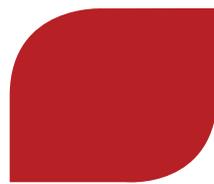
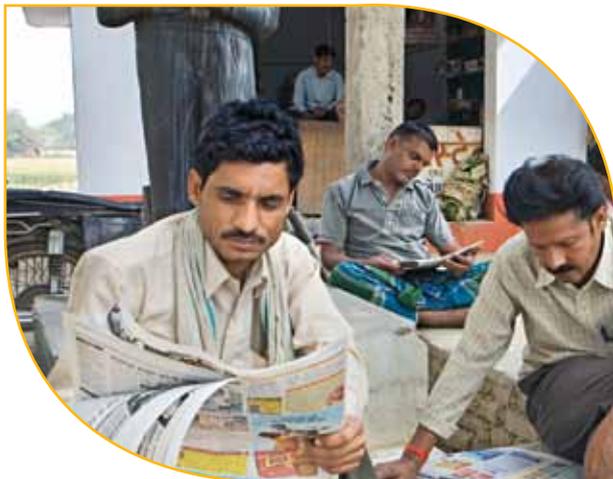


तरक्की तो तय है

(Tarakki To Tay Hai)



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Corporate Information

BOARD OF DIRECTORS

Smt. Shobhana Bhartia
Chairperson

Shri Ajay Relan

Shri Ashwani Windlass

Dr. Mukesh Aghi*

Shri Piyush G. Mankad

Shri Shardul S. Shroff

Shri Priyavrat Bhartia

Shri Shamit Bhartia

Shri Rajiv Verma

Shri Benoy Roychowdhury
Whole-time Director

CHIEF EXECUTIVE OFFICER

Shri Vivek Khanna

CHIEF FINANCIAL OFFICER

Shri Ajay Jain

COMPANY SECRETARY

Shri Tridib Barat

AUDITORS

S.R. Batliboi & Co. LLP

REGISTERED OFFICE

Budh Marg, Patna-800001

Tel.: +91-612-222 3434

Fax: +91-612-222 1545

CORPORATE OFFICE

Hindustan Times House, 2nd Floor

18-20, Kasturba Gandhi Marg

New Delhi-110001

Tel.: +91-11-6656 1608

Fax: +91-11-6656 1445

Email: hmvlinvestor@livehindustan.com

Website: www.hmvl.in

REGISTRAR & SHARE TRANSFER AGENT

Karvy Computershare Private Limited

Karvy Selenium Tower B

Plot No. 31 & 32

Financial District

Nanakramguda

Serilingampally Mandal

Hyderabad-500032, India

Tel: +91-40-6716 2222

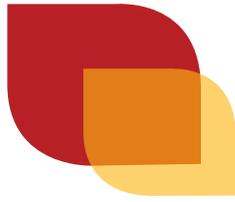
Fax: +91-40-2300 1153

Email id: einward.ris@karvy.com

*w.e.f. June 21, 2015

CAUTIONARY STATEMENT

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



तरक्की तो तय है

(Tarakki To Tay Hai)

Growth is a natural aspiration of any business enterprise. While it often gets measured in various numerical metrics, at Hindustan Media Ventures Limited (HMVL), we approach growth more as a cause and much less as an effect.

At HMVL, we approach growth in a holistic manner, making it a way of life. Treating growth as a journey instead of a destination, we stay focused on enhancing the shared value proposition for all our stakeholders. When interests of our varied stakeholders - readers, advertisers, vendors, shareholders and employees - get addressed in a balanced and fair manner, only then growth can be made sustainable.

Developing cutting-edge content, we serve our readers with relevant insightful information and knowledge that helps them grow in their personal lives. We help advertisers connect with a sizeable base of progressive households. Our employees get a friendly and nurturing environment, one that fosters continued learning and improvement. We offer our employees, the opportunity of an exciting career and growth, unmatched by any other organisation.



14.75
Million

Our Readership

3.5%

Readership Growth

2.6
Million

Total Circulation

जब हर घर पहुँचे तरक्की के नये अक्सर

(Jab Har Ghar Pahunche Tarakki Ke Naye Awsar)



Thanks to its wide coverage of local, national and international news, our flagship brand, 'Hindustan', has emerged as the preferred Hindi daily for millions of culturally and geographically diverse readers. What has set it apart is its track record of quality editorial, independent reporting and high journalistic integrity.

