click on "LOGIN".

- (iv) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be of minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat account holders for voting on resolution of any other Company in which they are eligible to vote, provided that company opts for e-voting through Karvy's e-Voting platform. System will prompt you to change your password and update any contact details like mobile no., email ID etc. on first login. You may also enter the Secret Question and Answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (v) You need to login again with the new credentials.
- (vi) On successful login, system will prompt to select the 'Event' i.e., 'Hindustan Media Ventures Limited'.
- (vii) If you are holding shares in Demat form and had logged on to <https://evoting.karvy.com> and casted your vote earlier for any company, then your existing login id and password are to be used.
- (viii) On the voting page, you will see resolution description and against the same, the option 'FOR' or 'AGAINST' for voting. Enter the number of shares (which represents number of votes) under 'FOR' or 'AGAINST' or alternatively, you may partially enter any number 'FOR' and partially 'AGAINST', but the total number 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding.
- (ix) After selecting the resolution, you have decided to vote on, click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.
- (x) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote subsequently.
- (xi) Corporate/Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned certified true copy (PDF Format) of Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly Authorized Representative(s) to the Scrutinizer through e-mail: [investor@hindustantimes.com](mailto:investor@hindustantimes.com) with copy to [evoting@karvy.com](mailto:evoting@karvy.com). They may upload the same in the e-voting module in their login. The file scanned image of the Board Resolution should be in the naming format "Corporate Name\_ Event no."
- (xii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the Downloads section of '<https://evoting.karvy.com>' or contact M/s Karvy Computershare Private Limited at Tel. No: 040 4465 5000 (Toll Free No.: 1800 345 4001).

Members who have registered their e-mail IDs for receipt of documents in electronic mode under the Green Initiative of Ministry of Corporate Affairs are being sent AGM Notice by e-mail and to others are being sent by post.

**B. In case a Member receives physical copy of the Notice of AGM** [for members whose email IDs are not registered with the Depository Participants(s) or requesting physical copy]:

- (i) Initial password is provided in a separate communication annexed to this notice.
- (ii) Please follow all steps from Sl. No. (i) to Sl. No. (xii) above, to cast your vote.

**C. Members can cast their vote online from 0930 hours (Server time) on Tuesday, the 2<sup>nd</sup> September, 2014 till 1730 hours (Server time), on Thursday, the 4<sup>th</sup> September, 2014. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 1<sup>st</sup> August, 2014, may cast their vote electronically in the manner and process set out herein above. The e-voting module shall be disabled by Karvy for voting thereafter.**

- D. Shri Arun Kumar Soni, Practicing Company Secretary (CP No. 1726), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- E. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairperson/Company Secretary of the Company.
- F. Those Members who have cast their vote electronically, cannot modify the same or vote at the Annual General Meeting. However, they can attend the meeting and participate in the discussions.
- G. The results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.hmvl.in](http://www.hmvl.in) and on the website of Karvy within two days of passing of the resolutions at the AGM of the Company and the results shall also be communicated to BSE and NSE.

**STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM NO. 5**

Shri Piyush G. Mankad is a Non-Executive Independent Director of the Company since 19<sup>th</sup> December, 2011. Shri Piyush G. Mankad is member of the Nomination and Remuneration Committee of the Board of Directors of the Company.

Shri Piyush G. Mankad retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Shri Piyush G. Mankad being eligible, and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31<sup>st</sup> March, 2019. The Company has also received declarations from Shri Piyush G. Mankad that he meets with the criteria of independence as prescribed under both sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Shri Piyush G. Mankad is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

A notice has been received from a member proposing Shri Piyush G. Mankad as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Piyush G. Mankad fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Piyush G. Mankad as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri Piyush G. Mankad as an Independent Director in terms of applicable provisions of the Companies Act, 2013, for approval by the members of the Company. Copy of the draft letter of appointment of Shri Piyush G. Mankad as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Shri Piyush G. Mankad is interested in the resolution set out at Item No. 5 of the Notice with regard to his appointment. The relatives of Shri Piyush G. Mankad may be deemed to be interested in this resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The resolution mentioned in Item no. 5 of the Notice is recommended for your approval.

**ITEM NO. 6**

Shri Ajay Relan is an Independent Director of the Company since 22<sup>nd</sup> February, 2010. Shri Ajay Relan is Chairman of the Stakeholders' Relationship Committee and Investment & Banking Committee and a member of the Audit Committee and Corporate Social Responsibility Committee of the Board of Directors of the Company.

Shri Ajay Relan is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Shri Ajay Relan being eligible, and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31<sup>st</sup> March, 2019. The Company has also received declarations from Shri Ajay Relan that he meets with the criteria of independence as



prescribed under both sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Shri Ajay Relan is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

A notice has been received from a member proposing Shri Ajay Relan as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Ajay Relan fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Ajay Relan as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri Ajay Relan as an Independent Director in terms of applicable provisions of the Companies Act, 2013, for approval by the members of the Company. Copy of the draft letter of appointment of Shri Ajay Relan as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Shri Ajay Relan is interested in the resolution set out at Item No. 6 of the Notice with regard to his appointment. The relatives of Shri Ajay Relan may be deemed to be interested in this resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The resolution mentioned in Item no. 6 of the Notice is recommended for your approval.

#### **ITEM NO. 7**

Shri Ashwani Windlass is an Independent Director of the Company since 22<sup>nd</sup> February, 2010. Shri Ashwani Windlass is Chairman of the Audit Committee and Nomination & Remuneration Committee of the Board of Directors of the Company.

Shri Ashwani Windlass is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Shri Ashwani Windlass being eligible, and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31<sup>st</sup> March, 2019. The Company has also received declarations from Shri Ashwani Windlass that he meets with the criteria of independence as prescribed under both sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Shri Ashwani Windlass is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

A notice has been received from a member proposing Shri Ashwani Windlass as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Ashwani Windlass fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Ashwani Windlass as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri Ashwani Windlass as an Independent Director in terms of applicable provisions of the Companies Act, 2013, for approval by the members of the Company. Copy of the draft letter of appointment of Shri Ashwani Windlass as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Shri Ashwani Windlass is interested in the resolution set out at Item No. 7 of the Notice with regard to his appointment. The relatives of Shri Ashwani Windlass may be deemed to be interested in this resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

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

#### **ITEM NO. 8**

Shri Shardul S. Shroff is an Independent Director of the Company since 22<sup>nd</sup> February, 2010. Shri Shardul S. Shroff is member of the Audit Committee of the Board of Directors of the Company.

Shri Shardul S. Shroff is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Shri Shardul S. Shroff being eligible, and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31<sup>st</sup> March, 2019. The Company has also received declarations from Shri Shardul S. Shroff that he meets with the criteria of independence as prescribed under both sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Shri Shardul S. Shroff is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

A notice has been received from a member proposing Shri Shardul S. Shroff as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Shardul S. Shroff fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Shardul S. Shroff as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri Shardul S. Shroff as an Independent Director in terms of applicable provisions of the Companies Act, 2013, for approval by the members of the Company. Copy of the draft letter of appointment of Shri Shardul S. Shroff as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Shri Shardul S. Shroff is interested in the resolution set out at Item No. 8 of the Notice with regard to his appointment. The relatives of Shri Shardul S. Shroff may be deemed to be interested in this resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

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

#### **ITEM NO. 9**

The Board of Directors appointed Shri Rajiv Verma, as an Additional Director (Non-Executive) pursuant to the provisions of Section 260 of the Companies Act, 1956 w.e.f. 21<sup>st</sup> August, 2013. In terms of Section 161(1) of the Companies Act, 2013 (corresponding to Section 260 of the Companies Act, 1956) Shri Rajiv Verma holds office only upto the date of this Annual General Meeting. Shri Rajiv Verma is member of the Stakeholders' Relationship Committee and Investment & Banking Committee of the Board of Directors of the Company.

A notice has been received from a member proposing Shri Rajiv Verma as a candidate for the office of Director of the Company. Shri Rajiv Verma is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

The Board considers that the appointment of Shri Rajiv Verma as Director would be of immense benefit to the Company and it is desirable to continue to avail his services. Accordingly, the Board recommends the resolution in relation to appointment of Shri Rajiv Verma as Director, liable to retire by rotation, for approval by members of the Company.

Shri Rajiv Verma is interested in the resolution set out at Item No. 9 of the Notice with regard to his appointment. The relatives of Shri Rajiv Verma may be deemed to be interested in this resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The resolution mentioned in Item no. 9 of the Notice is recommended for your approval.

**ITEM NO. 10**

The Board of Directors had appointed Shri Vikram Singh Mehta, as an Additional Director (Independent) pursuant to the provisions of Section 260 of the Companies Act, 1956 w.e.f. 21<sup>st</sup> August, 2013. In terms of Section 161(1) of the Companies Act, 2013 (corresponding to Section 260 of the Companies Act, 1956) Shri Vikram Singh Mehta holds office only upto the date of this Annual General Meeting.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, it is proposed to appoint Shri Vikram Singh Mehta as an Independent Director for five consecutive years for a term upto 31<sup>st</sup> March, 2019. The Company has also received declarations from Shri Vikram Singh Mehta that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Shri Vikram Singh Mehta is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

A notice has been received from a member proposing Shri Vikram Singh Mehta as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Vikram Singh Mehta fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Vikram Singh Mehta as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri Vikram Singh Mehta as an Independent Director in terms of applicable provisions of the Companies Act, 2013, for approval by the members of the Company. Copy of the draft letter of appointment of Shri Vikram Singh Mehta as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Shri Vikram Singh Mehta is interested in the resolution set out at Item No. 10 of the Notice with regard to his appointment. The relatives of Shri Vikram Singh Mehta may be deemed to be interested in this resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The resolution mentioned in Item no. 10 of the Notice is recommended for your approval.

**ITEM NO. 11**

The members of the Company at their Extra-ordinary General Meeting held on 28<sup>th</sup> February, 2010 had approved appointment of Shri Benoy Roychowdhury as Whole-time Director of the Company with effect from 23<sup>rd</sup> February, 2010 for a period of 5 (five) years, including payment of remuneration. The said tenure of Shri Benoy Roychowdhury will end on 22<sup>nd</sup> February, 2015.

The Board of Directors of the Company at its meeting held on 7<sup>th</sup> May, 2014 have, subject to the approval of members, approved the re-appointment of Shri Benoy Roychowdhury as Whole-time Director for a further period of 5 years w.e.f. 1<sup>st</sup> April, 2014.

Shri Benoy Roychowdhury is actively involved in the business policy decisions of the Company. Shri Benoy Roychowdhury is Bachelor in Economics (Hons.) from Presidency College, Calcutta University and PGDBM from XLRI, Jamshedpur. He has around three decades of experience in Marketing, Sales and General Management.

The Written Memorandum under Section 190 of the Companies Act, 2013 setting out terms of re-appointment of Shri Benoy Roychowdhury as Whole-time Director would be available for inspection without any fee by the members at the registered office of the Company between 10.00 a.m. and 5.00 p.m. on any working day except Saturday.

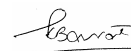
Members' approval is required for the re-appointment of Shri Benoy Roychowdhury as Whole-time Director for a further period of 5 years w.e.f. 1<sup>st</sup> April, 2014 and payment of remuneration as set out in the accompanying resolution.

Shri Benoy Roychowdhury is interested in the resolution set out respectively at Item No. 11 of the Notice with regard to his re-appointment. The relatives of Shri Benoy Roychowdhury may be deemed to be interested in the resolution set out respectively at Item No.11 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The resolution mentioned in Item no. 11 of the Notice is recommended for your approval.

**By Order of the Board**



**(Tridib Kumar Barat)  
Company Secretary**

**Place:** New Delhi

**Date:** 1<sup>st</sup> August, 2014

**Details of the Directors seeking appointment / re-appointment in the Annual General Meeting to be held on 8th September, 2014, pursuant to Clause 49 of Listing Agreement of Stock Exchanges**

Name of Director	Shri Shamit Bhatia	Shri Piyush G. Mankad	Shri Ajay Relan	Shri Ashwani Wndlass	Shri Shardul S. Shroff	Shri Rajiv Verma	Shri Vikram Singh Mehta	Shri Benoy Roychowdhury
<b>Date of Birth</b>	27.04.1979	18.11.1941	09.12.1953	02.07.1956	01.10.1955	16.09.1958	30.10.1952	17.09.1960
<b>Relationship with other Directors inter-se</b>	Son of Smt. Shobhana Bhatia and brother of Shri Priyavrat Bhatia	None	None	None	None	None	None	None
<b>Date of Appointment</b>	19.12.2011	19.12.2011	22.02.2010	22.02.2010	22.02.2010	21.08.2013	21.08.2013	06.01.2010
<b>Expertise in specific functional areas</b>	Industrialist	Retired IAS Officer, ex-Finance Secretary, Government of India	Investment Banker	Strategy, Telecom, Technology, setting up and managing of Joint Ventures	Managing Partner of Amarchand Mangaldas with over 30 years of experience in Banking & Finance, Capital Markets, Corporate Restructuring, General Corporate Advisory, Joint Ventures, Infrastructure, Mergers & Acquisitions, Oil & Gas, Project Finance, Real Estate, Regulatory Policies and Takeovers	General management and establishing foreign collaborations	Former IAS, Strategic Planning and International affairs	General Management, Marketing and Sales
<b>Qualification</b>	Degree in Economics (Dartmouth College, USA)	Post Graduate in History (Delhi University); Post Graduate Diploma in Development Studies (Cambridge, U.K.)	B.A. (Hons.) in Economics (St. Stephen's College, Delhi University); MBA (IIM, Ahmedabad)	B. Com and Graduate in Journalism (Punjab University, Chandigarh); MBA (Faculty of Management Studies, University of Delhi)	B.Com. (Sydenham College, Mumbai); LL.B. (Government Law College, Mumbai)	Degree in Mechanical Engineering (Delhi College of Engineering); Student of AMP Class of 2001 at Kellogg Business School (Northwestern University)	B.A. (Mathematics Honors) (St. Stephens College, Delhi University); BA/M.A (Economics Honors), (Magdalen College, Oxford University); Post Graduate in Energy Economics (Fletcher School of Law and Diplomacy, Tufts University)	Bachelor in Economics (Honours) (Calcutta University); PGDBM (XLRI, Jamshedpur)
<b>No. of Equity Shares of Rs.10/- each held in the Company</b>	5017	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>List of other companies in which Directorships are held</b>	<ul style="list-style-type: none"> <li>● The Hindustan Times Limited</li> <li>● HT Media Limited</li> <li>● The Birla Cotton Spg. &amp; Wvg. Mills Limited</li> <li>● Firefly e-Ventures Limited</li> <li>● HT Digital Media Holdings Limited</li> <li>● HT Learning Centers Limited</li> <li>● Goldmercy Investment &amp; Trading Company Limited</li> <li>● Jubilant Industries Limited</li> <li>● Jubilant Agri &amp; Consumer Products Limited</li> <li>● BCM Holding Limited</li> <li>● Birla Real Estate Limited</li> <li>● Earthstone Investment &amp; Finance Limited</li> </ul>	<ul style="list-style-type: none"> <li>● Tata International Limited</li> <li>● The Tata Power Company Limited</li> <li>● Tata Elxsi Limited</li> <li>● Mahindra &amp; Mahindra Financial Services Limited</li> <li>● ICRA Limited</li> <li>● Noida Toll Bridge Company Limited</li> <li>● Heidelberg Cement India Limited</li> </ul>	<ul style="list-style-type: none"> <li>● HT Media Limited</li> <li>● NTL Electronics India Limited</li> <li>● Thyrocare Technologies Limited</li> <li>● Security And Intelligence Services (India) Limited</li> <li>● Bluechip Technologies Limited</li> <li>● Indian City Proper Limited</li> </ul>	<ul style="list-style-type: none"> <li>● Max India Limited</li> <li>● Vodafone India Limited</li> <li>● Antara Senior Living Limited</li> </ul>	<ul style="list-style-type: none"> <li>● Ashok Leyland Limited</li> <li>● Jindal Power Limited</li> <li>● Jubilant Life Sciences Limited</li> <li>● Visa Power Limited</li> </ul>	<ul style="list-style-type: none"> <li>● HT Media Limited</li> <li>● HT Music and Entertainment Company Limited</li> <li>● Firefly e-Ventures Limited,</li> <li>● HT Digital Media Holdings Limited</li> <li>● HT Education Limited</li> <li>● HT Mobile Solutions Limited</li> <li>● HT Learning Centers Limited</li> <li>● Topmovies Entertainment Limited</li> </ul>	<ul style="list-style-type: none"> <li>● Colgate-Palmolive (India) Limited</li> <li>● United Spirits Limited</li> <li>● Mahindra &amp; Mahindra Limited</li> <li>● Apollo Tyres Limited</li> <li>● Larsen and Toubro Limited</li> <li>● Vodafone India Limited</li> <li>● L&amp;T Hydrocarbon Limited</li> <li>● Engineering Limited</li> <li>● Thomson Reuters Funders Share Company Limited</li> </ul>	<ul style="list-style-type: none"> <li>● The Advertising Standards Council of India</li> </ul>

contd...



Name of Director	Shri Shamit Bhartia	Shri Piyush G. Mankad	Shri Ajay Relan	Shri Ashwani Windlass	Shri Shardul S. Shroff	Shri Rajiv Verma	Shri Vikram Singh Mehta	Shri Benoy Roychowdhury
<p><b>List of the Committee of Board of Directors (across all companies) in which Chairmanship/ Membership is held</b></p>	<p><b>Chairman</b></p> <ul style="list-style-type: none"> <li>● Audit Committee of Firefly e-Ventures Limited</li> </ul> <p><b>Member</b></p> <ul style="list-style-type: none"> <li>● Audit Committee of HT Media Limited</li> <li>● Audit Committee of HT Digital Media Holdings Limited</li> <li>● Audit Committee of HT Learning Centers Limited</li> </ul>	<p><b>Chairman</b></p> <ul style="list-style-type: none"> <li>● Investors' Grievance and Share Transfer Committee of Heidelberg Cement India Limited</li> <li>● Investors' Grievance and Share Transfer Committee of Tata Elxsi Limited</li> </ul> <p><b>Member</b></p> <ul style="list-style-type: none"> <li>● Audit Committee of The Tata Power Company Limited</li> <li>● Audit Committee of Tata International Limited</li> <li>● Audit Committee of Noida Toll Bridge Company Limited</li> <li>● Investors' Grievance and Share Transfer Committee of Noida Toll Bridge Company Limited</li> <li>● Audit Committee of Mahindra &amp; Mahindra Financial Services Limited</li> <li>● Audit Committee of ICRA Limited</li> <li>● Audit Committee of Heidelberg Cement India Limited</li> </ul>	<p><b>Chairman</b></p> <ul style="list-style-type: none"> <li>● Stakeholders' Relationship Committee of Hindustan Media Ventures Limited</li> </ul> <p><b>Member</b></p> <ul style="list-style-type: none"> <li>● Audit Committee of Hindustan Media Ventures Limited</li> <li>● Audit Committee of HT Media Limited</li> <li>● Stakeholders' Relationship Committee of HT Media Limited</li> </ul>	<p><b>Chairman</b></p> <ul style="list-style-type: none"> <li>● Shareholders/Investors Grievance Committee of Max India Limited</li> <li>● Audit Committee of Hindustan Media Ventures Limited</li> <li>● Audit Committee of Vodafone India Limited</li> </ul> <p><b>Member</b></p> <ul style="list-style-type: none"> <li>● Audit Committee of Max India Limited</li> </ul>	<p><b>Member</b></p> <ul style="list-style-type: none"> <li>● Audit Committee of Hindustan Media Ventures Limited</li> </ul>	<p><b>Member</b></p> <ul style="list-style-type: none"> <li>● Stakeholders' Relationship Committee of Hindustan Media Ventures Limited</li> <li>● Audit Committee of Firefly e-Ventures Limited</li> <li>● Audit Committee of HT Digital Media Holdings Limited</li> <li>● Audit Committee of HT Education Limited</li> <li>● Audit Committee of HT Mobile Solutions Limited</li> <li>● Audit Committee of HT Learning Centers Limited</li> </ul>	<p><b>Member</b></p> <ul style="list-style-type: none"> <li>● Audit Committee of Colgate-Palmolive (India) Limited</li> <li>● Audit Committee of United Spirits Limited</li> </ul>	<p><b>Member</b></p> <ul style="list-style-type: none"> <li>● Stakeholders' Relationship Committee of Hindustan Media Ventures Limited</li> </ul>

Notes: 1. As per latest disclosures received from Directors, the directorship(s) mentioned above do not include directorship(s) of foreign companies, Section 8 companies and private limited companies.  
2. Pursuant to Clause 49 of the Listing Agreement, only two Committees viz. Audit Committee and Stakeholders' Relationship/ Shareholders'/Investors' Grievance Committee have been considered.



# हिन्दुस्तान



# Corporate Information

## BOARD OF DIRECTORS

Smt. Shobhana Bhartia  
*Chairperson*  
Shri Ajay Relan  
Shri Ashwani Windlass  
Shri Piyush G. Mankad  
Shri Shardul S. Shroff  
Shri Vikram Singh Mehta  
Shri Priyavrat Bhartia  
Shri Shamit Bhartia  
Shri Rajiv Verma  
Shri Benoy Roychowdhury  
*Whole-time Director*

## REGISTRAR & SHARE TRANSFER AGENT

Karvy Computershare Private Limited  
Plot Nos. 17-24, Vittal Rao Nagar  
Madhapur, Hyderabad - 500 081  
Tel.: +91 40 2342 0818  
Fax: +91 40 2342 0814  
Email: einward.ris@karvy.com

## CORPORATE OFFICE

Hindustan Times House, 2<sup>nd</sup> Floor  
18-20, Kasturba Gandhi Marg  
New Delhi - 110 001  
Tel.: +91 11 6656 1608  
Fax: +91 11 6656 1445  
Email: hmvlinvestor@hindustantimes.com  
Website: www.hmvl.in

## REGISTERED OFFICE

Budh Marg, Patna - 800 001  
Tel.: +91 612 661 0650  
Fax: +91 612 222 1545

## CHIEF EXECUTIVE OFFICER

Shri Vivek Khanna

## CHIEF FINANCIAL OFFICER

Shri Ajay Jain

## COMPANY SECRETARY

Shri Tridib Barat

## AUDITORS

S.R. Batliboi & Co. LLP

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# *Tarakki ki Pehchaan*

We all become what we do repeatedly.  
Our actions become our identity.  
The process begins when we take a stance,  
and act on that stance to make things  
happen.

Over the years, Hindustan, the 2<sup>nd</sup> most widely read newspaper in the country, has become synonymous with progress. Through its editorials, its reporting, its analysis and the causes it espouses, it is a fighter for change and progress.

While ostensibly a language newspaper, it has actually morphed into the voice of the people, the repository of their aspirations and the instrument of those who seek progress in civic, social, political and lifestyle-related issues.

Through this Annual Report, we bring to you a bird's eye view of the Tarakki that we have become identified with during the year...





# Tarakki ki Pehchaan



## Aao Rajneeti Karein

### Maaro Vote ki Chot

For any citizen who lives in a Democracy, his vote is one of the most powerful instruments of change. By casting their vote for or against a candidate/government/ruling dispensation, citizens bring in powerful winds of change. Aao Rajneeti Karein/Maaro Vote ki Chot was a 75-day marathon activity that we undertook with the purpose of creating awareness among readers about their right to vote, and making them feel that they matter in the democratic setup.

The initiative included activities across locations, supported by a content campaign that enlightened the educated and inspired people to use their vote and express their opinion.

The initiative included four phases - Voter Registration, Ideal Candidate Profiling, Manifesto of Readers and MP Meter. Activities conducted during the initiative included chai choupals, voter registration campaign, painting competitions, essay competitions, human chains,

and candle light marches. All these carried the Hindustan branding, identifying the newspaper closely to the initiative. Each phase was predominantly published in the newspaper on a Tarakki page, to raise awareness and invite participation.

#### Tarakki Report

The initiative saw massive participation that resulted in an increase in the voting, and also an increase in the number of aware voters. The Election Commission called in to express their appreciation for this initiative. The Commission also created a special cartoon strip series exclusively for Hindustan, which was published in the newspaper. The initiative received messages and we published interviews from top Bollywood celebrities who expressed their support for the campaign.

## Jaago Meerut

### Citizens against Crime - Jaago Meerut, Jurm par Halla Bol

Halla Bol is a clarion cry asking people to assemble to support a cause. Hindustan made a clarion call in Meerut asking citizens to fight against crime. The call and the subsequent publicity and activities motivated thousands to become a part of this movement and express their support to eradicate crime.

#### Tarakki Report

This 35-day activity created history in Meerut. The clarion call resonated in the hearts and minds of the people, and generated thousands of letters to the Hindustan office with complaints of various kinds, which we sorted and forwarded to concerned authorities. Regular follow-up on the complaints precipitated action. Traffic plans were made and implemented, CCTV was installed and activated in prime locations, and a complaint cell was formed. The initiative proved to the Meerut citizens that when they express in unison, they can prompt action and make progress.







## Anokhee Club

### Fostering the spirit of empowerment in women

Hindustan took up the cause of empowerment of women through its initiative of creating the Anokhee Club, in tandem with Anokhee, a newspaper supplement. The club was started in Agra as a test case, and encouraged by its success we have replicated it in Delhi, NCR, UP, Bihar etc. The club meets periodically and takes up issues of common interest and creates a self-help forum for women's empowerment.

#### Tarakki Report

The Anokhee Clubs drew participation from thousands of women who came forward to be a part of this initiative. It has strengthened the support of women to our newspaper and endeared the brand amongst women from all walks of life. Every successive Club meeting results in hundreds of new Anokhees being registered.

## Jaago Agra

### Creating awareness of women's safety and security

This initiative was aimed to create awareness among the society and the system regarding women's security. It was inspired by our Kanpur venture in the last year, and it was implemented in Agra with the lessons we learnt in the first round. The activities included a 10-day self defence camp at various locations. Even Holi was celebrated during the campaign with the theme of "Nari Raksha Sankalp Diwas."

#### Tarakki Report

The initiative was welcomed by both women and men of Agra. For the first time in the history of Agra, a six kilometre human chain was formed to promote the cause of women's safety.



We fulfill our mandate of Tarakki or Progress by engaging with people, involving them in initiatives that tackle problems that they face, and by motivating them to become agents of change. In this endeavor, our various brands become vehicles of progress.

We use our publications to publish and disseminate information that will engage the minds and hearts of our people. We then guide them towards initiatives that will involve them in a progressive movement and motivate them to enable the change on the ground by creating pressure groups, public mandates and open debate.





## Har Kadam pe Tarakki



### Hindustan Our Flagship Daily

Hindustan is India's 2<sup>nd</sup> most widely read newspaper, not only in Hindi but in any language in India. It is the fastest growing newspaper in U.P. and Uttarakhand that has grown steadily over the last 17 rounds of IRS. The newspaper is published from 19 print locations spread across Delhi/NCR, Bihar (Patna, Muzaffarpur, Bhagalpur & Gaya), Jharkhand (Ranchi, Jamshedpur & Dhanbad), Uttar Pradesh (Lucknow, Varanasi, Meerut, Agra, Allahabad, Gorakhpur, Bareilly, Moradabad, Aligarh and Kanpur) and Uttarakhand (Dehradun). It is a newspaper that involves readers with initiatives that bring about progress on various civic, social and regional issues.



### Kadambini Monthly cultural and literary magazine

Kadambini has been part of the cultural and literary fabric of the Hindi belt for over 50 years. It has a readership that is eclectic, and finds fans and readers among the young and the old, the common people and the intellectuals, and has content that appeals to each section of the populace.



### Nandan The Children's magazine that nurtures childhood since 1964

For five decades, Nandan has been an integral part of the childhood of five generations of children, shaping their outlook, opinion and mindsets. It was launched in 1964 on the occasion of Pandit Jawaharlal Nehru's birthday, and offers content that combines the best of tradition and modernity. The magazine is celebrating its Golden Jubilee year, as it is going to touch the golden figure of 50 this year.



### Hindustan Yuva The Youth Supplement

The newspaper builds on the leadership position of Hindustan in Bihar and offers a variety of information that caters to the unique requirements of the youth. Launched in 2012 in Patna, Hindustan Yuva offers features on Careers, Campus News, Patna News, Technology, Entertainment, Social Networking and Gadget Reviews.



### Hindustan – Jaano English Learning the nuances of English

The newspaper is aimed at people who are seeking to increase their proficiency in the English language. It features English and Hindi content that deals with the nuances of the language, through riddles, quizzes and grammar exercises.





### Hindustan Job Search The Job Search supplement

Hindustan Job Search was planned as a vehicle to serve the need of the youth segment that sought gainful employment. Launched on December 23, 2013 as a weekly supplement, the supplement offers a comprehensive listing of job opportunity.

Hindustan Job Search is a 16-page supplement that is circulated every Monday and lists both mass job opportunities as well as popular ones. Jobs are classified into Power jobs (based on number of openings) and Hot jobs (based on recruiter popularity). Job openings are also classified on the basis of profession.

The simple, informative and useful supplement is much appreciated by readers.



### Movie Magic Cinema revealed

This is a weekly supplement that is keenly followed by lovers of cinema. It offers an insider's point of view to the world of glitz and glamour and carries the latest news, gossip and interviews of the movie stars.



### Hindustan Ki Nayi Dishayen An Education supplement

This is a weekly educational supplement that carries information and insights into the world of higher and professional education. The supplement features two careers every month, which are analyzed for opportunity and feasibility by our experts, and it offers actionable tips for readers. The supplement is targeted at the youth of today and helps them in taking the right decision about their future career and chosen profession.



### Tann Mann For the health conscious

The supplement Tann Mann is dedicated to health and lifestyle and carries articles and information on diet, exercises and health trends that are prevalent across the world. The supplement also features a popular question-answer column that addresses readers' queries.



### Anokhee A Supplement for empowering women

Anokhee is a weekly supplement of Hindustan, that deals with issues that are close to the hearts and minds of women. It features articles on topics including health, lifestyle, food, nutrition, legal issues, parenting, diet and personality development. The supplement has led to the formation of Anokhee Clubs across locations, including Delhi/NCR, UP and Bihar. These clubs, with widespread membership across these states, deal with issues related to women's empowerment through a mix of interactive games, shows and talks related to the topic of the month.



### Live Of the city, for the city

Live is an extension of the main paper and it covers city-based news and events. It was launched in Ranchi, Patna, Lucknow, Kanpur, Meerut and Agra. The supplement is targeted at youth and women. The content of the supplement mainly deals with issues that are relevant to the city, its campuses, happenings, fashion and entertainment. The format and the communication are oriented towards image-based journalism.

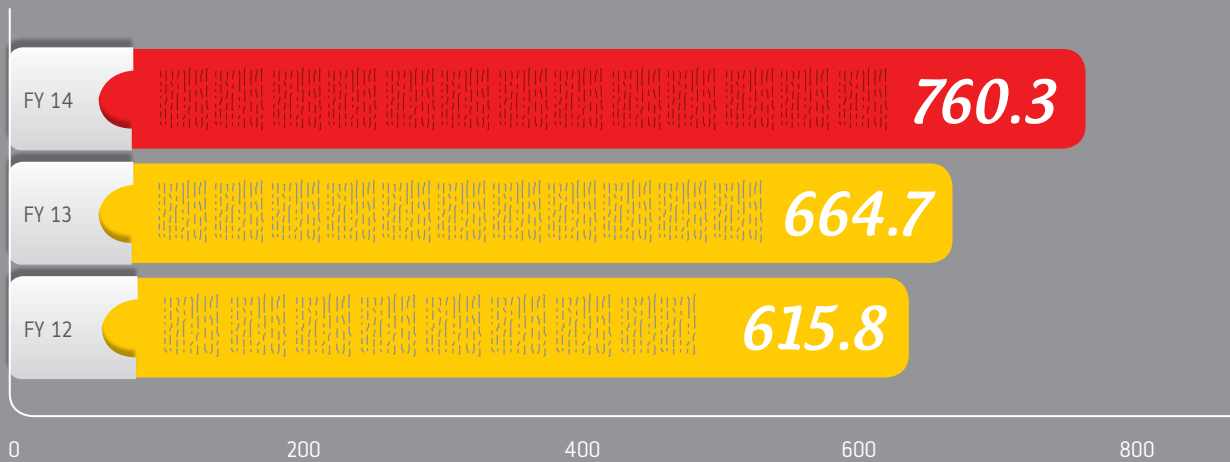
## Financial Highlights

(₹ in Crore)

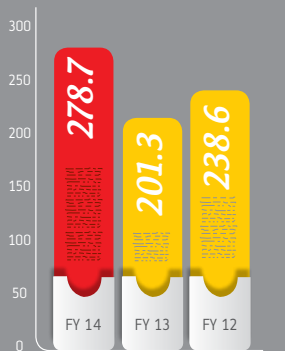
Particulars	FY 14	FY 13	FY 12
Total Revenue	760.3	664.7	615.8
EBITDA	181.8	141.0	114.5
Profit after Tax (PAT)	111.2	84.5	65.3
Share Capital	73.4	73.4	73.4
Reserves & Surplus	535.8	434.9	360.7
Net Block	169.3	178.1	186.1
Net Current Assets	278.7	201.3	238.6
EBITDA Margin	23.9%	21.2%	18.6%
Net Profit Margin	14.6%	12.7%	10.6%
EPS (Basic & Diluted) (in ₹)	15.15	11.52	8.90

Previous years' figures have been regrouped / rearranged, wherever necessary to make them comparable with those of current year.

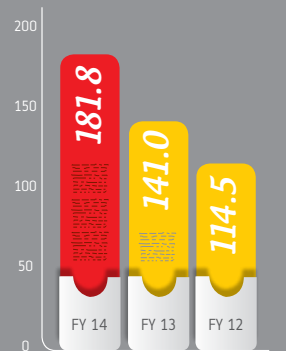
### Total Revenue (₹ in Crore)



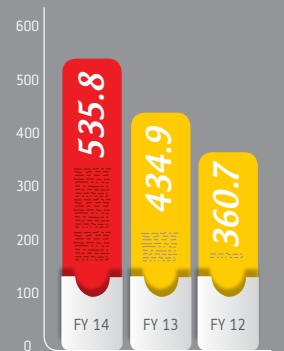
### Net Current Assets (₹ in Crore)



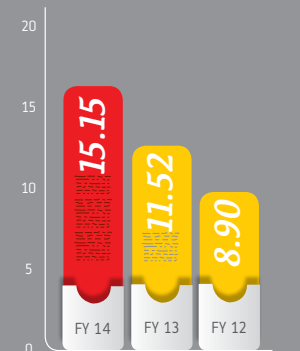
### EBITDA (₹ in Crore)



### Reserves & Surplus (₹ in Crore)



### Earning per Share (EPS) (in ₹)





## Chairperson's Address



**During the year, the focus was on increasing our relevance in the markets we serve, and becoming the face of 'progress'**

Dear Shareholders,

The year in review was one that was full of changes. The result of the recently concluded general election voices the concern of the Indian people for progress. People across the country want a perceptible improvement in their standard of living and quality of life, and it is with this hope that they have ushered in a new, stable government at the Centre. While the government will have to play a key role in restoring the nation to the path of rapid growth, it will also require the whole-hearted and uncompromising participation of corporate India, as well as private individuals.

On our part, as an organization empowering citizens with authentic information and facts, we will continue to work for the greater good of the nation. During the year, the focus was on increasing our relevance in the markets we serve, and becoming the face of 'progress' or 'Tarakki'. Going forward, we will continue to align our organization and energies to this goal, and become the flag bearer of holistic progress in the areas where we are present.

### Media Industry in perspective

Impacted by the slowdown in economy, most companies adopted a cautious approach while laying out their marketing plans. This restraint in expenditure resulted in most media sectors reporting slower growth in advertising spends. The overall growth rate of the Indian Media & Entertainment industry remained muted during the year. The print sector, however, remained relatively immune to these trends and posted growth, despite stiff competition from digital media.

The Hindi and vernacular sector of the print media did relatively better than the English language papers, clocking higher growth.

### Progress in financial performance

Our progress in FY 2013-14 reflects the strength of our operating and financial strategy. Total revenue increased from ₹664.7 Crore in FY 13 to ₹760.3 Crore in FY 14, representing a 14 percent growth year-on-year. Advertising revenue grew at a rate of 15 percent, increasing to ₹530.0 Crore in FY 14 as compared to ₹460.1 Crore in FY 13.

Our Circulation revenue increased from ₹155.3 Crore to ₹178.2 Crore in FY 14, representing an increase of 15 percent. Our EBITDA and PAT increased from ₹141.0 Crore and ₹84.5 Crore to ₹181.8 Crore and ₹111.2 Crore in FY 14, respectively.

EPS stood at ₹15.15 in FY 14 as compared to ₹11.52 in FY 13.

### From promoting progress to achieving progress

Our newspaper, Hindustan, saw an increase in circulation over the years and, more importantly, has been the only major publication to sustain an increase in its reader base.

Much of this growth in circulation is attributable to our increasing relevance to readers resulting from our various campaigns to promote progress among our readers across diverse walks of life. During the year, our successful engagement, involvement and motivation efforts on platforms of public interest made people participate actively in the various initiatives that we promoted on the ground. Our ability to actuate change on several issues cemented our position as a publication that fights for progress and often makes for ground level change.

Our campaigns - Aao Rajneeti Karein/Maaro Vote ki Chot (an initiative to promote voting during elections); the fight against crime in Meerut under the title of Jaago Meerut; Jurm par Halla Bol, Jaago Agra (aimed at creating awareness regarding women's safety and security); Anokhee Club for empowerment of women, and Hum Hain Hindustani (for training people to raise issues) - not only spurred people to raise issues of common concern but also compelled the concerned authorities to take corrective action.

These programs involved massive participation from people, who became ardent believers in progress and keen readers and followers of our publication.

### Consolidating growth on the platform of progress

These in-print and on-street initiatives have delivered multiple levels of dividends. To our readers they have brought an opportunity to participate in a movement for progress; to our civic communities they

offer the role of a watchdog, always vigilant against negative forces; to the establishment, they raise the voice and the desires of the public loud and clear; and to the Company, they deliver increased relevance, and subsequently increased readership.

Hindustan today is the second most read newspaper in the country. We have now completed our footprint in UP and Uttarakhand and we continue to be the undisputed leader in Bihar and Jharkhand. We are also the No. 2 Hindi newspaper in Delhi/NCR.

### Our way ahead

With our expansion in the Hindi belt complete, our way forward is to maximize the growth potential in these regions. We will progressively invest more in technology-led platforms and issues that will engage, involve and motivate citizens to become harbingers of progress, and we will participate in these as vanguards of change. We must also maintain our focus on quality news and information to stay relevant and build audiences. We need to keep innovating with products, processes and services and we need to manage costs at all time. Leveraging technology will continue to be a big help in these endeavors, as it is constantly creating new opportunities to work more effectively.

In short, our goal is to adapt, compete and build value in our brands over the long-term. We will do this by leveraging our strengths as an organization and seizing the opportunities, created by an ever evolving media landscape.

I take this opportunity to thank all our stakeholders - employees, shareholders, readers, advertisers, lenders, the State and Central Governments and the society at large, for enabling us to scale the levels of progress that we have achieved. I believe that with your continuing support, we will firmly stay on the path of progress for all.

Thanking you.



Shobhana Bhartia  
Chairperson

## MANAGEMENT DISCUSSION & ANALYSIS



Along with circulation, increase in advertising drove growth of the print media in CY 2013, as newspapers remained the first choice of advertisers on account of their extensive reach and localization benefits.

This preference is more apparent among FMCG and retail companies, which have increased their advertising expenditure through print medium in recent years.

### Overview of Economy

#### Global Economy

The global economy began to show improvement in growth in the latter half of the year. Much of this growth momentum was led by the advanced nations. However, the recovery remains unequally distributed and is still below expectations. According to the International Monetary Fund (IMF) World Economic Outlook, April 2014, global growth is projected to strengthen from 3 percent in FY 13 to 3.6 percent in FY 14.

Although downside risks have reduced overall, global recovery on a sustained basis remains a challenge. Further, potential capital flow reversals, geopolitical uncertainties, high unemployment, high debt levels in many countries and increased financial volatility in emerging market economies could weigh down global growth.

Global activity is expected to improve global growth to 3.9 percent in FY 15, largely on account of recovery in the advanced economies. Growth in emerging markets and developing economies is projected to pick up gradually, from 4.7 percent in FY 13 to about 5 percent in FY 14 and 5.25 percent in FY 15, as per the IMF data. Stronger external demand from advanced economies and better structural policies supporting investment will be critical for growth in emerging markets and developing economies.

#### Indian Economy

The domestic economy continued to face major challenges in the form of persistently high inflation, rupee depreciation to an all time low, elevated interest rates and internal policy paralysis. This stalled economic and structural reforms and discouraged domestic and foreign investment, leading to poor GDP growth. As per the official government statistics, economic growth remained subdued at 4.7 percent in FY 14. Much of this growth has accrued from agriculture and services sectors, while industry growth remained flat.

Focused measures by the Central Government and Reserve Bank of India (RBI) in the second half of FY 14 have led to stabilizing of the rupee, declining current account deficit and implementation of stalled projects. These recent policy actions should boost the confidence of domestic and foreign investors. Supported by stronger global growth, as well as pick-up in exports and structural reforms, economic activity is expected to gain some momentum. The World Bank projects the growth rate to increase to 5.5 percent in FY 15, and even higher in the medium term, bolstered by the favorable demographic structure giving rise to a steady demand.

## Overview of Industry

### Indian Media and Entertainment Industry

In the midst of an economic slowdown, the Indian Media & Entertainment (M&E) industry faced several challenges, both business and regulatory.

Television and print industries continue to face threats relating to measurement, advertising values, inventory & rates, copyright laws and operational efficiencies. The Supreme Court ruling upholding Majithia Wage Board report in total was a setback to the print industry as it crafts a further divide in the print and electronic media and increases the cost of delivering news for the print industry. Completion of

digitization in the cable television network and working out the correct model between Multi System Operator (MSO) and Local Cable Operator are issues specific to the television industry. It shall take a few years for these issues to be successfully addressed. Also, there is the pending regulatory action for Phase III of FM Radio, which is delaying the launch of this crucial next phase of growth in the radio business.

As per FICCI-KPMG Indian Media and Entertainment Industry Report 2014 ('FICCI-KPMG Report'), the overall growth rate remained muted, a direct fallout of the slow GDP growth rate and a weak rupee. In CY 2013, M&E industry registered a growth of 11.8 percent over CY 2012 and touched ₹918 Billion, compared to a growth rate of 12.6 percent and overall industry size of ₹821 Billion in CY 2012.

Low consumer sentiment restrained expenditure on advertising and thus, most media sectors reported moderate to muted growth rate in advertising revenue. Digital advertising was an exception to the prevailing industry trend, with a significant growth in revenue although on a very small base. This positive performance is expected to continue in the coming years. For projections till FY 18, as per FICCI-KPMG Report, digital advertising is expected to have the highest CAGR of 27.7 percent, while all other sub-sectors are expected to grow at a CAGR in the range of 9 to 18 percent. Overall, the industry is expected to register a CAGR of 14.2 percent to touch ₹1,786 Billion by CY 2018.

## Industry size and projections

Overall industry size (₹ in Billion)	2012	2013	Growth	2014p	2015p	2016p	2017p	2018p	CAGR (2013-18)
TV	370.1	417.2	12.7%	478.9	567.4	672.4	771.9	885.0	16.2%
Print	224.1	243.1	8.5%	264.0	287.0	313.0	343.0	374.0	9.0%
Films	112.4	125.3	11.5%	138.0	158.3	181.3	200.0	219.8	11.9%
Radio	12.7	14.6	15.0%	16.6	19.0	23.0	27.8	33.6	18.1%
Music	10.6	9.6	(9.9%)	10.1	11.3	13.2	15.1	17.8	13.2%
OOH	18.2	19.3	5.9%	21.2	23.1	25.2	27.5	30.0	9.2%
Animation and VFX	35.3	39.7	12.5%	45.0	51.7	60.0	70.2	82.9	15.9%
Gaming	15.3	19.2	25.5%	23.5	28.0	32.3	36.1	40.6	16.2%
Digital Advertising	21.7	30.1	38.7%	41.2	55.1	69.7	88.1	102.2	27.7%
<b>Total</b>	<b>821</b>	<b>918</b>	<b>11.8%</b>	<b>1039</b>	<b>1201</b>	<b>1390</b>	<b>1580</b>	<b>1786</b>	<b>14.2%</b>

Source: FICCI-KPMG Indian Media and Entertainment Industry Report 2014

## Print Media

Defying the global slowdown trend, print media in India continued to be on the upswing, growing at a CAGR of 8.5 percent in CY 2013 to touch revenues of ₹243 Billion. In CY 2012, it had reported CAGR of 7.3 percent and revenues of ₹224 Billion, as per FICCI-KPMG Report. Newspapers remained the dominant contributor (94.4 percent) to the revenues of the print sector.

### Print Industry Overview

Print media market (₹ in Billion)	2012	2013	2013 Growth	2014p	2015p	2016p	2017p	2018p	CAGR (2013-18)
Total advertising	150	163	8.7%	179	199	222	248	275	11.1%
Total circulation	75	81	8.1%	85	88	92	95	99	4.2%
Total print market	224	243	8.5%	264	287	313	343	374	9.0%
Total newspaper revenue	211	230	8.7%	250	273	300	329	361	9.5%
Total magazine revenue	13	14	4.5%	14	14	14	14	14	0.3%
<b>Total print market</b>	<b>224</b>	<b>243</b>	<b>8.5%</b>	<b>264</b>	<b>287</b>	<b>313</b>	<b>343</b>	<b>374</b>	<b>9.0%</b>

Source: FICCI-KPMG Indian Media and Entertainment Industry Report 2014



This trend is in sharp contrast to the global movement, as the print industry across the world is witnessing decline in its circulation and advertising revenues due to steady shift of consumers towards new media platforms such as the internet and mobile. Despite fast-paced growth in digital media, India continues to suffer low internet penetration, thus insulating print media from any significant challenges in the medium term. Other factors favoring print media growth in India are the extremely low cover prices, as also the home delivery model for newspapers, which promotes the habit of reading newspapers.

Notwithstanding the favorable parameters, print media faces advertising pressure due to the emergence of digital media – a definite cause for concern.

Along with circulation, increase in advertising drove growth of the print media in CY 2013, as newspapers remained the first choice of advertisers on account of their extensive reach and localization benefits.

This preference is more apparent among FMCG and retail companies, which have increased their advertising expenditure through print medium in recent years. In fact, with 67 percent of the total print media revenue accruing from advertising revenues, it is the key driver for the growth of the print media.

However, with increased dependency on advertising revenues not a long-term viable business option, industry players are now trying to bring out a more reasonable balance in the advertising-circulation mix by increasing cover prices. The trend was noticeable during CY 2013 with circulation revenues increasing by 8.1 percent year-on-year, as compared to 7.3 percent in CY 2012. Circulation revenues improved on the back of increase in cover prices and launch of newer editions.

In the newspaper category, Hindi and vernacular print markets performed better during the year, with the Hindi print market growing by 10.5 percent, from ₹68 Billion in CY 2012 to ₹75 Billion in CY 2013, and vernacular growing by 10 percent from ₹69 Billion in CY 2012 to ₹76 Billion in CY 2013. Low media penetration, high population growth, rising income and higher literacy levels were the prime contributors to the increased growth rate of the Hindi print market. State elections in five states in 2013 benefited the print media segment, especially the Hindi print media as four of the elections were in the Hindi heartland (Madhya Pradesh, Chhattisgarh, Gujarat and Rajasthan).

#### Print Media Market Mix

(₹ in Billion)

Print media market	2010	2011	2012	2013	Growth in 2013
English Market	79	83	85	91	5.8%
• Advertising	53	57	58	62	5.2%
• Circulation	26	26	27	29	7.0%
Hindi Market	58	63	68	75	10.5%
• Advertising	37	41	46	50	11.3%
• Circulation	21	22	24	26	9.0%
Vernacular Market	56	63	69	76	10.0%
• Advertising	36	42	46	51	10.8%
• Circulation	20	21	24	26	8.5%
<b>Total print market</b>	<b>193</b>	<b>209</b>	<b>222</b>	<b>242</b>	<b>8.5%</b>

Source: FICCI-KPMG Indian Media and Entertainment Industry Report 2014

Another key challenge facing the print media, apart from growth in digital media, is the new wages regime. The recommendations of the Majithia Wage Board on revised pay scales have been directed to be implemented w.e.f. November 11, 2011, by Hon'ble Supreme Court vide its judgment dated February 07, 2014. However, Hon'ble Supreme Court has directed to pay arrears from November 2011 till February 07, 2014, in four equal installments within 1 year from the date of judgment and revised pay scales to be paid with effect from April 2014 to all eligible persons. This will adversely affect the cost base of newspaper publishers, already reeling under pressure from rising newsprint prices.

Notwithstanding these challenges, the industry continues to offer promising growth prospects, going forward. The rise in literacy rates, significant population growth, high aspirations, resilience of the agrarian economy, increasing demand for region-specific content, and expansion by players into new geographies and languages will continue to drive future expansion of regional (particularly Hindi) newspapers' circulation and readership across India.

Also, as consumer sentiment regains confidence with improvement in economic conditions, companies will allocate greater expenditure to advertising, especially in Tier II and Tier III cities to target their next level of growth. The 12-minute cap on advertisements per hour of broadcasting in the television space, as announced in FY 13, is also likely to favorably impact the print media. In addition, with increased emphasis on regional markets by companies, the advertising spends for non-English papers are expected to grow faster. The advertising rates for regional language papers are also likely to rise and in due course be at par with their English counterparts.

Thus, while English newspapers are likely to lose some of their traditional advantages, the regional print industry, Hindi print included, is expected to gradually increase its share of business. As per FICCI-KPMG report, in CY 2013, the share of business for Hindi newspapers is expected to increase to 35 percent by CY 2018 from 32 percent in CY 2013.

In the past couple of years, nine out of ten top dailies being published were either Hindi or vernacular language publications. The growth of existing Hindi and vernacular players will be driven by the launch of editions in new geographies, or launch of sub-editions at the location of an existing edition.

Overall, the print industry in India is estimated to grow by 8.5 percent in CY 2014 and reach ₹373 Billion by CY 2018, registering a CAGR of 9 percent.

**While English newspapers are likely to lose some of their traditional advantages, the regional print industry, Hindi print included, is expected to gradually increase its share of business.**



## Share of business by language in FY 13\*



## Estimated share of business by language in FY 18\*



\*Source: FICCI-KPMG Indian Media and Entertainment Industry Report 2014

## Business Overview

### Operational Review

Hindustan Media Ventures Limited (HMVL) is the publisher of India's leading newspaper 'Hindustan', a popular children's magazine 'Nandan' and a leading literary magazine 'Kadambini'. While these are the core traditional brands of the Company, it also owns various periodical supplements of Hindustan, as well as websites like livehindustan.com and online versions of Nandan and Kadambini.

Supported by high quality coverage and extensive readership initiatives, Hindustan has become one of the most widely read newspapers, not only in Hindi but in any language in India. It has emerged as India's No. 2 newspaper as per the latest Indian Readership Survey (IRS). Further, with a stronger position among the Hindi newspaper dailies, it has been able to register significant growth in advertiser base, translating to steady increase in advertising revenue.

Hindustan has a widespread presence across the core Hindi belt, covering the key states of Uttar Pradesh, Uttarakhand, Delhi/NCR, Bihar and Jharkhand. Its 19 print locations are spread across Delhi/NCR, Bihar (Patna, Muzaffarpur, Bhagalpur and Gaya), Jharkhand (Ranchi,

Jamshedpur and Dhanbad), Uttar Pradesh (Lucknow, Varanasi, Meerut, Agra, Allahabad, Gorakhpur, Bareilly, Moradabad, Aligarh and Kanpur) and Uttarakhand (Dehradun).

In a highly competitive business environment, coupled with the threat of increasing digitalization, most newspaper publications are facing the threat of declining readership. HMVL's flagship brand, Hindustan, stands out as an exception by being the only Hindi daily adding more readers round on round. In fact, the readership for Hindustan has grown steadily in the last several IRS rounds and it continues to remain the fastest growing newspaper in the country, a testimony to its contribution in the growth of India's Hindi newspaper category.

The bulk of the growth, resulting from several strategic initiatives, has come from the markets of U. P. and Uttarakhand. In fact, in the last two years, Hindustan is the only newspaper registering growth in the key states of U.P. and Uttarakhand. This increased readership has resulted in its emergence as the preferred media vehicle for advertising in the states.

The expansion in reader base in U.P. has been rendered possible due to highly effective campaigns. 'Jaago Agra', 'Jaago Meerut-Jurm par hulla bol' and 'Kyun batti gul' campaigns resonated with the common man in Agra and Meerut by raising issues relevant to them. In Meerut, the campaign resulted in the launch of a women's special bus service, toilet facilities in key market areas for women, a security blueprint for the city and even CCTV cameras in busy marketplaces in the city. In Lucknow, where Hindustan has 10 sub-editions, issues affecting the city and the state were raised through campaigns such as 'Aao Rajneeti Karein', 'Rajneeti Khatam Kaam Shuru' and 'Laajawab Lucknow'. These campaigns have given a boost to the newspaper's readership, to become one of Hindustan's strongest markets in U.P. Citizen Journalist series of 'Hello Hindustan', wherein 50,000 readers participated, raised several day-to-day civic issues to establish a stronger connect with readers.

In Uttarakhand, the Dehradun unit took up the cause of protecting the Himalaya's area and resources from abuse through its campaign 'Himalaya bachao abhiyaan'. This endeavor was immensely successful and received appreciation from the Chief Minister of Uttarakhand as well.

Kanpur is the highest tax paying city in U.P., one of the biggest Hindi newspaper readership markets and one of the biggest national advertiser markets in the belt. Keeping this in view, Hindustan has decided to re-launch the Kanpur edition in the current financial year. At present, Hindustan has 12 sub editions across Kanpur. With ambitious plans to scale growth, Hindustan will emerge as a strong contender in this region in the coming years.

In Jharkhand, Hindustan is the No. 1 read Hindi daily. Encouraging the progress of young people, attracting new readers and building on the brand strength through editorial campaigns, Hindustan will continue to consolidate its position as market leader in Jharkhand in the coming year.

Hindustan is the No. 1 daily in Bihar across languages. The printing units of Bihar cater to all 38 districts, with No. 1 position in most of them. Trust and credibility for the brand have been the strong factors supporting this unparalleled growth over the years. Further, campaigns like 'Bihar: 100 ke aage' and drives against corruption have resonated well with the readers, strengthening the newspaper's position in the state. In Patna, through increasing brand visibility and product enhancements, Hindustan is the preferred newspaper and is confident

of maintaining its leadership position despite of recent forays in the city by new entrants.

In Delhi, Hindustan continues to be the No. 2 player in Hindi as per the latest IRS data.

Apart from enhancing geographical reach, the focus at Hindustan is also to make a positive and direct impact on the lives of its readers through product innovations. During FY 14, Hindustan came out with a new product 'Live', which is a daily broadsheet product capturing the essence of the city through its hyper-local coverage. 'Live', as a format, has been successfully launched in Lucknow, Ranchi, Meerut, Agra, Kanpur and Patna.

The magazines Nandan and Kadambini published by the Company, with content for the interest of young readers, continue to be popular. Nandan, a prestigious children's magazine with its rich and varied content is appreciated by parents and teachers alike, and is celebrating its 50<sup>th</sup> year. The Golden Jubilee Celebrations, which started in November 2013, will continue till this year end.

Hindustan, in synergy with the vision of its parent Company HT Media Limited, remains committed to the cause of education. Encouraging students across the Hindi belt through its scholarship program "Pratibha Samman" Hindustan reached out to more than 1.5 Lacs students across 2,000 schools in 19 locations. As many as 10,000 students were felicitated with medals and certificates and 100 students with ₹25,000 each worth of scholarships.

## Financial Review

With a total revenue growth of 14 percent, HMVL showed encouraging financial performance during FY 14, reflecting the Company's continuing focus on revenue optimization, maximization of operating efficiency, and also underlining its strong belief in nurturing future growth engines.

The key aspects of the Company's financial performance are analyzed hereunder:

### Highlights of the Financial Performance (₹ in Crore)

Particulars	FY 14	FY 13	Growth %
Total Revenue	760.3	664.7	14%
Advertisement Revenue	530.0	460.1	15%
Circulation Revenue	178.2	155.3	15%
EBITDA	181.8	141.0	29%
EBITDA Margin	23.9%	21.2%	-
PBT	154.6	114.0	36%
PAT	111.2	84.5	32%
PAT Margin	14.6%	12.7%	-
EPS (in ₹)	15.15	11.52	32%
Total Expenditure	578.5	523.7	10%
Raw Material Cost	300.4	264.8	13%

### Revenues

The Company's total revenues increased to ₹760.3 Crore in FY 14, a growth of 14 percent over FY 13. The advertising revenue recorded a growth of 15 percent – from ₹460.1 Crore in FY 13 to ₹530.0 Crore in FY 14. Circulation revenue registered a growth of 15 percent to reach ₹178.2 Crore, driven primarily by improved realization per copy

which has grown by 12 percent over last year. Circulation revenue growth also encompassed the impact of expansion in some key geographies.

### Expenditure

Newsprint prices increased by 9 percent over last year as imports became costlier due to dollar appreciation. As part of cost optimization strategy, HMVL uses domestic newsprint to keep costs low. However, domestic prices follow the price of imported newsprint, albeit with a lag. Overall, production cost went up by 13 percent, and employee cost by 8 percent during FY 14.

### EBITDA

The Company has posted an impressive growth of 29 percent in EBITDA for FY 14, as against 23 percent growth in EBITDA for FY 13, primarily on account of higher revenue growth and effective cost control measures taken by the Company in tough market conditions. The improved operating results, year-on-year, signify considerable progress in the Company's aim of attaining sustained growth and profitability through focused strategic measures.

### EPS

EPS (Basic as well as Diluted) grew to ₹15.15 for the year under review, recording a growth of 32 percent over the corresponding figure of ₹11.52 for the previous year.

### Fixed Assets

Gross Block, as at March 31, 2014, increased to ₹254.4 Crore, as compared to ₹242.4 Crore as at March 31, 2013. The Company focused on enhancing capacity in existing units. No new units were added.

### Investments

Investments as at March 31, 2014 increased to ₹368.6 Crore from ₹277.8 Crore as at March 31, 2013. The increase was primarily attributable to surplus funds from operational profits.

### Inventories

Inventories were more or less same at ₹33.0 Crore as on March 31, 2014 from ₹32.4 Crore as at March 31, 2013.

### Trade Receivables

Trade receivables, as at March 31, 2014, increased to ₹93.3 Crore from ₹79.1 Crore in the previous year, primarily on account of 14 percent increase in turnover. Days Sales Outstanding (DSO) remained at 45 days.

### Working Capital

Working capital increased to ₹41 Crore as at March 31, 2014, from ₹32 Crore as at March 31, 2013, due to increase in scale of operations.

## Strengthening the IT Base

Cognizant of the need for adoption of latest technology to build a more efficient and leaner business model, the Company remains steadfast in investing in technology-related initiatives. During the year, taking this commitment further, several IT-enabled solutions were implemented at various stages of business functioning to promote business excellence.

For providing further impetus to the news gathering system, FY 14 saw the Company launch a major innovation called 'News Live' application. This application will prove to be highly

beneficial to stringers and reporters who are spread across semi-urban and rural / remote areas and find it difficult to file news in the absence of good connectivity. The application enables them to continue working on Content Management System (CMS) regardless of connectivity. Since Hindustan is a Hindi language paper with local news as its strength, 'News Live' application will evolve to empower the reporters and editors to file and edit stories, photos and videos using any mobile device such as smartphones and tablets.

Going forward, the Company is committed to provide cutting-edge technology in all its business processes and services to fuel the engines of growth and profitability.

## Strategic Initiatives in HR

Human Resources are the principal drivers of change, helping the organization reach the next level of excellence and achievement. During the year, the Company focused on providing an enabling work culture thereby facilitating the achievement of professional goals, providing opportunities through various strategic learning programs and employee engagement initiatives.

Significant efforts have gone into developing a strong leadership potential across HMVL locations by providing leadership inputs to employees through highly focused training programs. A formal program to assess potential and performance for those in senior roles has been successfully embedded. People Planning exercises and Management Development Committee have enabled the senior management to pick and groom talent from within for key roles, across the enterprise.

In our endeavor to provide safe working environment for women employees, a lot of impetus has been given to policy and process of prevention of sexual harassment at workplace. Evangelization among employees through awareness sessions has been rolled out across the organization.

For the past many years, the Company has been hiring the best talent from across industries. This has resulted in building robust teams across the various business functions. The Company has built a database of resumes across locations which can be searched for past references and faster closure of open positions, in addition to talent induction by the routine process of strong employee reference program, internal job posting, specialized consultants etc. This approach has paid dividend even in smaller locations where the Company has created an edge over competition in talent attraction.

In conclusion, the effective HR function of the Company will continue to enhance organizational effectiveness and employee alignment. As on March 31, 2014 the Company employed 2,150 people.

## Opportunities and Threats

### Opportunities

Rise in literacy rates, increase in the incomes of people living in small towns and transformation of small towns and rural communities into vibrant economic units through provision of education, electricity, road connectivity and water are the key factors propelling the demand for Hindi newspapers. Further, the aspirations of the people for a better lifestyle is driving them to be more aware of the latest issues and developments across the world. This offers great opportunity for HMVL, a leading player in the newspaper segment with a wide appeal among the Hindi readers.

In addition to rise in Hindi newspapers' circulation, the Hindi print market has also witnessed a double digit growth in advertising spends. This is because from the point of view of the advertisers, the cost of reaching the audience is much lower through print media as compared to national media like television, mostly due to lower advertising rates. Further, market penetration levels of consumer durables, automobiles, financial and education services etc. are substantially lower in Tier II and Tier III cities. As more advertising budgets are directed towards Tier II and Tier III cities, well-established players like HMVL shall undoubtedly gain in revenue.

Adding to the growth matrix is the dramatic escalation in the use of mobile phones in the entire Hindi belt. This provides significant prospects to HMVL as it can further build on its brand through integration of multiple product offerings – digital, social and mobile. Youth are among the foremost to approve and implement new technology and thus such integration helps better reach to this segment. Also, with advertisers looking at attracting potential customers with engagement opportunities beyond just print, HMVL stands to gain from its integrated solutions.

The Central Government, a large buyer of print media through the DAVP agency, recently announced a 19 percent increase in advertising rates for newspaper companies for publishing its advertisements. The hike augurs well for the print media. In addition, this hike is expected to influence the state governments also to increase rates. State governments spend nearly ₹20 Billion on print advertisements in a calendar year, as per the FICCI-KPMG report. Hindustan, with its leading presence across various states in the country, is well positioned to gain from this revenue segment.

### Threats

The uncertain economic and political environment which has prevailed in the past few years has restricted the advertising revenues earned by the print media. Till the economy is on a stronger footing, low consumer sentiment will continue to have a direct bearing on advertising spends by companies, thus impacting revenue growth for the industry at large.

Weakening rupee-dollar exchange rate, coupled with increasing newsprint prices, has taken a toll on the print industry in India. The growing cost of newsprint, as also the increased distribution costs and intense competition in many markets, are driving up the cost of the Company's overall operations.

## Risk Management and Internal Control

The Company's internal control systems, which commensurate with the nature of business and the size and complexity of operations, ensure accurate, reliable and timely compilation of financial and management information reports. These systems have been designed to safeguard the assets and interests of the Company, and also ensure compliance with the Company's policies, laws and regulations. A well-defined organizational structure with clearly mapped responsibilities, and documented internal guidelines have been put in place for the business.

Services of an independent professional audit firm are availed for conducting periodic audits across all divisions and plant locations, to ensure adequacy and effectiveness of internal control systems; and

adherence to Company policies. During the year, various reviews at corporate and branch/plant levels have been carried out, to assess the design and operating effectiveness of material internal controls. The Company also carried out a risk assessment exercise at the enterprise and functional levels. As part of this exercise, all the identified risks and the action taken on measures to mitigate them, were reviewed by the management team.

The Company already has in place, a robust ERP system (SAP) that enhances the reliability of financial and operational information. In addition, during the year, the Company has taken another significant initiative to implement the Shared Service Center (SSC) for procurement to pay processes. This has not only standardized the processes, but also significantly improved the internal controls by way of simplification and automation of best practices.

## Future Outlook

Hindi dailies, powered by rising literacy levels, continue to dominate the rolls with highest readership and circulation across the country. With Hindustan constantly striving to reach out to more readers, it augurs well for better revenue opportunities.

In the coming years, the share of Hindi and other regional dailies will leap as more companies expand their focus on Tier II and Tier III cities. Other key advertisers like telecom service providers and handset manufacturers are also looking for deeper penetration in Tier II and Tier III cities. Hindustan, with its commanding and growing readership

base, is the preferred media vehicle in the Hindi belt, which is likely to augment advertising revenue, going ahead.

A slew of new launches – Job search in Patna, Kanpur and ‘Live’ in Lucknow, Ranchi, Meerut, Kanpur and Patna – offer promising prospects as they enhance readership experience by informing about employment opportunities and hyper local content, respectively. Further, these provide a platform for advertisers to approach the target audience.

To consolidate the existing strong readership base it enjoys in the states of U.P., Uttarakhand, Bihar and Jharkhand, the Company is keeping a steady eye on the unfolding developments post-national election and in the light of other macro and micro economic indicators. Further, due emphasis is always placed on improvising the look as well as content, and rebranding of the newspaper, to ensure that it maintains its strong relevance to the local population and to the younger audience. The re-launch of the Kanpur edition, holds a lot of promise and will provide a boost to Hindustan in Central and Eastern U.P.

**For providing further impetus to the news gathering system, FY 14 saw the Company launch a major innovation called ‘News Live’ application.**

## Cautionary Statement

Certain statements in this Annual Report may be forward-looking statements. Such forward-looking statements are subject to 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.

*\*Note: Figures in charts/tables have been taken from FICCI-KPMG Indian Media and Entertainment Industry Report 2014 without any changes and casting errors, if any, are incidental.*

## Directors' Report

### Dear Shareholders,

Your Directors are pleased to present their Report, together with the Audited Financial Statements for the financial year ended on March 31, 2014.

### FINANCIAL RESULTS

Your Company's performance during the financial year ended on March 31, 2014, is summarized below:

Particulars	(₹ in Lacs)	
	2013-14	2012-13
<b>Total Income</b>	76,029.64	66,473.73
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>	<b>18,180.50</b>	<b>14,101.96</b>
Less: Depreciation and amortization expense	2,155.57	2,170.11
Less: Finance costs	568.63	527.61
<b>Profit before Tax</b>	<b>15,456.30</b>	<b>11,404.24</b>
Less: Tax Expense		
• Current Tax	4,345.14	2,793.66
• Deferred Tax charge / (credit)	(9.80)	158.31
<b>Profit for the year from continuing operations</b>	<b>11,120.96</b>	<b>8,452.27</b>
Add: Balance as per last financial statements	18,603.04	11,393.18
<b>Amount available for appropriation</b>	<b>29,724.00</b>	<b>19,845.45</b>
Appropriations -		
• Proposed final equity dividend [₹1.20/- per Equity Share of ₹10/- each i.e. 12% (Previous Year - ₹1.20/- per Equity share i.e. @ 12%)]	880.73	880.73
• Tax on proposed equity dividend	149.68	149.68
• Transfer to General Reserve	279.00	212.00
<b>Net surplus in the Statement of Profit &amp; Loss</b>	<b>28,414.59</b>	<b>18,603.04</b>

### DIVIDEND

Your Directors are pleased to recommend a dividend of ₹1.20 per Equity Share of ₹10/- each i.e., 12% (Previous Year - ₹1.20/- per Equity Share i.e. @ 12%) for the financial year ended on March 31, 2014 and seek your approval for the same.

The proposed dividend payment, including Corporate Dividend Distribution Tax would entail an outflow of ₹1,030.41 Lacs (Previous Year ₹1,030.41 Lacs).

### OFFER FOR SALE

During the year under review, HT Media Limited, the promoter of the Company divested 19,39,027 equity shares of the Company through 'Offer for Sale of shares by promoters through the stock exchange mechanism' route, to enable the Company to achieve 'Minimum Public Shareholding', as required by law.

### 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 or invited any Public Deposits during the year.

### DIRECTORS

During the year under review, Shri Vikram Singh Mehta and Shri Rajiv Verma were inducted on the Board of Directors of the Company as Additional Directors w.e.f. August 21, 2013. In terms of the applicable provisions of the Companies Act, 2013, Shri Vikram Singh Mehta and Shri Rajiv Verma hold office till the ensuing Annual General Meeting and are eligible for re-appointment.

Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, approval of the members is being sought for appointment of Shri Ajay Relan, Shri Ashwani Windlass, Shri Piyush G. Mankad, Shri Shardul S. Shroff and Shri Vikram Singh Mehta, Non-executive Independent Directors, as Independent Directors of the Company for 5 consecutive years for a term upto March 31, 2019. These directors fulfill the conditions specified in the Companies Act, 2013 and



rules made thereunder for appointment as Independent Directors. As required under Section 160 of the Companies Act, 2013, the Company has received notice alongwith requisite deposit from members, proposing the candidature of Shri Ajay Relan, Shri Ashwani Windlass, Shri Piyush G. Mankad, Shri Shardul S. Shroff, Shri Vikram Singh Mehta and Shri Rajiv Verma for appointment as Directors of the Company.

Shri Shamit Bhartia, Director, retires from office by rotation at the ensuing Annual General Meeting as per the provisions of the Companies Act, 2013 and being eligible, has offered himself for re-appointment.

Further, the Board of Directors at its meeting held on May 7, 2014 has approved, subject to approval of the shareholders at their ensuing Annual General Meeting, the re-appointment of Shri Benoy Roychowdhury as Whole-time Director for a period of 5 years w.e.f. April 1, 2014.

A brief resume, details of expertise and other directorships / committee memberships held by the above Directors, forms part of the notice convening the Annual General Meeting.

#### AUDITORS

The Statutory Auditors viz., S.R. Batliboi & Co. LLP, 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 provisions of Section 139 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, it is proposed to appoint S.R. Batliboi & Co. LLP as Statutory Auditors of the Company from the conclusion of the ensuing Annual General Meeting till the conclusion of the Annual General Meeting to be held in the calendar year 2016, subject to the ratification of their appointment at the Annual General Meeting to be held in the calendar year 2015.

#### 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 pursuant to Section 217(2A) of the Companies Act, 1956 and the rules made 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 March 31, 2014, 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 March 31, 2014; and of the profit of the Company for the year ended on March 31, 2014;
- 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

DIN:00020648

Place: New Delhi

Date: July 21, 2014

## 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 March 31, 2014, 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 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 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.

New Delhi  
July 02, 2014

Sd/-  
**NC 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:

- Optimization of compressor operations
- Switching off one motor panel during maintenance time, resulted in saving the field current, drive and blower fan power
- No standby power in machines when not in use
- No DG operation performed during day time, if duration of power failure is less than 15 minutes.

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

Upgradation of capacitor bank for achieving unity power factor

#### (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:

Maintained power factor towards unity (all-India) and got incentives to the tune of 6% on energy bills.

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

Not Applicable

### B. TECHNOLOGY ABSORPTION:-

#### (e) Efforts made in technology absorption

Implementing use of plates which consume less water and energy in the plate making process

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:-

#### (f) Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans:

Not Applicable

#### (g) Total foreign exchange used and earned:

Foreign exchange expenditure - ₹77.99 Lacs  
Foreign exchange earned - ₹1.71 Lacs

# Report on Corporate Governance

Your Company continues to focus on 'Accountability', 'Transparency' and 'Trusteeship' in all facets of its operations.

We strongly believe that good Corporate Governance practices are key drivers of Company's sustainable growth and also a valuable tool for protection of stakeholders' interests. Your Company therefore, in the endeavour to take balanced care of its stakeholders, is committed to adhere to good Corporate Governance practices in business processes.

A report on Corporate Governance, in accordance with the listing agreement, is outlined 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. As on March 31, 2014, the Board comprised of ten Directors including nine Non-executive Directors. Our Company also complies with the requirement of at least one-half of the Board to comprise of Independent Directors. The Chairperson of the Board is a Non-executive Promoter Director.

The composition of the Board of Directors is as follows -

Name of the Director	Date of appointment	Relationship between Directors, <i>inter-se</i>	Director Identification Number (DIN)
<b>NON- EXECUTIVE PROMOTER DIRECTORS</b>			
Smt. Shobhana Bhartia, Chairperson	January 6, 2010	Mother of Shri Priyavrat Bhartia and Shri Shamit Bhartia	00020648
Shri Priyavrat Bhartia	August 27, 2010	<ul style="list-style-type: none"> <li>Son of Smt. Shobhana Bhartia</li> <li>Brother of Shri Shamit Bhartia</li> </ul>	00020603
Shri Shamit Bhartia	December 19, 2011	<ul style="list-style-type: none"> <li>Son of Smt. Shobhana Bhartia</li> <li>Brother of Shri Priyavrat Bhartia</li> </ul>	00020623
<b>NON-EXECUTIVE INDEPENDENT DIRECTORS</b>			
Shri Ajay Relan	February 22, 2010	None	00002632
Shri Ashwani Windlass	February 22, 2010	None	00042686
Shri Dipak C. Jain <sup>#</sup>	August 27, 2010	None	00228513
Shri Piyush G. Mankad	December 19, 2011	None	00005001
Shri Shardul S. Shroff	February 22, 2010	None	00009379
Shri Vikram Singh Mehta	August 21, 2013	None	00041197
<b>NON-EXECUTIVE DIRECTOR</b>			
Shri Rajiv Verma <sup>@</sup>	August 21, 2013	None	00017110
<b>WHOLE-TIME DIRECTOR</b>			
Shri Benoy Roychowdhury <sup>*</sup>	January 6, 2010	None	00816822

<sup>#</sup> Ceased to be director w.e.f. June 24, 2013

<sup>@</sup> Ceased to be director w.e.f. June 24, 2013 and appointed as additional director w.e.f. August 21, 2013

<sup>\*</sup>Whole-time Director w.e.f. from February 23, 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 and Shri Shamit Bhartia who hold 6,719 and 5,017 Equity Shares of the Company, respectively.

### Directors' attendance record and Directorships held

During the financial year ended on March 31, 2014, four Board meetings were held. The details are as follows:

Date of Board Meeting	Board Strength	Number of Directors Present	Number of Independent Directors present
13.05.2013	10	10	5 out of 5
19.07.2013	8	7	3 out of 4
24.10.2013	10	9	4 out of 5
06.02.2014	10	8	3 out of 5

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

Name of the Director	Board meetings attended during FY2013-14	Attendance at the last AGM held on August 19, 2013	No. of other Directorships held	Committee position held in other companies <sup>^</sup>	
				Chairperson	Member <sup>1</sup>
Smt. Shobhana Bhartia	4	No	7	1	-
Shri Ajay Relan	4	No	6	-	2
Shri Ashwani Windlass	4	Yes	3	2	1
Shri Dipak C. Jain <sup>#</sup>	1	No	NA*	NA*	NA*
Shri Piyush G. Mankad	3	No	7	2	7
Shri Shardul S. Shroff	1	No	6	-	2
Shri Vikram Singh Mehta <sup>§</sup>	2	No	8	-	2
Shri Priyavrat Bhartia	4	No	12	2	6
Shri Shamit Bhartia	4	No	12	1	3
Shri Rajiv Verma <sup>@</sup>	3	No	8	-	6
Shri Benoy Roychowdhury	4	Yes	1	-	-

<sup>#</sup> Ceased to be director w.e.f. June 24, 2013

<sup>§</sup> Appointed as additional director w.e.f. August 21, 2013

<sup>@</sup> Ceased to be director w.e.f. June 24, 2013 and appointed as additional director w.e.f. August 21, 2013

<sup>^</sup> Only Audit Committee and Shareholders'/Investors' Grievance Committee are considered

<sup>1</sup> Does not include chairmanships

NA\* denotes 'Not Applicable', as ceased to be director

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 and agenda papers are circulated well in advance of the meeting. In cases where it is not practicable to forward the document(s) with the agenda papers, the same are 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

During FY 2013-14, the Non-executive Directors were 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 ₹10 Lacs per Director per annum. The details of sitting fee and commission paid to Directors during FY 2013-14 are as under –

(₹ in Lacs)			
Name of the Director	Sitting Fee	Commission	Total
Smt. Shobhana Bhartia*	Nil	Nil	Nil
Shri Ajay Relan* <sup>@</sup>	Nil	Nil	Nil
Shri Ashwani Windlass	1.60	10.00	11.60
Shri Dipak C. Jain	0.20	Nil	0.20
Shri Piyush G. Mankad	0.60	10.00	10.60
Shri Shardul S. Shroff	0.40	10.00	10.40
Shri Vikram Singh Mehta	0.40	10.00	10.40
Shri Priyavrat Bhartia*	Nil	Nil	Nil
Shri Shamit Bhartia*	Nil	Nil	Nil
Shri Rajiv Verma*	Nil	Nil	Nil

\* These Directors have voluntarily opted not to accept sitting fee  
<sup>@</sup> Shri Ajay Relan has opted not to accept commission

Shri Benoy Roychowdhury was appointed as Whole-time Director w.e.f. February 23, 2010 for a period of five years. The details of remuneration paid to him for the financial year ended on March 31, 2014, are as under:

(₹ in Lacs)

Name of the Director	Salary & Allowances	Perquisites	Retirement benefits
Shri Benoy Roychowdhury	135.96	1.23	8.47

## Notes:

- (1) Retirement benefits include contribution to Provident Fund.
- (2) During the year, 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 ₹4,50,000/- of variable pay viz. Bonus.

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.

## BOARD COMMITTEES

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

The standing committees of the Board are as follows -

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

The role and composition of the standing committees, including the number of meetings held during the financial year ended on March 31, 2014 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.

### Meetings

During the financial year ended on March 31, 2014, four meetings of the Audit Committee were held. The composition of Audit Committee, date on which the meetings were held and attendance of Directors at the above meetings is as follows:

Name of the Director	Position in the Committee	Presence of directors at the meetings			
		13.05.13	19.07.13	24.10.13	06.02.14
Shri Ashwani Windlass	Chairman	√	√	√	√
Shri Ajay Relan	Member	√	√	√	√
Shri Shardul S. Shroff	Member	√	-	-	-
Shri Priyavrat Bhartia	Member	√	√	√	√

The Chairman of the Audit Committee is a Non-executive Independent Director and has attended the last Annual General Meeting of the Company held on August 19, 2013.

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 its 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 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.

### Meetings

During the financial year ended on March 31, 2014, no meeting of the Investors' Grievance Committee was held. The composition of Investor's Grievance Committee is as follows:

Name of the Director	Position in the Committee
Shri Ajay Relan	Chairman
Shri Rajiv Verma	Member
Shri Benoy Roychowdhury	Member

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

During the year ended on March 31, 2014, seven (7) 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 March 31, 2014. The status on reply/redressal of investors' complaints is reported to the Board of Directors from time to time.

### (c) INVESTMENT AND BANKING COMMITTEE

The Investment and Banking Committee of the Board has been entrusted with functions/powers relating to banking & finance matters and to make investments and forex transactions.

### Meetings

During the financial year ended on March 31, 2014, the Investment and Banking Committee met two times. The composition of Investment and Banking Committee and attendance of the Directors at the meetings is as follows:

Name of the Director	Position in the Committee	Presence of directors at the meetings	
		01.08.13	15.11.13
Shri Ajay Relan	Chairman	√	-
Shri Priyavrat Bhartia	Member	√	√*
Shri Rajiv Verma	Member	-	√
Shri Benoy Roychowdhury	Member	√	√

\* Shri Priyavrat Bhartia chaired the meeting.

The Company Secretary acts as 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	August 19, 2013 at 11.00 a.m	September 5, 2012 at 11.00 a.m	July 15, 2011 at 3.00 p.m
Venue	Hotel Maurya, South Gandhi Maidan, Patna-800001, India		
Special Resolution(s) passed, if any	<ul style="list-style-type: none"> <li>Approval of revision in remuneration payable to Shri Benoy Roychowdhury, Whole-time Director</li> <li>Approval of payment of revised annual commission to one or more Non-executive Directors of the Company</li> </ul>	<ul style="list-style-type: none"> <li>Approval to commence all or any of the business proposed in Clause III.C.(20) of the objects clause of Memorandum of Association of the Company</li> </ul>	-None-

### Postal Ballot

During the financial year ended on March 31, 2014, no special resolution was passed by the Company which required use of postal ballot process.

In terms of the requirements of the Companies Act, 2013, following matters have been put up for approval of the shareholders by way of passing Special Resolutions, through Postal Ballot process:



- Approval of borrowing(s) in excess of aggregate of paid-up share capital and free reserves in terms of Section 180(1)(c) of the Companies Act, 2013
- Authorize mortgage, hypothecation and/or otherwise charge, alienate, pledge, create lien or other encumbrance or dispose of in any manner, any or all immovable/ movable and/ or tangible/ intangible properties of the Company in terms of Section 180(1)(a) of the Companies Act, 2013

## DISCLOSURES

During the financial year ended on March 31, 2014, there were no materially significant transactions with related parties viz. promoters, relatives, 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 no. 32 of the Accounts.

No penalty or stricture was imposed on the Company by any stock exchange, SEBI or other statutory authority during the last three years on any matter related to capital markets, for non-compliance by the Company.

The Company has prepared the financial statements for the financial year ended on March 31, 2014 to comply in all material aspects with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and relevant provisions of the Companies Act, 1956.

The Company discloses to the Audit Committee, the uses/applications of proceeds/funds raised from its IPO, as part of quarterly review of its financial results.

The CEO/CFD certificate in terms of Clause 49(V) has been placed before the Board. The Company is complying with all mandatory requirements of Clause 49 and quarterly compliance report in the prescribed format has been submitted to the concerned stock exchanges.

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 wherein a mechanism has been put in place to enable 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. The Policy has been posted on the Company's intranet viz., myht.in. During the year, no personnel were denied access to 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](http://www.hmvl.in).

The Directors and Key Managerial Personnel are responsible and committed to adhere to the Code and have accordingly affirmed compliance of the same. Further, a declaration by Wholtime Director regarding compliance of the Code is appearing at the end of this report as **Annexure – A**.

## 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.

Further, internal systems are in place to exercise control and ensure that the Designated Employees do not engage themselves in sale/ purchase of shares of the Company during the period when the trading window is closed.

## MEANS OF COMMUNICATION

- **Financial results** – 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 forwarded to the investors by e-mail, in cases where e-mail address is available. Investors are encouraged to avail this service / facility by providing their e-mail Id to the Company.
- **Company's Website** – Important shareholders' information such as Annual Report of the Company and the financial results are displayed on the website i.e., [www.hmvl.in](http://www.hmvl.in).
- **Official news releases, presentations etc.** – Official news releases, shareholding pattern, press releases and presentations made to Financial Analysts etc. are also available on the Company's website.
- **Investor Conference Calls** – Every quarter, post the announcement of financial results, conference calls are held with institutional investors and analysts. These calls are addressed by the CEO, CFO and Chief Financial Strategist. Transcripts of the calls are also posted on the website of the Company.
- **Management Discussion and Analysis** – Management Discussion and Analysis covering the operations of the Company, forms part of this Annual Report.
- **Designated E-mail Id** – The Company has designated the Email Id viz. [hmvlinvestor@hindustantimes.com](mailto:hmvlinvestor@hindustantimes.com), for sending investor requests/ complaints.

**GENERAL SHAREHOLDER INFORMATION****Forthcoming Annual General Meeting**Day, Date & Time: **Monday, the September 8, 2014 at 3.00 PM**Venue: **Hotel Maurya**  
South Gandhi Maidan, Patna – 800 001, Bihar (India)**Financial Year**

April 1 of each year to March 31 of next year

**Financial Calendar (Tentative)**

Results for quarter ending June 30, 2014	July 21, 2014
Results for quarter/ half-year ending September 30, 2014	End October, 2014
Results for quarter ending December 31, 2014	End January, 2015
Results for year ending March 31, 2015	End May, 2015
Annual General Meeting (i.e., next year)	End August, 2015

**Book Closure**

The Book Closure period for the purpose of payment of dividend for the financial year 2013-14 is from Monday, the September 1, 2014 to Monday, the September 8, 2014 (both days inclusive).

**Dividend Payment Date (Tentative)**

The Board of Directors of the Company have recommended payment of dividend @ ₹1.20/- per Equity Share of ₹10/- each (i.e., @ 12%) for the financial year ended on March 31, 2014, subject to the approval of the shareholders at the ensuing Annual General Meeting. The dividend, if approved, shall be paid on or after September 11, 2014.

**Registrar and Share Transfer Agent**

Karvy Computershare Private Limited  
Unit: Hindustan Media Ventures Limited  
Plot Nos. 17-24, Vittal Rao Nagar, Madhapur  
Hyderabad – 500 081 (India)  
Tel : + 91-40-2342 0818  
Fax : + 91-40-2342 0814  
E-mail : einward.ris@karvy.com

**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
Apr. '13	153.95	121.60	19,622.68	18,144.22	145.00	124.25	5,962.30	5,477.20
May '13	150.20	125.00	20,443.62	19,451.26	147.55	126.00	6,229.45	5,910.95
Jun. '13	144.85	123.60	19,860.19	18,467.16	138.95	125.40	6,011.00	5,566.25
Jul. '13	134.95	104.10	20,351.06	19,126.82	133.90	102.40	6,093.35	5,675.75
Aug. '13	135.85	106.00	19,569.20	17,448.71	133.00	113.45	5,808.50	5,118.85
Sep. '13	127.90	107.10	20,739.69	18,166.17	123.95	107.50	6,142.50	5,318.90
Oct. '13	144.00	93.00	21,205.44	19,264.72	140.00	109.10	6,309.05	5,700.95
Nov. '13	121.70	100.00	21,321.53	20,137.67	123.75	100.00	6,342.95	5,972.45
Dec. '13	117.95	105.00	21,483.74	20,568.70	119.70	104.65	6,415.25	6,129.95
Jan. '14	151.00	109.90	21,409.66	20,343.78	150.00	106.50	6,358.30	6,027.25
Feb. '14	137.10	120.00	21,140.51	19,963.12	138.00	121.80	6,282.70	5,933.30
Mar. '14	140.45	121.00	22,467.21	20,920.98	139.90	120.30	6,730.05	6,212.25

**Share Transfer System**

The equity shares of the Company are compulsorily traded in demat form. All requests for transfer of shares in physical form are processed and the duly transferred share certificates are returned to the transferee within the time prescribed by law in the said behalf, subject to the share transfer documents being valid and complete in all respects.

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**

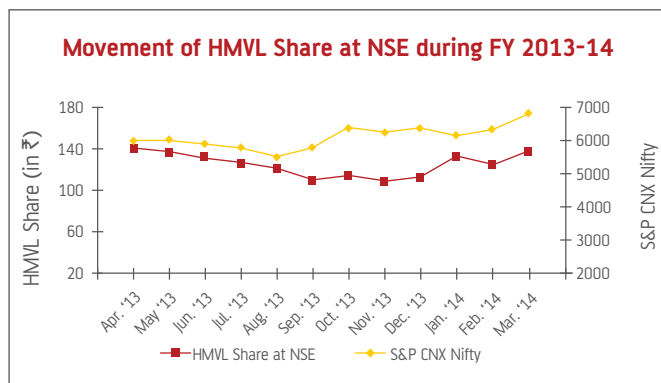
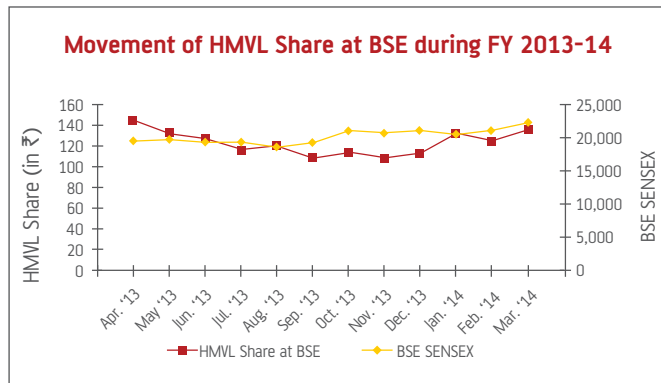
The Equity Shares of the Company are listed on the following Stock Exchanges:

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 FY 2014-15 has been paid to both BSE and NSE.

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

## Performance in comparison to broad-based indices



## Distribution of Shareholding by size as on March 31, 2014

No. of Equity Shares held	No. of Shareholders	% of Total no. of Shareholders	No. of Shares held	% of Total no. of Shares
Upto 500	3,512	85.02	3,64,301	0.50
501 – 1000	341	8.25	2,29,968	0.31
1001 – 5000	193	4.67	4,19,655	0.57
5001 – 10000	25	0.61	1,60,452	0.22
10001 & above	60	1.45	7,22,19,394	98.40
<b>TOTAL</b>	<b>4,131</b>	<b>100.00</b>	<b>7,33,93,770</b>	<b>100.00</b>

## Category of Shareholders as on March 31, 2014 (in both physical and demat form)

Category	No. of Shares held	% of Shareholding
Promoters	5,50,44,904	75.00
Banks, Financial Institutions and Insurance Companies	5,83,166	0.79
Foreign Institutional Investors (FIIs)	9,24,867	1.26
Mutual Funds	97,67,417	13.31
Non-residents	1,08,660	0.15
Bodies Corporate	44,57,052	6.07
Public	24,42,787	3.33
Clearing Members	24,090	0.03
HUF	34,829	0.05
Others (Trusts)	5,998	0.01
<b>TOTAL</b>	<b>7,33,93,770</b>	<b>100.00</b>

## Dematerialization of Shares and liquidity as on March 31, 2014

Category	No. of Shares held	% of Shareholding
Shares held in Demat form	7,33,72,972	99.97
Shares held in Physical form	20,798	0.03
<b>TOTAL</b>	<b>7,33,93,770</b>	<b>100.00</b>

As on March 31, 2014, there were no shares allotted in the IPO, which remained unclaimed/uncredited.

There are 34 cases of unclaimed refund orders representing ₹56,600/- as on March 31, 2014 in respect of the IPO and the list has been posted on the website of the Company.

## Details of unclaimed shares (issued in physical form pre-IPO), lying in Demat Suspense Account

Particulars	No. of Shareholders	No. of Equity Shares
Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the beginning of the year	208	59,307
Number of shareholders who approached the Company for transfer of shares from the unclaimed suspense account during the year	Nil	Nil
Number of shareholders to whom shares were transferred from the unclaimed suspense account during the year	Nil	Nil
Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the end of the year	208	59,307

**Note:** The aforesaid data represents unclaimed bonus shares, issued in physical form by the Company in February 2010. These shares are lying in Demat Suspense Account as per Clause 5A of the Listing Agreement. The voting rights in respect of these shares shall remain frozen till the rightful owners claim the shares.

## 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. 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 (2<sup>nd</sup> 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

**Compliance Officer**

Shri Tridib Barat, Company Secretary  
Tel: + 91 -11 - 6656 1608

**COMPLIANCE**

A certificate dated July 2, 2014 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) facility**

- Shareholders holding shares in electronic form and desirous of availing NECS facility, are requested to ensure that their correct bank details including MICR (Magnetic Ink Character Recognition) and IFSC (Indian Financial System 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 or R&T Agent, as the case may be.

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

**(2) Nomination facility**

In terms of Section 72 of the Companies Act, 2013, shareholders holding shares in demat and physical form may, in their own interest, register their nomination with the DP or R&T Agent, as the case may be.

**Plant Locations (as on March 31, 2014)**

City	Address
AGRA	Plot No. 660/2, Shastripuram Crossing, Sikandra Artoni, Agra Mathura Road, Agra - 282007
ALIGARH	Near JD Ayurvedic College, Village-Bhakharikhas, GT Road, Aligarh - 202001
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	Village Bhelatand, PO-Nagnagar, PS-Barbadda, BhelaTand Road, Dhaiya, Dhanbad - 826004
JAMSHEDPUR	NH 33, Village TolaKumrum, 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
MORADABAD	Mini Bypass, Lakri Fazalpur, Near Police Post, Moradabad - 244001
PATNA	Budh Marg, P.O. - G.P.O., P.S. - Kotwali, Patna - 800001
RANCHI	7 Kokar Industrial Area, PO & PS - Kokar, Ranchi - 834001
VARANASI	Arazi no.603/5, Mauza-Koirajpur, Pargana - Athagawa, Tehsil Pindra, Varanasi - 221105

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

**ANNEXURE - A****Declaration of Compliance with 'Code of Conduct for Directors and Key Managerial Personnel' of the Company**

I, Benoy Roychowdhury, Whole-time Director of the Company, do hereby confirm that all the Board members and Key Managerial Personnel have complied with the 'Code of Conduct for Directors and Key Managerial Personnel', during the FY 2013-14.

This 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 : April 29, 2014  
Place : New Delhi

**(Benoy Roychowdhury)**  
Whole-time Director

## Independent Auditor's Report

To the Members of Hindustan Media Ventures Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of Hindustan Media Ventures Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956, read with General Circular 8/2014 dated April 4, 2014 issued by the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 1956 ("the Act") 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, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) 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;
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956, read with General Circular 8/2014 dated April 4, 2014 issued by the Ministry of Corporate Affairs;
  - (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E

per **Manoj Gupta**

Partner

Membership Number: 83906

Place of Signature: New Delhi

Date: May 7, 2014



## Annexure to the Auditor's Report referred to in paragraph [1] of "Report on Other Legal and Regulatory Requirements" in 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) Fixed assets have not been physically verified by the management during the year pursuant to the physical verification programme which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
- (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 physical verification.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured 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 Order are not applicable to the Company and hence not commented upon.
- (e) According to information and explanations given to us, the Company has not taken any loans, 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 is 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 of the Company and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, related to the printing of newspaper, catalogues, books, magazines, etc., and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (ix) (a) 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 have generally been regularly deposited with the appropriate authorities. The provisions of excise duty are not applicable to the Company.
- (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, cess and other material 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 loss 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 of financial institution.

- (xii) According to the information and explanations given to us and based on the documents and records produced to 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 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 the 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 during the year 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 as disclosed in Note no. 29 of 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. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E

per **Manoj Gupta**

Partner

Membership Number: 83906

Place of Signature: New Delhi

Date: May 7, 2014

# Balance Sheet

As at March 31, 2014

(₹ in Lacs)			
Particulars	Note No.	As at 31 March 2014	As at 31 March 2013
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	3	7,339.38	7,339.38
(b) Reserves and surplus	4	53,580.10	43,489.55
		<b>60,919.48</b>	<b>50,828.93</b>
<b>2 Non-current liabilities</b>			
(a) Deferred tax liabilities (Net)	5	647.10	656.90
(b) Trade payables	6	1.89	-
		<b>648.99</b>	<b>656.90</b>
<b>3 Current liabilities</b>			
(a) Short-term borrowings	7	2,033.29	324.36
(b) Trade payables	8	7,619.64	6,034.12
(c) Other current liabilities	8	5,025.89	3,792.40
(d) Short-term provisions	9	1,187.45	1,219.42
		<b>15,866.27</b>	<b>11,370.30</b>
<b>TOTAL</b>		<b>77,434.74</b>	<b>62,856.13</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	10	16,815.51	17,653.43
(ii) Intangible assets	10	119.42	156.53
(iii) Capital work-in-progress		1,096.38	96.02
(b) Non-current investments	11	12,500.00	12,500.00
(c) Long-term loans and advances	12	2,346.91	435.59
(d) Other non-current assets	13	824.36	510.23
		<b>33,702.58</b>	<b>31,351.80</b>
<b>2 Current assets</b>			
(a) Current investments	14	24,361.15	15,284.33
(b) Inventories	15	3,295.76	3,239.81
(c) Trade receivables	16	9,331.56	7,907.92
(d) Cash and bank balances	17	2,599.33	2,843.54
(e) Short-term loans and advances	18	2,311.67	1,243.30
(f) Other current assets	19	1,832.69	985.43
		<b>43,732.16</b>	<b>31,504.33</b>
<b>TOTAL</b>		<b>77,434.74</b>	<b>62,856.13</b>
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

per **Manoj Gupta**  
Partner  
Membership No. 83906

Place of signature: New Delhi

Date: May 7, 2014

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

**Shobhana Bhartia**  
Chairperson

**Tridib Kumar Barat**  
Company Secretary

**Benoy Roychowdhury**  
Whole Time Director

**Ajay Kumar Jain**  
Chief Financial Officer

**Rajiv Verma**  
Director

## Statement of Profit & Loss

For the year ended March 31, 2014

(₹ in Lacs)			
Particulars	Note No.	Year ended 31 March 2014	Year ended 31 March 2013
<b>I INCOME</b>			
a Revenue from operations	20	72,972.38	63,627.29
b Other Income	21	3,057.26	2,846.44
<b>Total Income</b>		<b>76,029.64</b>	<b>66,473.73</b>
<b>II EXPENSES</b>			
Cost of raw materials consumed	22	30,044.33	26,477.81
(Increase) / decrease in inventories	23	11.13	(15.54)
Employee benefit expense	24	8,655.07	8,035.00
Other expenses	25	19,138.61	17,874.50
<b>Total expenses</b>		<b>57,849.14</b>	<b>52,371.77</b>
<b>III EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA) (I-II)</b>		<b>18,180.50</b>	<b>14,101.96</b>
Depreciation and amortisation expense	26	2,155.57	2,170.11
Finance costs	27	568.63	527.61
		<b>2,724.20</b>	<b>2,697.72</b>
<b>IV PROFIT BEFORE TAX</b>		<b>15,456.30</b>	<b>11,404.24</b>
<b>V TAX EXPENSE</b>			
Current tax			
Pertaining to profit for current period		4,306.54	2,801.00
Adjustment of tax related to earlier periods		38.60	(7.34)
Deferred tax charge/(credit)		(9.80)	158.31
<b>Total tax expense</b>		<b>4,335.34</b>	<b>2,951.97</b>
<b>VI PROFIT FOR THE YEAR</b>		<b>11,120.96</b>	<b>8,452.27</b>
<b>VII EARNINGS PER SHARE [NOMINAL VALUE OF SHARE ₹10 EACH (PREVIOUS YEAR ₹10 EACH)]</b>			
Basic and diluted	28	15.15	11.52
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

per **Manoj Gupta**  
Partner  
Membership No. 83906

Place of signature: New Delhi

Date: May 7, 2014

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

**Shobhana Bhartia**  
Chairperson

**Tridib Kumar Barat**

Company Secretary

**Benoy Roychowdhury**  
Whole Time Director

**Ajay Kumar Jain**

Chief Financial Officer

**Rajiv Verma**  
Director

# Cash Flow Statement

for the year ended March 31, 2014

Particulars	(₹ in Lacs)	
	Year ended 31 March 2014	Year ended 31 March 2013
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before taxation</b>	<b>15,456.30</b>	11,404.24
Non-cash adjustment for reconciling profit before tax to net cash flows		
Depreciation/Amortization charge	2,155.57	2,170.11
Loss on disposal of fixed assets	1.43	6.49
Unrealized foreign exchange (gain)/loss	1.62	1.83
Unclaimed balances/unspent liabilities written back (net)	(42.18)	(57.45)
Income from investments, bank deposits and others	(2,769.47)	(2,573.30)
Loss on Sale of Investments	13.40	2.35
Interest expense	517.90	480.00
Provision for diminution in long term investments (net)	-	134.51
Provision for doubtful debts and advances	160.90	496.09
<b>Operating profit before working capital changes</b>	<b>15,495.47</b>	<b>12,064.87</b>
<b>MOVEMENTS IN WORKING CAPITAL :</b>		
(Increase)/Decrease in trade receivables	(1,554.17)	(603.61)
(Increase)/Decrease in inventories	(55.95)	(86.47)
(Increase)/Decrease in loans & advances and other current and non-current assets	(1,110.03)	79.00
Increase/ (Decrease) in trade payables, other liabilities and short term and long term provisions	2,829.64	(541.39)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>15,604.96</b>	10,912.40
Direct taxes paid (net of refunds)	(4,276.00)	(2,841.69)
Cash flow before extraordinary items	11,328.96	8,070.71
<b>Net cash from operating activities (A)</b>	<b>11,328.96</b>	<b>8,070.71</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(4,268.44)	(772.87)
Proceeds from sale of fixed assets	11.08	20.42
Purchase of investments	(27,500.00)	(23,007.80)
Sale / maturity of investments	18,409.76	16,352.23
Income from investments, bank deposits and others	1,610.88	1,660.87
Investment in long term deposit with scheduled banks	3.08	(2.37)
<b>Net cash from investing activities (B)</b>	<b>(11,733.64)</b>	<b>(5,749.52)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid on equity shares	(880.44)	(880.35)
Tax on equity dividend paid	(149.68)	(142.88)
Interest paid	(516.02)	(498.64)
Short term borrowings taken (net)	1,706.62	(2,309.18)
<b>Net cash from financing activities (C)</b>	<b>160.48</b>	<b>(3,831.05)</b>



## Cash Flow Statement

for the year ended March 31, 2014

Particulars	(₹ in Lacs)	
	Year ended 31 March 2014	Year ended 31 March 2013
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C)</b>	<b>(244.21)</b>	(1,509.86)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>2,843.54</b>	4,353.40
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>2,599.33</b>	2,843.54
<b>Components of cash and cash equivalents as at end of the year</b>		
Cash and cheques on hand	2,119.65	2,620.92
With Scheduled banks - on current accounts	478.26	221.49
- on unpaid dividend account*	1.42	1.13
<b>Cash &amp; Cash equivalents in Cash Flow Statement</b>	<b>2,599.33</b>	2,843.54

\*The Company can utilize these balances only towards settlement of the respective unclaimed dividend

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 **S. R. Batliboi & Co. LLP**  
ICAI Firm Registration Number: 301003E  
Chartered Accountants

per **Manoj Gupta**  
Partner  
Membership No. 83906

Place of signature: New Delhi

Date: May 7, 2014

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

**Shobhana Bhartia**  
Chairperson

**Tridib Kumar Barat**  
Company Secretary

**Benoy Roychowdhury**  
Whole Time Director

**Ajay Kumar Jain**  
Chief Financial Officer

**Rajiv Verma**  
Director

# Notes to Financial Statements

For the year ended March 31, 2014

## 1. CORPORATE INFORMATION

Hindustan Media Ventures Limited (“HMVL or the Company”) is a Public Limited Company registered in India & incorporated under the provision of the Companies Act, 1913. Its shares are listed on Bombay Stock Exchange (BSE) & National Stock Exchange (NSE).

HT Media Limited (“Holding Company”) holds 74.30% of Equity Share Capital of the 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 of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material aspects with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 read with General Circular 08/2014 dated April 4, 2014 issued by Ministry of Corporate affairs in respect of Section 133 of the Companies Act, 2013 and relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of Previous Year.

### 2.1 Summary of Significant accounting policies

#### a. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, 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 of the results of operations during the reporting period. Although these estimates are based upon management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### b. Tangible Assets

Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, borrowing costs if capitalization criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Values of fixed assets acquired from the Parent Company in an earlier year are allocated based on valuation carried out by an independent expert at the time of acquisition.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

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

#### c. Depreciation

Leasehold Land is amortized on a straight-line basis over the primary period of lease ranging between 65-90 years.

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

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

Type of asset	Rates (SLM)	Schedule XIV Rates (SLM)
Plant and Machinery	5% to 47.50%	4.75%
Buildings (Factory)	3.34% to 5.94%	3.34%
Buildings (other than factory buildings)	1.63%	1.63%
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%

In respect of fixed assets acquired from the holding company in an earlier year, depreciation is provided on Straight Line basis at rates as per the useful lives of the assets estimated by an independent valuer or the corresponding rates prescribed in Schedule XIV of the Companies Act, 1956, whichever is higher.

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

## Notes to Financial Statements

For the year ended March 31, 2014

### d. Intangible assets and amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Value for individual software license acquired from the holding company in an earlier year is allocated based on the valuation carried out by an independent expert at the time of acquisition.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. A summary of amortization policies applied by the Company on its intangible assets is as below:

Intangible Assets	Useful life (in years)
Website Development	6
Software Licenses	5-6

Software licenses acquired from the holding company, which are estimated to have lower residual lives than that envisaged above, are amortised over such estimated lower residual lives.

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

Intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method of the Intangible assets are reviewed at each financial year end for its expected useful life if there is a significant change in the expected useful life or the expected pattern of economic benefits, the amortization period/ method is adjusted to reflect the change. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

### e. 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 directly 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 Statement of Profit and Loss. 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.

### f. 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 inception of the lease term at the lower of the fair value of the leased property and present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance cost in the Statement of Profit and Loss. Lease management fees, legal charges and other initial direct costs of lease are capitalised.

A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life envisaged in Schedule XIV to the Companies Act, 1956, whichever is lower. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized leased assets are depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Schedule XIV to the Companies Act, 1956.

Lease 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 Statement of Profit and Loss on a straight-line basis over the lease term.

### g. Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings, other than arising on long term foreign currency monetary items, to the extent they are regarded as an adjustment to the interest cost.

# Notes to Financial Statements

For the year ended March 31, 2014

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 expensed in the period they occur.

## h. Impairment

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or the cash-generating unit's (CGU) net selling price and value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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 the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

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

## i. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Current investments are carried in the financial statements 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 recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

## j. Inventories

Inventories are valued as follows:

Raw materials, stores and spares	Lower of cost and net realizable 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 realizable 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.

## k. 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/ Income from investments

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Income on investments made in the units of mutual funds is recognized based on the 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 recognized on printing of the advertisement in those publications.



## Notes to Financial Statements

For the year ended March 31, 2014

### Dividend Income

Dividend income is recognized when the Company's right to receive the dividend is established by the reporting date.

### L. 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 exchange rate prevailing at the reporting date. 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. 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 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.

### m. 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 Statement of Profit and Loss for the year when an employee renders the related service. There are no other obligations other than the contribution payable to the respective funds.
- ii. Gratuity is a defined benefit plan. The cost of providing benefits under the plan is determined on the basis of actuarial valuation at each year-end using the

projected unit credit method and is contributed to Gratuity Fund created by the Company. Actuarial gains and losses are recognized in full in the period in which they occur in the Statement of Profit and Loss.

- iii. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Company presents the entire leave as current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

### n. 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 the reporting date. These are reviewed at each reporting date and are adjusted to reflect the current best estimates.

### o. Income Taxes

Tax expense comprises current and deferred tax. 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 and tax laws prevailing in the respective tax jurisdictions, where the company operates. The tax rates and the tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Deferred Income-taxes reflects the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

# Notes to Financial Statements

For the year ended March 31, 2014

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences 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 realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized 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 realized. 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.

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 same taxable entity and same taxation authority.

## p. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the reporting period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the reporting period. The weighted average numbers of equity shares outstanding during the reporting period are adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

## q. 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. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of Profit and Loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefit scheme. Compensation cost is amortized over the vesting period of the option on a straight line basis.

## r. 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.

## s. Expenses incurred on Initial Public Offer (IPO)

Expenses incurred in Initial Public Offer are adjusted against the securities premium account.

## t. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

## u. Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has elected to present earnings before interest expense, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

(₹ in Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>3. SHARE CAPITAL</b>		
<b>Authorized Shares</b>		
87,000,000 equity shares of ₹10/- each (Previous Year 87,000,000 equity shares of ₹10/- each)	8,700.00	8,700.00
<b>Issued, Subscribed and Fully Paid-up shares</b>		
73,393,770 equity shares of ₹10/- each (Previous Year 73,393,770 equity shares of ₹10/- each)	7,339.38	7,339.38

**(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the year**

Equity Shares	As at 31 March 2014		As at 31 March 2013	
	No. of shares	Amount (₹ in Lacs)	No. of shares	Amount (₹ in Lacs)
Shares outstanding at the beginning of the year	73,393,770	7,339.38	73,393,770	7,339.38
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>73,393,770</b>	<b>7,339.38</b>	<b>73,393,770</b>	<b>7,339.38</b>

**(b) Terms/rights attached to equity shares**

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2014, the amount of per share dividend proposed as distribution to equity shareholders was ₹1.20 (Previous Year ₹1.20).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Shares held by holding/ ultimate holding Company and/ or their subsidiaries/ associates**

Out of the equity shares issued by the Company, shares held by its holding company is as below:

(₹ in Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>HT Media Limited, the holding company</b>		
54,533,458 (Previous Year 56,472,485) equity shares of ₹10 each fully paid (Refer note 39)	5,453.35	5,647.25

**(d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

Particulars	As at 31 March 2014 (No. of shares)	As at 31 March 2013 (No. of shares)
Equity shares allotted as fully paid-up bonus by capitalization from securities premium account (In FY 09-10, fully paid bonus shares, in the ratio of 6.4:1 by capitalizing sum of ₹4,940.86 Lacs from securities premium account).	4,94,08,614	4,94,08,614

**(e) Details of shareholders holding more than 5% shares in the Company**

	As at 31 March 2014		As at 31 March 2013	
	No. of shares	% holding	No. of shares	% holding
<b>Equity shares of ₹10 each fully paid up</b>				
HT Media Limited, the holding company	5,45,33,458	74.30%	5,64,72,485	76.94%

As per the records of the company, including its register of shareholders/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**(f) Shares reserved for issue under options**

For details of share reserved for issue under Employees Stock Option Plan (ESOP) of the Company, refer note 38.

(₹ in Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>4. RESERVES &amp; SURPLUS</b>		
<b>Capital Reserve</b>	238.00	238.00
<b>Capital Redemption Reserve</b>	0.50	0.50
<b>Securities Premium Account</b>		
Balance as per last financial statements	24,239.14	24,239.14
<b>General Reserve</b>		
Balance as per last financial statements	408.87	196.87
Add: amount transferred from surplus balance in the statement of Profit and Loss	279.00	212.00
<b>Closing Balance</b>	687.87	408.87
<b>Surplus in the statement of Profit and Loss</b>		
Balance as per last financial statements	18,603.04	11,393.18
Profit for the year	11,120.96	8,452.27
Less: Appropriations:		
Proposed final equity dividend [amount per share ₹1.20 (Previous Year ₹1.20)]	880.73	880.73
Tax on proposed equity dividend	149.68	149.68
Transfer to general reserve	279.00	212.00
<b>Net surplus in the statement of Profit &amp; Loss</b>	28,414.59	18,603.04
<b>Total Reserves and Surplus</b>	53,580.10	43,489.55

(₹ in Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>5. DEFERRED TAX LIABILITIES (NET)</b>		
<b>Deferred tax liabilities</b>		
Differences in depreciation in block of fixed assets as per tax books and financial books	1,302.68	1,336.22
<b>Gross deferred tax liabilities</b>	1,302.68	1,336.22
<b>Deferred tax assets</b>		
Share issue expenses allowed for tax purposes in future years u/s 35D of Income Tax Act	91.77	183.55
Effect of expenditure debited to statement of Profit and Loss in the current year/ earlier years but allowed for tax purposes in following years	264.27	197.24
Provision for doubtful debts and advances	299.54	298.53
<b>Gross deferred tax assets</b>	655.58	679.32
<b>Deferred tax liabilities (net)</b>	647.10	656.90

(₹ in Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>6. OTHER LONG TERM LIABILITIES</b>		
Trade Payables		
Lease Equalization Reserve	1.89	-
<b>TOTAL</b>	1.89	-

(₹ in Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>7. SHORT-TERM BORROWINGS</b>		
<b>Secured</b>		
Buyer's Credit from HDFC Bank	165.83	324.36
Buyer's Credit from Yes Bank	232.70	-
	398.53	324.36
<b>Unsecured</b>		
Buyer's Credit from Citi Bank	186.80	-
Vendor Financing from BNP Paribas	1,228.74	-
Buyer's Credit from Deutsche Bank	219.22	-
	1,634.76	-
<b>TOTAL</b>	<b>2,033.29</b>	<b>324.36</b>

- Buyer's Credit from HDFC is secured by way of First charge on all present and future current assets including stock of raw material, semi finished & finished goods, consumable stores and spares and other such movable including book debts, bills (Documentary/Clean), outstanding monies, receivables, both present and future, of the Company.
- Buyer's Credit from Yes Bank is secured by way of first pari-passu charge on all current assets of the borrower including stocks of raw materials, semi finished and finished goods, consumable stores and spares and such other movable including book debts, bills (documentary/clean), outstanding monies, receivables, both present and future.

(₹ in Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>8. OTHER CURRENT LIABILITIES</b>		
<b>Trade payables (Refer note 35 for details of dues to micro and small enterprises) #</b>	<b>7,619.64</b>	<b>6,034.12</b>
<b>Other liabilities</b>		
Interest accrued but not due on borrowings and others	3.12	1.24
Book overdraft	952.99	-
Payable to Holding company /companies under the same management#	240.80	557.84
Customers and agents balances	293.92	255.96
Advance from customers	531.15	512.91
Outstanding dues of other creditors	336.74	169.96
Unclaimed dividend*	1.42	1.13
Sundry deposits	2,478.41	2,134.77
Statutory dues	187.34	158.59
	5,025.89	3,792.40
<b>TOTAL</b>	<b>12,645.53</b>	<b>9,826.52</b>
# Included in Trade payables & Other liabilities : Due to Holding Company	224.38	184.71
* Amount payable to Investor Education and Protection Fund	Nil	Nil

(₹ in Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>9. SHORT TERM PROVISIONS</b>		
<b>Provision for employee benefits</b>		
Provision for Leave benefits	95.41	120.35
Provision for gratuity (refer note 31)	61.63	68.66
<b>Other provisions</b>		
Provision for proposed dividend on equity shares	880.73	880.73
Provision for tax on proposed equity dividend	149.68	149.68
<b>TOTAL</b>	<b>1,187.45</b>	<b>1,219.42</b>



**10. TANGIBLE ASSETS AND INTANGIBLE ASSETS**

(₹ in Lacs)

Particulars	Tangible Assets							Intangible Assets				
	Land Freehold	Land Leasehold	Buildings	Improvement to Leasehold Premises	Plant and Machinery	Office Equipments	Furniture and Fixtures	Vehicles	Total As at 31 March 2014 (Tangible Assets)	Website Development	Software Licenses	Total As at 31 March 2014 (Intangible Assets)
<b>Cost or valuation</b>												
<b>As at 1 April 2012</b>	642.05	444.05	3,871.91	1,375.71	15,704.23	333.01	213.56	32.89	22,617.41	8.27	257.30	265.57
Additions	-	5.61	460.52	74.74	731.38	37.10	50.65	-	1,360.00	-	39.46	39.46
Disposals	-	-	-	18.04	25.89	0.32	-	-	44.25	-	-	-
<b>As at 31 March 2013</b>	642.05	449.66	4,332.43	1,432.41	16,409.72	369.79	264.21	32.89	23,933.16	8.27	296.76	305.03
<b>As at 1 April 2013</b>	642.05	449.66	4,332.43	1,432.41	16,409.72	369.79	264.21	32.89	23,933.16	8.27	296.76	305.03
Additions	-	91.11	222.44	47.41	828.77	56.32	37.06	-	1,283.11	-	9.92	9.92
Disposals	-	-	5.69	49.34	31.28	3.17	0.47	4.29	94.24	-	-	-
<b>As at 31 March 2014</b>	642.05	540.77	4,549.18	1,430.48	17,207.21	422.94	300.80	28.60	25,122.03	8.27	306.68	314.95
<b>Depreciation</b>												
<b>As at 1 April 2012</b>	-	15.68	323.16	278.10	3,324.78	90.20	141.72	4.65	4,178.29	2.46	94.71	97.17
Charge for the year	-	5.55	130.44	156.39	1,732.28	51.11	40.08	2.93	2,118.78	1.34	49.99	51.33
Disposals	-	-	-	11.63	5.51	0.20	-	-	17.34	-	-	-
<b>As at 31 March 2013</b>	-	21.23	453.60	422.86	5,051.55	141.11	181.80	7.58	6,279.73	3.80	144.70	148.50
<b>Depreciation</b>												
<b>As at 1 April 2013</b>	-	21.23	453.60	422.86	5,051.55	141.11	181.80	7.58	6,279.73	3.80	144.70	148.50
Charge for the year	-	5.70	146.20	167.85	1,699.13	51.15	35.70	2.81	2,108.54	1.34	45.69	47.03
Disposals	-	-	0.45	49.00	26.35	1.63	0.07	4.25	81.75	-	-	-
<b>As at 31 March 2014</b>	-	26.93	599.35	541.71	6,724.33	190.63	217.43	6.14	8,306.52	5.14	190.39	195.53
<b>Net Block</b>												
<b>As at 31 March 2013</b>	642.05	428.43	3,878.83	1,009.55	11,358.17	228.68	82.41	25.31	17,653.43	4.47	152.06	156.53
<b>As at 31 March 2014</b>	642.05	513.84	3,949.83	888.77	10,482.88	232.31	83.37	22.46	16,815.51	3.13	116.29	119.42

(₹ in Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>11. NON CURRENT INVESTMENTS</b>		
<b>Non-trade investments (valued at cost unless stated otherwise)</b>		
<b>Units in Mutual funds (Quoted)</b>		
HDFC Medium Term Opportunities Fund Growth <sup>#</sup> Nil (Previous Year 81.86 Lacs) Units of ₹10 each fully paid	-	1,000.00
Templeton India Income Opp Fund - Growth <sup>#</sup> Nil (Previous Year 78.62 Lacs) Units of ₹10 each fully paid	-	1,000.00
<b>Units in Fixed Maturity Plans (Quoted)</b>		
Birla Sun Life Fixed Term Plan - Series FW - Growth (1093 days)* 100.00 Lacs (Previous Year 100.00 Lacs) Units of ₹10 each	1,000.00	1,000.00
UTI Mutual Fund FTI Sr XII-VIII (1098D) Growth 50.00 Lacs (Previous Year 50.00 Lacs) Units of ₹10 each	500.00	500.00
UTI Fixed Term Income Fund Series XII - X (1096 days) Growth 50.00 Lacs (Previous Year 50.00 Lacs) Units of ₹10 each	500.00	500.00
IDFC Fixed Term Plan Series 4 Growth* 50.00 Lacs (Previous Year 50.00 Lacs) Units of ₹10 each	500.00	500.00
L&T FMP - VII (March 753DA) 50.00 Lacs (Previous Year 50.00 Lacs) Units of ₹10 each	500.00	500.00
HDFC FMP 566D December 2012 (1) Growth <sup>#</sup> Nil (Previous Year 100.00 Lacs) Units of ₹10 each	-	1,000.00
Reliance Fixed Horizon Fund XXII Series 33 ( 550 Days) <sup>#</sup> Nil (Previous Year 100.00 Lacs) Units of ₹10 each	-	1,000.00
IDFC Fixed Term Plan Regular Plan Series 10 Growth <sup>#</sup> Nil (Previous Year 50.00 Lacs) Units of ₹10 each	-	500.00
L&T FMP - VII (February511D A) - Direct Plan Growth <sup>#</sup> Nil (Previous Year 50.00 Lacs) Units of ₹10 each	-	500.00
IDFC Fixed Term Plan Series 2 Growth <sup>#</sup> Nil (Previous Year 150.00 Lacs) Units of ₹10 each	-	1,500.00
Reliance Fixed Horizon Fund XXII Series 21 Growth <sup>#</sup> Nil (Previous Year 100.00 Lacs) Units of ₹10 each	-	1,000.00
Reliance Mutual Fund Fixed Horizon Fund XXII Sr 26 Growth <sup>#</sup> Nil (Previous Year 100.00 Lacs) Units of ₹10 each	-	1,000.00
IDBI FMP - 385 Days Series - III (March 2013) -Direct Growth <sup>#</sup> Nil (Previous Year 50.00 Lacs) Units of ₹10 each	-	500.00
Reliance Fixed Horizon Fund XXIII Series 4 <sup>#</sup> 50.00 Lacs (Previous Year 50.00 Lacs) Units of ₹10 each	-	500.00
ICICI Prudential FMP - S 67 - 740 Days - Plan H - Reg - Growth 50.00 Lacs (Previous Year Nil) Units of ₹10 each	500.00	-
HDFC FMP 1107D May 2013 (1) Series 25 Direct Growth* 50.00 Lacs (Previous Year Nil) Units of ₹10 each	500.00	-
Reliance Fixed Horizon Fund - XXIII - Series 12 - Direct Growth Plan 50.00 Lacs (Previous Year Nil) Units of ₹10 each	500.00	-
ICICI Prudential FMP Series 68 - 745 Days Plan F - Growth 50.00 Lacs (Previous Year Nil) Units of ₹10 each	500.00	-
IDFC FTP Series 21 (727 days) - Direct Growth 50.00 Lacs (Previous Year Nil) Units of ₹10 each	500.00	-
ICICI Prudential FMP Series 68 745 Days Plan H 50.00 Lacs (Previous Year Nil) Units of ₹10 each	500.00	-

(₹ in Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
Birla Sun Life Fixed Term Plan - Series HC (618 days) 50.00 Lacs (Previous Year Nil) Units of ₹10 each	500.00	-
ICICI Prudential FMP Series 68 - 745 Days Plan J - Direct 50.00 Lacs (Previous Year Nil) Units of ₹10 each	500.00	-
IDFC FTP Series 23 (732 days) - Direct Growth 50.00 Lacs (Previous Year Nil) Units of ₹10 each	500.00	-
DWS Fixed Maturity Plan - Series 31 50.00 Lacs (Previous Year Nil) Units of ₹10 each	500.00	-
Reliance Fixed Horizon Fund -XXIV-Series 22 Direct (609 Day) 50.00 Lacs (Previous Year Nil) Units of ₹10 each	500.00	-
IDFC FTP Series-41 (608 Days) Direct 50.00 Lacs (Previous Year Nil) Units of ₹10 each	500.00	-
Kotak FMP Series 145 - 390 Days - Direct 100.00 Lacs (Previous Year Nil) Units of ₹10 each	1,000.00	-
Birla Sun Life Fixed Term Plan Series K0 (399 Days) Growth 100.00 Lacs (Previous Year Nil) Units of ₹10 each	1,000.00	-
IDFC Fixed Term Plan Series 23 Regular Plan Growth 48.22 Lacs (Previous Year Nil) Units of ₹10 each	500.00	-
Kotak FMP Series 151 - 388 Days - Direct 100.00 Lacs (Previous Year Nil) Units of ₹10 each	1,000.00	-
<b>Sub Total</b>	<b>12,500.00</b>	12,500.00
Less: Provision for diminution in the value of long term investments	-	-
<b>TOTAL</b>	<b>12,500.00</b>	<b>12,500.00</b>
* These Investments are pledged in favour of Deutsche Bank for Overdraft Facility.		
# Classified as current portion of long term investments during the year.		
1) Aggregate amount of quoted investments (Market Value ₹13,291.48 Lacs (Previous Year ₹12,975.15 Lacs))	12,500.00	12,500.00
2) Aggregate amount of unquoted investments	-	-

(₹ in Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>12. LONG TERM LOANS AND ADVANCES</b> <b>(Unsecured, considered good)</b>		
Capital Advances	2,057.95	82.90
Security Deposits	269.14	263.73
Advance income tax [net of provision for tax ₹4306.54 Lacs (Previous Year ₹2,801.00 Lacs)]	19.82	88.96
<b>TOTAL</b>	<b>2,346.91</b>	<b>435.59</b>

(₹ in Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>13. OTHER NON CURRENT ASSETS</b>		
Balance with Banks:		
- Margin money*	30.95	34.03
Income accrued on Investments and deposits	793.41	476.20
<b>TOTAL</b>	<b>824.36</b>	<b>510.23</b>

\*Includes fixed deposit receipts pledged with banks and held as margin money of ₹30.95 Lacs (Previous Year ₹34.03 Lacs)

(₹ in Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>14. CURRENT INVESTMENTS</b>		
<b>Current portion of Long-term investments (valued at cost)</b>		
<b>Units in Mutual funds (Quoted)</b>		
HDFC Medium Term Opportunities Fund Growth**# 81.86 Lacs (Previous Year Nil) Units of ₹10 each fully paid	1,000.00	-
Templeton India Income Opp Fund - Growth# 78.62 Lacs (Previous Year Nil) Units of ₹10 each fully paid	1,000.00	-
<b>Units in Fixed Maturity Plans (Quoted)</b>		
DSP BlackRock FMP Series - 44 -12M Growth Nil (Previous Year 50.00 Lacs) Units of ₹10 each	-	500.00
HDFC FMP 370D March 2012 (2) Growth Nil (Previous Year 50.00 Lacs) Units of ₹10 each	-	500.00
Birla Sun Life Fixed Term Plan - Series FJ Growth Nil (Previous Year 50.00 Lacs) Units of ₹10 each	-	500.00
ICICI Prudential FMP Series 64 Plan C Cumulative Nil (Previous Year 50.00 Lacs) Units of ₹10 each	-	500.00
HDFC FMP 370D May 2012 (1) Growth Series XXI Nil (Previous Year 40.00 Lacs) Units of ₹10 each	-	400.00
IDFC Fixed Maturity 366 days Series 72 Growth Nil (Previous Year 40.00 Lacs) Units of ₹10 each	-	400.00
Reliance Fixed Horizon Fund XXIII Series 4# 50.00 Lacs (Previous Year 50.00 Lacs) Units of ₹10 each	500.00	-
HDFC FMP 566D December 2012 (1) Growth** 100.00 Lacs (Previous Year Nil) Units of ₹10 each	1,000.00	-
Reliance Fixed Horizon Fund XXII Series 33 ( 550 Days)# 100.00 Lacs (Previous Year Nil) Units of ₹10 each	1,000.00	-
IDFC Fixed Term Plan Regular Plan Series 10 Growth# 50.00 Lacs (Previous Year Nil) Units of ₹10 each	500.00	-
L&T FMP - VII (February511D A) - Direct Plan Growth# 50.00 Lacs (Previous Year Nil) Units of ₹10 each	500.00	-
IDFC Fixed Term Plan Series 2 Growth** 150.00 Lacs (Previous Year Nil) Units of ₹10 each	1,500.00	-
Reliance Fixed Horizon Fund XXII Series 21 Growth** 100.00 Lacs (Previous Year Nil) Units of ₹10 each	1,000.00	-
Reliance Mutual Fund Fixed Horizon Fund XXII Sr 26 Growth** 100.00 Lacs (Previous Year Nil) Units of ₹10 each	1,000.00	-
IDBI FMP - 385 Days Series - III (March 2013) -Direct Growth# 50.00 Lacs (Previous Year Nil) Units of ₹10 each	500.00	-
DSP BlackRock FMP- Series 95 -12M - Growth** 50.00 Lacs (Previous Year Nil) Units of ₹10 each	500.00	-
Reliance Yearly Interval Fund - Series 6 - Growth 50.00 Lacs (Previous Year Nil) Units of ₹10 each	500.00	-
Kotak FMP Series 124 - 370 Days Direct 100.00 Lacs (Previous Year Nil) Units of ₹10 each	1,000.00	-
ICICI Pru FMP Series 70 - 367 Days Plan N Growth 100.00 Lacs (Previous Year Nil) Units of ₹10 each	1,000.00	-
ICICI Pru FMP Series 70 - 369 Days Plan O Growth 50.00 Lacs (Previous Year Nil) Units of ₹10 each	500.00	-
DSP Blackrock FMP Series 151-12M Regular Growth 100.00 Lacs (Previous Year Nil) Units of ₹10 each	1,000.00	-
<b>TOTAL (A)</b>	<b>14,000.00</b>	<b>2,800.00</b>

(₹ in Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>Investment in Bonds (Quoted)</b>		
National Highway Authority of India Limited 0.02 Lacs (Previous Year 0.22 Lacs) units of ₹1,000 each fully paid up	19.70	219.70
PFC Tax Free Bonds 0.17 Lacs (Previous Year 0.18 Lacs) units of ₹1,000 each fully paid up	174.78	184.78
<b>Investment in Equity Instruments ( Quoted)</b>		
GTL Infrastructure Ltd	-	499.25
Nil (Previous Year 10.98 Lacs ) shares of ₹10 each fully paid up		
<b>TOTAL (B)</b>	<b>194.48</b>	<b>903.73</b>
<b>Current investments (valued at lower of cost and fair value, unless stated otherwise)</b>		
<b>Units in Mutual funds (Quoted)</b>		
Templeton India Short Term Income Institutional Plan - Growth	-	500.00
Nil (Previous Year 0.29 Lacs) Units of ₹10 each		
Birla Sun Life Dynamic Bond Fund - Growth	-	1,600.00
Nil (Previous Year 86.81 Lacs) Units of ₹10 each		
Templeton India Short Term Income Retail Plan - Growth	-	500.00
Nil (Previous Year 0.23 Lacs) Units of ₹10 each		
IDFC SSIF Short Term Plan B Growth	-	1,143.06
Nil (Previous Year 93.49 Lacs) Units of ₹10 each		
ICICI Prudential Institutional Short Term Plan-Cumulative Option	-	500.00
Nil (Previous Year 22.46 Lacs) Units of ₹10 each		
HDFC Short Term Plan -Growth	-	500.00
Nil (Previous Year 24.27 Lacs) Units of ₹10/- each fully paid		
DWS Short Maturity Fund Institutional Growth	-	500.00
Nil (Previous Year 39.14 Lacs) Units of ₹10/- each fully paid		
DSP BlackRock Short Term Fund - Growth	-	600.00
Nil (Previous Year 33.00 Lacs) Units of ₹10/- each fully paid		
HDFC Income Fund - Growth	-	500.00
Nil (Previous Year 18.64 Lacs) Units of ₹10/- each fully paid		
Templeton India IBA - Plan A - Growth	-	500.00
Nil (Previous Year 12.75 Lacs) Units of ₹10 each fully paid		
IDFC SSIF - MTP - Plan A- Growth	-	2,000.00
Nil (Previous Year 102.79 Lacs) Units of ₹10/- each fully paid		
UTI Short Term Income Fund - Growth Option	-	1,000.00
Nil (Previous Year 74.52 Lacs) Units of ₹10/- each fully paid		
UTI Short Term Income Fund - Growth Direct Plan	-	500.00
Nil (Previous Year 36.36 Lacs) Units of ₹10/- each fully paid		
UTI Dynamic Bond Fund - Growth Plan	-	500.00
Nil (Previous Year 39.56 Lacs) Units of ₹10/- each fully paid		
DWS Premier Bond Fund - Regular Plan - Growth	-	500.00
Nil (Previous Year 25.98 Lacs) Units of ₹10/- each fully paid		
DWS Money Plus Fund-Regular Plan-Bonus	-	207.80
Nil (Previous Year 20.74 Lacs) Units of ₹10/- each fully paid		
DSP BlackRock Strategic Bond Fund - IP - Growth - Direct Plan	-	500.00
Nil (Previous Year 0.37 Lacs) Units of ₹1000/- each fully paid		
HDFC Medium Term Opportunities Fund Growth**	1,000.00	-
76.45 Lacs (Previous Year Nil) Units of ₹10 each fully paid		
Birla Sun Life Dynamic Bond Fund - Ret - Growth	1,500.00	-
73.22 Lacs (Previous Year Nil) Units of ₹10 each fully paid		
ICICI Prudential Short Term Plan Regular Plan Growth	1,000.00	-
40.69 Lacs (Previous Year Nil) Units of ₹10 each fully paid		
IDFC Super Saver Income Fund - Medium Term Plan - Growth- Regular	1,000.00	-
48.58 Lacs (Previous Year Nil) Units of ₹10 each fully paid		
IDFC Dynamic Bond Growth Regular Plan	500.00	-
34.17 Lacs (Previous Year Nil) Units of ₹10 each fully paid		



(₹ in Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
Reliance Dynamic Bond Fund - Growth	500.00	-
30.24 Lacs (Previous Year Nil) Units of ₹10 each fully paid		
SBI Short Term Debt Fund - Growth	500.00	-
36.24 Lacs (Previous Year Nil) Units of ₹10 each fully paid		
Templeton India Income Opp Fund - Growth	500.00	-
36.63 Lacs (Previous Year Nil) Units of ₹10 each fully paid		
Templeton India Short term Income Plan-Retail Growth	1,500.00	-
0.62 Lacs (Previous Year Nil) Units of ₹1000/- each fully paid		
UTI Short Term Income Fund - IP - Growth	1,000.00	-
69.64 Lacs (Previous Year Nil) Units of ₹10 each fully paid		
L&T Triple Ace Bond Fund - Bonus - Growth	500.00	-
40.20 Lacs (Previous Year Nil) Units of ₹10 each fully paid		
HDFC High Interest Fund Dynamic Plan Growth	500.00	-
12.26 Lacs (Previous Year Nil) Units of ₹10 each fully paid		
DWS Short Maturity Fund Regular Plan Annual Bonus Plan	166.67	-
11.59 Lacs (Previous Year Nil) Units of ₹10 each fully paid		
<b>TOTAL (C)</b>	<b>10,166.67</b>	<b>12,050.86</b>
<b>TOTAL (A+B+C)</b>	<b>24,361.15</b>	<b>15,754.59</b>
Provision for diminution in the value of investments	-	470.26
<b>GRAND TOTAL</b>	<b>24,361.15</b>	<b>15,284.33</b>
<b>Disclosure with respect to above</b>		
1) Aggregate amount of quoted investments	24,361.15	15,754.59
Market value ₹26,151.69 Lacs (Previous Year ₹16,260.51 Lacs)		
2) Aggregate amount of Unquoted investments	-	-
3) Aggregate amount of Provision for diminution in the value of long term investments	-	470.26
* These Investments are pledged in favour of Deutsche Bank for Overdraft Facility.		
** These Investments are pledged in favour of BNP Paribas Bank for Overdraft Facility.		
# Classified as current portion of long term investments during the year.		

(₹ in Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>15. INVENTORIES</b>		
<b>(valued at lower of cost and net realisable value)</b>		
Raw materials (includes stock in transit of ₹342.14 Lacs (Previous Year ₹435.16 Lacs)	2,494.02	2,562.49
Stores and spares	761.94	626.39
Work-in- progress	5.09	6.31
Scrap and waste papers	34.71	44.62
<b>TOTAL</b>	<b>3,295.76</b>	<b>3,239.81</b>

(₹ in Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>16. TRADE RECEIVABLES</b>		
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
Secured, considered good	31.29	33.26
Unsecured, considered good	1,097.31	1,162.80
Unsecured, considered doubtful	832.82	860.21
	<b>1,961.42</b>	<b>2,056.27</b>

(₹ in Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
Provision for doubtful receivables	(832.82)	(860.21)
	<b>1,128.60</b>	1,196.06
<b>Other receivables</b>		
Secured, considered good	1,035.15	922.14
Unsecured, considered good	7,167.81	5,789.72
	<b>8,202.96</b>	6,711.86
<b>TOTAL</b>	<b>9,331.56</b>	<b>7,907.92</b>

(₹ in Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>17. CASH AND BANK BALANCES</b>		
<b>Cash and cash equivalents</b>		
Cash on hand	196.95	196.87
Cheques in hand	1,922.70	2,424.05
Balances with scheduled banks on:		
- Current accounts	473.57	221.49
- deposits with original maturity of less than 3 months	4.69	-
	<b>2,597.91</b>	2,842.41
<b>Other bank balances</b>		
Balances with scheduled banks on unclaimed dividend account*	1.42	1.13
	<b>1.42</b>	1.13
<b>TOTAL</b>	<b>2,599.33</b>	<b>2,843.54</b>

\* The Company can utilize these balances only towards settlement of the respective unclaimed dividend.

(₹ in Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>18. SHORT TERM LOANS AND ADVANCES</b>		
<b>Unsecured, considered good unless otherwise stated</b>		
Advances recoverable in cash or kind or for value to be received		
- unsecured considered good	2,290.93	1,241.46
- unsecured considered doubtful	48.45	18.08
	<b>2,339.38</b>	1,259.54
Provision for doubtful advances	(48.45)	(18.08)
	<b>2,290.93</b>	1,241.46
<b>Other loans and advances</b>		
Material on loan	20.74	1.84
<b>TOTAL</b>	<b>2,311.67</b>	<b>1,243.30</b>
Included under loans and advances above are amounts due from HT Media Limited (towards the debtors collected on behalf of Hindustan Media Ventures Limited )	549.92	527.35
Included under loans and advances above are dues from an officer or director of the Company	-	-

(₹ in Lacs)

Particulars	As at 31 March 2014	As at 31 March 2013
<b>19. OTHER CURRENT ASSETS</b>		
Unamortised premium in foreign exchange derivative contracts	7.43	5.46
Income accrued on Investments and deposits	1,790.54	949.16
Others	34.72	30.81
<b>TOTAL</b>	<b>1,832.69</b>	<b>985.43</b>

(₹ in Lacs)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>20. REVENUE FROM OPERATIONS</b>		
<b>Revenue from Operations</b>		
<b>Sale of services</b>		
- Advertisement revenue	52,998.10	46,008.17
- Job work revenue	994.21	1,012.31
	53,992.31	47,020.48
<b>Sale of products</b>		
- Sale of newspaper and publications	17,816.07	15,531.81
<b>Other operating revenues</b>		
- Sale of scrap, waste papers and old publication	1,084.90	1,051.98
- Others	79.10	23.02
	1,164.00	1,075.00
<b>Revenue from Operations (Net)</b>	<b>72,972.38</b>	<b>63,627.29</b>

(₹ in Lacs)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>21. OTHER INCOME</b>		
Interest Income on		
- Bank deposits	3.26	3.08
- Others	0.37	1.18
Income from investments	2,765.84	2,569.04
Unclaimed balances/unspent liabilities written back (net)	42.18	57.45
Rental income	183.97	185.68
Miscellaneous income	61.64	30.01
<b>TOTAL</b>	<b>3,057.26</b>	<b>2,846.44</b>

(₹ in Lacs)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>22. COST OF MATERIALS CONSUMED</b>		
<b>Consumption of raw material</b>		
Inventory at the beginning of the year	2,562.49	2,556.34
Add: Purchases during the year	30,257.59	26,703.44
Less: Sale of damaged newsprint	281.73	219.48
	32,538.35	29,040.30
Less: Inventory at the end of the year	2,494.02	2,562.49
<b>Cost of raw material consumed</b>	<b>30,044.33</b>	<b>26,477.81</b>
<b>Details of raw material consumed</b>		
Newsprint	27,485.36	24,052.71
Ink	2,558.97	2,425.10
	30,044.33	26,477.81
<b>Details of inventory</b>		
<b>Raw materials</b>		
Newsprint	2,244.68	2,330.38
Ink	249.34	232.11
	2,494.02	2,562.49

(₹ in Lacs)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>23. (INCREASE) / DECREASE IN INVENTORIES</b>		
Inventory at the beginning of the year		
- Work-in-progress	6.31	5.98
- Scrap and waste papers	44.62	29.41
	50.93	35.39
Inventory at the end of the year		
- Work-in-progress	5.09	6.31
- Scrap and waste papers	34.71	44.62
	39.80	50.93
	<b>11.13</b>	<b>(15.54)</b>
<b>Details of inventory</b>		
<b>Work-in-progress</b>		
Newsprint	5.09	6.31
<b>Scrap and waste papers</b>		
Newsprint	34.71	44.62

(₹ in Lacs)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>24. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, wages and bonus	7,929.40	7,316.72
Contribution to provident and other funds	342.29	352.06
Gratuity expense (Refer Note 31)	61.63	68.66
Workmen and staff welfare expenses	321.75	297.56
<b>TOTAL</b>	<b>8,655.07</b>	<b>8,035.00</b>

(₹ in Lacs)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>25. OTHER EXPENSES</b>		
Consumption of stores and spares	2,265.83	2,086.79
Printing and service charges	3,803.72	3,703.80
News services and despatches	1,341.75	1,267.99
Power and fuel	1,201.27	1,073.41
Advertising and sales promotion	3,478.53	3,211.25
Freight and forwarding charges (net)	1,057.73	959.51
Rent	908.96	802.94
Rates and taxes	50.56	17.77
Insurance	171.51	122.60
Repairs and maintenance		
- Plant and machinery	450.38	344.50
- Building	74.51	52.00
- Others	6.87	5.23
Travelling and conveyance	1,075.75	889.30
Communication costs	429.30	413.59
Legal and professional fees	1,010.58	899.68
Payment to auditor (refer details below)	47.60	49.40
Directors' sitting fees	3.57	3.52
Foreign exchange difference (net)	40.41	15.24
Provision for doubtful debts & advances (Refer note 40)	160.90	496.09
Loss on disposal of fixed assets	1.43	6.49
Provision for diminution in long term investments	-	134.51
Loss on Sale of Investments	13.40	2.35
Donations	7.40	8.40
Miscellaneous expenses	1,536.65	1,308.14
<b>TOTAL</b>	<b>19,138.61</b>	<b>17,874.50</b>

(₹ in Lacs)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>Payment to Auditors:</b>		
<b>a) As Auditor:</b>		
- Audit fee	16.00	16.00
- Limited Review	18.00	18.00
- Tax audit fee	4.00	4.00
<b>b) In Other Capacity:</b>		
- Other services (Certification fees)	1.50	2.50
Out of pocket expenses	2.86	3.47
Service tax on above	5.24	5.43
<b>TOTAL</b>	<b>47.60</b>	<b>49.40</b>

(₹ in Lacs)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>26. DEPRECIATION &amp; AMORTISATION</b>		
Depreciation on tangible assets	2,108.54	2,118.78
Amortization of Intangible assets	47.03	51.33
<b>TOTAL</b>	<b>2,155.57</b>	<b>2,170.11</b>

(₹ in Lacs)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>27. FINANCE COST</b>		
Interest		
- to banks and others	444.45	340.21
Bank charges	50.73	47.61
Net loss on short term foreign currency borrowing to the extent considered as an adjustment to Interest Cost	73.45	139.79
<b>TOTAL</b>	<b>568.63</b>	<b>527.61</b>

(₹ in Lacs)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>28. EARNINGS PER SHARE</b>		
The following reflects the profit and share data used in the basic and diluted EPS computations:		
<b>Computation of basic earnings per share</b>		
Total operations for the year.		
Profit after tax	11,120.96	8,452.27
Weighted average number of equity shares in calculating basic EPS (in Lacs)	733.94	733.94
Basic earnings per share (face value of ₹10/- each) in Rupees	<b>15.15</b>	<b>11.52</b>
<b>Computation of diluted earning per share</b>		
Profit after tax	11,120.96	8,452.27
Weighted average number of equity shares in calculating diluted EPS (in Lacs)	733.94	733.94
Diluted earnings per share (face value of ₹10/- each) in Rupees	<b>15.15</b>	<b>11.52</b>

29. 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)	
<b>Proceeds</b>	<b>Amount</b>
Gross Proceeds of the Issue	26,999.99
Less: Issue expenses	(1,596.82)
Net proceeds of the issue	25,403.17

(₹ in Lacs)					
<b>Objectives</b>	<b>Amount to be utilized as per prospectus</b>	<b>Amount utilized till 31 March 2014</b>	<b>Balance unutilized as on 31 March 2014</b>	<b>Amount utilized till 31 March 2013</b>	<b>Balance unutilized as on 31 March 2013</b>
Setting up new publishing units	6,600.00	6,076.97	523.03	4,271.35	2,328.65
Upgrading existing plant and machinery	5,500.00	5,500.00	-	5,500.00	-
Prepayment of loans	13,500.00	13,500.00	-	13,500.00	-
<b>Total</b>	<b>25,600.00</b>	<b>25,076.97</b>	<b>523.03</b>	<b>23,271.35</b>	<b>2,328.65</b>

As on March 31, 2014, against the balance of IPO funds of ₹523.03 Lacs to be utilized as per Prospectus, the actual amount of unutilized IPO funds were ₹326.20 Lacs (Previous Year ₹2,131.82 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 ₹326.20 Lacs as on March 31, 2014 (Previous Year ₹2,131.82 Lacs), 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 in an earlier year against the Securities Premium received from the Initial Public Offer of the equity shares of the Company.

**30. 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 business 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.

**31. 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 Company has formed a Gratuity Trust to which contribution is made based on actuarial valuation done by independent valuer.

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

## Amount recognized in the Statement of Profit and Loss

### Net employee benefit expense (recognised in Employee Cost)

(₹ in Lacs)

	For the year ended 31 March 2014	For the year ended 31 March 2013
Current service cost	68.45	67.90
Interest cost on benefit obligation	50.43	47.59
Expected return on plan assets	(44.59)	(24.17)
Net actuarial (gain) / loss recognized in the year	(12.66)	(22.66)
Net Benefit Expense	61.63	68.66
Actual return on planned assets	(48.89)	(22.69)

## Amount recognized in Balance Sheet

(₹ in Lacs)

	As at 31 March 2014	As at 31 March 2013
Present value of defined benefit obligations	612.98	593.29
Fair value of plan assets	551.36	524.63
Total Surplus/ (Deficit)	(61.63)	(68.66)
Net (liability)/Asset recognized in Balance Sheet	(61.63)	(68.66)
Recognized Under:		
Long Term Provisions	-	-
Short Term Provisions	61.63	68.66

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

(₹ in Lacs)

	For the year ended 31 March 2014	For the year ended 31 March 2013
Present value of obligation as at the beginning of the year	593.29	559.84
Current Service cost	68.45	67.90
Interest cost	50.43	47.59
Actuarial loss / (gains) on obligation	(8.36)	(24.14)
Benefits paid*	(90.83)	(57.90)
Present value of obligation as at the end of the year	612.98	593.29

\* Includes ₹ Nil (Previous Year ₹ Nil) payment made from own sources and not from planned assets.

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

(₹ in Lacs)

	For the year ended 31 March 2014	For the year ended 31 March 2013
Fair value of plan assets as at beginning	524.63	284.40
Expected return plan assets	44.59	24.17
Contributions by employer	68.66	275.44
Benefits paid	(90.83)	(57.90)
Actuarial gain/ (losses) on plan assets	4.30	(1.48)
Fair value of plan assets as at the end of the year	551.36	524.63

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

	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>Fund managed by Insurer/Trusts</b>	<b>100%</b>	<b>100%</b>

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.

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

	For the year ended 31 March 2014	For the year ended 31 March 2013
Discount rate	9%	8.50%
Expected rate of return on plan assets	8.50%	8.50%
Future Salary Increase	5%	5%
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:

Amounts for current and previous four years are as follows:

(₹ in Lacs)

	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012	For the year ended 31 March 2011	For the year ended 31 March 2010
Defined Benefit Obligation	612.98	593.29	559.84	475.24	371.38
Plan Assets	551.36	524.63	284.40	288.22	294.88
Surplus / (Deficit)	(61.63)	(68.66)	(275.44)	(187.02)	(76.50)
Experience Adjustment on Plan Liabilities- Gain/(Loss)	(14.79)	24.14	(9.69)	(46.07)	(219.40)
Experience Adjustment on Plan Assets- Gain/(Loss)	4.30	(0.06)	(6.89)	(7.19)	6.31

The Company expects to contribute ₹113.79 Lacs to gratuity fund in the year 2014-15 (Previous Year ₹106.15 Lacs).

(₹ in Lacs)

<b>Defined Contribution Plan:</b>	For the year ended 31 March 2014	For the year ended 31 March 2013
<b>Contribution to Provident and other fund</b>		
Charged to Statement of Profit and Loss	342.29	352.06

## 32. NAMES OF RELATED PARTIES

Name of related parties where control exists whether transactions have occurred or not.	HT Media Limited (Holding Company) The Hindustan Times Limited (Ultimate Holding Company)#
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 (ceased to be a fellow subsidiary w.e.f. 30.09.2013) HT Mobile Solutions 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 Centers Limited HT Overseas Pte. Ltd. HT Global Education Ed World Private Limited (formerly Peacock Education Services Private Ltd). Ivy Talent India Private Limited Topmovies Entertainment Limited (w.e.f. May 24, 2013)
Companies where common control exists by the ultimate parent company and the holding company. (whether transactions with them have occurred or not)	Paxton Trexim Private Limited India Education Service Private Limited MyParichay Services Private Limited Duke Commerce Limited
Key Management Personnel	Benoy Roychowdhury (Whole time Director)

# The Hindustan Times Limited (HTL) does not hold any direct investment in the Company. However, HTL's subsidiary HT Media Limited holds shares in the Company.

## DETAILS OF TRANSACTIONS ENTERED WITH RELATED PARTIES DURING THE YEAR

(₹ in Lacs)

Particulars	Ultimate Holding company		Holding Company		Fellow Subsidiary								Key Managerial Personnel (KMP)				
	The Hindustan Times Ltd.		HT Media Ltd.		Top Movies Entertainment Ltd		Firefly e-Ventures Ltd		HT Burda Media Ltd#		HT Mobile Solutions Ltd		HT Learning Centers Limited		Benoy Roychowdhury		
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14
<b>Revenue Transactions</b>																	
Sale of goods	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Stores Material	-	-	3.54	1.35	-	-	-	-	-	-	-	-	-	-	-	-	3.54
- Waste Papers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of goods	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Stores Material	-	-	0.14	4.25	-	-	-	-	-	-	-	-	-	-	-	-	0.14
- Waste Papers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Job Revenue	-	-	617.94	644.72	-	-	-	-	-	-	-	-	-	-	-	-	617.94
Share of Advertisement revenue paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.49
Share of Advertisement revenue received	-	-	-	1.49	-	-	-	-	-	-	-	-	-	-	-	-	1.49
Printing / Service Charges paid	-	-	1,540.58	1,550.48	-	-	-	-	-	-	-	-	-	-	-	-	1,836.20
Royalty Paid	-	-	1.00	1.17	-	-	-	-	-	-	-	-	-	-	-	-	1.00
Advertisement Revenue	0.05	0.04	529.22	230.17	0.88	-	-	-	-	0.07	-	2.31	-	2.07	-	-	594.13
Collection on behalf of the company by parties	-	-	-	7,237.12	6,829.02	-	-	-	-	-	-	-	-	-	-	-	7,237.12
Collection on behalf of the parties by company	-	-	1,810.23	1,637.12	-	-	-	-	-	-	-	-	-	-	-	-	1,813.47
Remuneration paid to Key managerial personnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advertising and Sales Promotion Expenses paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement of expenses incurred on behalf of the company by parties	-	-	78.26	48.18	-	-	-	-	-	0.84	-	-	-	-	-	148.72	148.72
Seat Sharing Expenses Paid	-	-	5.48	-	-	-	-	-	-	-	-	-	-	-	-	-	5.48
Seat Sharing Income Received	-	-	363.36	361.35	-	-	-	-	-	-	-	-	-	-	-	-	363.36
Purchase of publication for Circulation	-	-	183.97	208.68	-	-	-	-	-	-	-	-	-	-	-	-	183.97
Sale of own publication to parties for Circulation	-	-	626.82	650.80	-	-	-	-	-	-	-	-	-	-	-	-	626.82
Commission Paid for sourcing of Advertisement	-	-	2,444.04	2,318.46	-	-	-	-	-	-	-	-	-	-	-	-	2,444.04
Commission Received for Sourcing of Advertisement	-	-	222.04	142.69	-	-	-	-	-	-	-	-	-	-	-	-	222.04
Paid to vendors on behalf of the company by parties.	-	-	79.10	25.86	-	-	-	-	-	-	-	-	-	-	-	-	79.10
Dividend Paid	-	-	186.42	677.67	-	-	-	-	-	-	-	-	-	-	-	-	186.42
<b>CAPITAL TRANSACTIONS</b>																	
Material Received on Loan	-	-	39.39	-	-	-	-	-	-	-	-	-	-	-	-	-	39.39
Material Received on Loan returned	-	-	39.39	-	-	-	-	-	-	-	-	-	-	-	-	-	39.39
Purchase / (Sale) of Fixed Assets by Company (Net)	-	-	48.24	(19.21)	-	-	-	-	-	-	-	-	-	-	-	-	48.24
<b>Balance outstanding at year ended on 31-03-14</b>																	
Loans & Advances / Trade Receivables	0.09	0.04	776.67	770.93	-	-	-	-	-	1.44	-	6.83	-	1.14	-	-	785.90
Payable as Trade creditors & other liabilities	-	-	224.38	184.71	-	-	-	-	-	230.49	-	2.10	-	-	-	-	240.81

# Note - HT Burda Media Limited ceased to be Fellow Subsidiary of Hindustan Media Ventures Limited w.e.f. 30.09.2013; therefore, only the transactions undertaken until that date are reported here. The balances receivable/payable as on 31.03.2014 are excluded accordingly.



### 33. LEASES

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

#### Operating Lease (for assets taken on Lease):

- 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.
- Lease payments recognized for the year are ₹908.96 Lacs (Previous Year ₹802.94 Lacs) and are disclosed as Rent under Note 25.
- The future minimum lease payments under non-cancellable operating leases
  - Not later than one year is ₹28.88 Lacs (Previous Year ₹6.73 Lacs);
  - Later than one year but not later than five years is ₹115.52 Lacs (Previous Year ₹5.50 Lacs);
  - Later than five years is ₹189.00 Lacs (Previous Year ₹91.77 Lacs).

### 34. CONTINGENT LIABILITY AND OTHER COMMITMENT

- Claims against company not acknowledged as debts

Particulars	(₹ in Lacs)	
	As at 31 March 2014	As at 31 March 2013
a) 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 1999-00. The Company has furnished a bank guarantee amounting to ₹12.50 Lacs to ESIC. The Hon'ble High Court had initially stayed the matter and on 18 <sup>th</sup> July 2012 disposed of the Petition with the Order of "No Coercive Step shall be taken against HML" with direction to move for ESI Court. Matter is still pending in Lower Court. There is no further progress in the matter during the year.	73.37	73.37
b) 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 ESI dues pertaining to the years from 2001 to 2005. The Hon'ble High Court had initially stayed the matter and on 18 <sup>th</sup> July 2012 disposed of the Petition with the Order of "No Coercive Step shall be taken against HML" with direction to move for ESI Court. Matter is still pending in Lower Court. There is no further progress in the matter during the year.	10.07	10.07

Based on management assessment and current status of the above matters, the management is confident that no provision is required in the financial statements as on March 31, 2014

#### (b) Capital Commitment

Particulars	(₹ in Lacs)	
	As at 31 March 2014	As at 31 March 2013
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	418.88	94.70

**35. 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	As at 31 March 2014	As at 31 March 2013
I	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year		
	Principal Amount Unpaid	51.84	21.91
	Interest Due	0.03	0.01
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 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	0.03	0.01
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

**36. 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:-

Currency	Exchange rates (₹)	Amount in Foreign Currency (in Lacs)	Amount in Indian Rupees (in Lacs)	Exchange rates (₹)	Amount in Foreign Currency (in Lacs)	Amount in Indian Rupees (in Lacs)	Purpose
	As at 31 March 2014			As at 31 March 2013			
USD	60.76-70.89	11.58	756.99	54.82-58.73	6.67	381.75	To hedge buyers credit/ Trade Creditors

- (b) Particulars of Un-hedged Foreign Currency exposure as at reporting date

Particulars	Currency	As at 31 March 2014			As at 31 March 2013		
		Amount in respective currency (in Lacs)	Exchange Rate (in ₹)	Amount (₹ in Lacs)	Amount in respective currency (₹ in Lacs)	Exchange Rate (in ₹)	Amount (in ₹ Lacs)
Trade Payables	USD	3.52	59.91	210.90	2.61	54.29	141.89
Buyers Credit	USD	0.19	59.91	11.09	0.66	54.29	36.08

## 37.1 EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

(₹ in Lacs)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Travelling	8.83	-
Professional Fees	39.07	9.13
Interest	8.54	78.31
Others	21.55	45.30
<b>TOTAL</b>	<b>77.99</b>	<b>132.74</b>

## 37.2 Earning in foreign currency (on accrual basis)

(₹ in Lacs)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Advertisement and related services	1.71	0.77

## 37.3 Value of Imports on CIF basis

(₹ in Lacs)

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Raw Materials	1077.26	535.73
Capital Goods / Services	-	9.88
<b>TOTAL</b>	<b>1077.26</b>	<b>545.61</b>

## 37.4. 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 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2014	For the year ended 31 March 2013
i) Raw materials				
- Imported	4.07	2.45	1,221.34	649.41
- Indigenously obtained	95.93	97.55	28,822.99	25,828.40
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>	<b>30,044.33</b>	<b>26,477.81</b>
ii) Stores and Spares				
- Imported	-	-	-	-
- Indigenously obtained	100.00	100.00	2,265.83	2,086.79
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>	<b>2,265.83</b>	<b>2,086.79</b>

## 38. 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. To have an understanding of the scheme, relevant disclosures are given below.

- 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 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.

**A. Details of Options granted as on March 31, 2014 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	15 <sup>th</sup> September 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	7.47
Employee Stock Options	20 <sup>th</sup> May 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	9.15
Employee Stock Options	4 <sup>th</sup> February 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	7.47
Employee Stock Options	8 <sup>th</sup> March 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	9.95
Employee Stock Options	1 <sup>st</sup> April 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	10.00

Weighted average fair value of the options outstanding is ₹46.83 per option.

**B. Summary of activity under the plans is given below.****Employee Stock Options\***

	31 March 2014			31 March 2013		
	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)
<b>Outstanding at the beginning of the year</b>	<b>306,826</b>	<b>22.02</b>	<b>9.33</b>	338,763	21.91	9.65
<b>Granted during the year</b>	-	-	-	-	-	-
<b>Forfeited/Cancelled during the year</b>	<b>1137</b>	<b>60</b>	-	-	-	-
<b>Exercised during the year</b>	<b>1137</b>	<b>60</b>	-	31,937	20.86	-
<b>Expired during the year</b>	-	-	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>304,552</b>	<b>21.74</b>	<b>8.33</b>	306,826	22.02	9.33

As no stock options have been granted during the current year and Previous Year, the disclosures regarding estimated fair value are not provided.

**C. 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 (₹)
<b>2013-2014</b>	<b>₹1.35 to ₹60</b>	<b>304,552</b>	<b>8.33</b>	<b>21.74</b>
2012-2013	₹1.35 to ₹60	306,826	9.33	22.02

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

The Company has accounted for the charge under Intrinsic Value method relating to options granted to its employees under this scheme. Same is included in Employee benefit expenses.

Difference between employee compensation cost (calculated using the fair value of stock options) and the employee compensation cost (calculated on the intrinsic value of the options) is ₹0.01 Lacs (Previous Year ₹0.88 Lacs).

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, 2014 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	16 <sup>th</sup> October 2009	224,700	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	8.53

**C. Summary of activity under the plan for the year ended March 31, 2014 and March 31, 2013 are given below.**

**Employee Stock Options**

Employee Stock Options	31 March 2014			31 March 2013		
	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	224,700	10	9.53	224,700	10	10.53
Granted during the year	-	-	-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	224,700	10	8.53	224,700	10	9.53

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.

Difference between employee compensation cost (calculated using the fair value of stock options) and the employee compensation cost (calculated on the intrinsic value of the options) is ₹0.36 Lacs (credit) (Previous Year ₹0.69 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, 2014 are as below:

Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (₹)
<b>Plan A</b>			
₹92.30 to 170.80	91,280	5.85	97.44
<b>Plan C</b>			
₹117.55	71,209	7.53	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, 2014 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	9 <sup>th</sup> January 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	5.85
Employee Stock Options – Plan C	8 <sup>th</sup> October 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	7.53

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

**Employee Stock Options**

**Plan A**

	31 March 2014			31 March 2013		
	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)
<b>Outstanding at the beginning of the year</b>	91,280	92.30	6.85	91,280	92.30	7.85
<b>Granted during the year</b>	-	-	-	-	-	-
<b>Forfeited/Cancelled during the year</b>	-	-	-	-	-	-
<b>Exercised during the year</b>	-	-	-	-	-	-
<b>Expired during the year</b>	-	-	-	-	-	-
<b>Outstanding at the end of the year</b>	91,280	92.30	5.85	91,280	92.30	6.85



## Plan C

	31 March 2014			31 March 2013		
	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	8.53	83,838	117.55	9.53
Granted during the year	-	-	-	-	-	-
Forfeited/Cancelled during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	83,838	117.55	7.53	83,838	117.55	8.53

Weighted average fair value of the options outstanding is:

- Plan A – ₹53.03
- Plan C – ₹68.90

Difference between employee compensation cost (calculated using the fair value of stock options) and the employee compensation cost (calculated on the intrinsic value of the options) is ₹1.56 Lacs (credit) which will result into profit of ₹1.56 Lacs (Previous Year gain of ₹4.58 Lacs).

Had the fair value method been used to account for these costs by the Company for various options granted to its employees under all the above schemes, the profit would have been higher by ₹1.91 Lacs (Previous Year higher by ₹3.01 Lacs) and adjusted and diluted EPS would have been ₹15.15 (Previous Year- ₹11.52)

**39.** In order to achieve minimum 25% public shareholding in the Company as set out in second proviso to Rule 19(2)(b)(ii) of the Securities Contracts (Regulations) Rules, 1957, during the current year, HT Media Limited (Promoter) sold 19,39,027 equity shares of the Company (2.64%) in the secondary market, by way of 'Offer for Sale of Shares through the Stock Exchange Mechanism'.

#### 40. Details of Provision for doubtful debts & advances charged to the statement of profit and loss:

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2014	For the year ended 31 March 2013
Provision for doubtful debts and advances created during the year	527.77	826.45
Add: Bad Debts and Advances written off	157.92	326.81
Less: Provision for doubtful debts and advances written back	524.79	657.17
<b>Charged to the Statement of Profit and Loss</b>	<b>160.90</b>	<b>496.09</b>

**41.** Previous Year's figures have been regrouped/reclassified wherever necessary to correspond with those of current year's classification.

As per our report of even date

For **S. R. Batliboi & Co. LLP**

ICAI Firm Registration Number: 301003E

Chartered Accountants

per **Manoj Gupta**

Partner

Membership No. 83906

Place of signature: New Delhi

Date: May 7, 2014

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

**Shobhana Bhartia**

Chairperson

**Tridib Kumar Barat**

Company Secretary

**Benoy Roychowdhury**

Whole Time Director

**Ajay Kumar Jain**

Chief Financial Officer

**Rajiv Verma**

Director



हिन्दुस्तान

IS NOW

No. 1\*

in the Hindi Belt\*

\*Hindi Belt

Delhi+NCR, Uttar Pradesh, Uttarakhand,  
Bihar & Jharkhand





Hindustan Media Ventures Limited  
Corporate Office

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