Our sharp analysis of news, including locally relevant issues, enlightens readers with information and insight. Our progressive thought and opinion elevate the readers to the next level. Our steadfast support for freedom of speech is reflected in our continuous effort to give voice to the readers' concerns and aspirations. Not happy with the readers being limited to just reading, we encourage them to pen down their opinion and be heard. We mobilise large scale participation of people in events highlighting social issues, which, in turn, yields a powerful platform for citizens to express their views. *Hindustan Aapke Dwar*, a program to bring regulatory bodies and citizens on the same table for speedy resolution of issues and *Hindustan Jago Haakim*, *Jagi Janta*, campaigns to raise consciousness on efficient city governance, are two such initiatives.

Thanks to these initiatives, we are perceived not only as a newspaper, but also as a harbinger of change in our operating geographies across the Hindi Belt. At Hindustan, we believe that it is our credible writing that arms the readers with insight to ensure TARAKKI in their personal lives and also for the society.



जब घर-घर मांगे थोड़ा-ज्यादा और मोर

(Jab Ghar-Ghar Maange Thoda Jyada Aur More)



On the back of rising literacy and prosperity, Tier II and Tier III cities in India are experiencing steady growth. Many of these cities stand out as fast emerging business centers, fuelled by steady investments across an array of industry segments. The availability of young, educated and English-speaking workforce is encouraging corporates to set up their base in these cities, thereby creating job opportunities locally.

Evolving demographics and higher disposable incomes are fuelling individual aspirations. Youth of Tier II and Tier III cities are increasingly aspiring to own and consume reputed Indian and global brands. Their desire to lead a superior lifestyle and ability to spend more money, has intensified brand marketers' focus on these markets. Identifying the growing demand, organised retail and Quick Service Restaurants (QSR) are fast foraying into these markets. Higher consumption has encouraged advertisers to allocate larger share of their advertisement budgets for these small cities, as these markets have become an imperative for their own TARAKKI. We, at Hindustan, foresaw this opportunity ahead of competition and consolidated our base in a number of smaller cities in the Hindi Belt. Today, Hindustan is the No.1 Hindi daily in Bihar, Jharkhand and Uttarakhand and No.2 in Uttar Pradesh and Delhi in terms of readership. Sustaining our steady readership growth, we added over 2 lakh copies to our circulation during this year. With advertisers' focus growing in Tier II and Tier III cities, Hindustan is well placed to provide them a powerful platform to reach out to a large base of target audience.

जब हिन्दुस्तान बढ़ेगा तो बढ़ेंगे हम सारे

(Jab Hindustan Badhega To Badhenge Hum Saare)



We, at HMTL, firmly believe that a company's growth is dependent on the growth in knowledge and skill quotients of its employees. After all, stakeholder value is directly linked to professional competence and performance of the company's employees.

The guiding principle of our HR doctrine remains accessing, training, deploying, retaining and challenging the best available talent. The Company has positioned itself as an excellent enabler and creator of a challenging and competitive work environment. We believe in empowering our employees and thereby, instilling a sense of responsibility and orientation towards professional deliveries. Moulded with these work ethos; our journalists and editors, who are among the best minds in the industry, walk the extra mile to create insightful and socially & locally relevant stories. Taking ownership is part of our work culture, which gets ingrained in our employees through workshops and individual interactions. We recognize outstanding performances with suitable rewards & recognition, thereby creating fertile ground for repeat of such exemplary results and behaviours. We regularly conduct recreation programs for our employees which provide them the platform to display their talent beyond professional work. This strong employee connect goes a long way to ensure TARAKKI in their career.

The World of Hindustan Media Ventures

Incorporated in the year 1918, originally as 'The Behar Journals Limited', Hindustan Media Ventures Limited (HMVL) has a rich legacy of almost a century.

In 1987, the name got changed to 'Searchlight Publishing House Limited' which subsequently got changed to the present name in 2008, with a view to aptly reflect the expanded business activities of today.

In 2009, HMVL acquired the Hindi business of its parent company, HT Media Limited comprising of Hindustan newspaper and two monthly magazines, Nandan and Kadambini. Following a successful IPO in 2010, HMVL got listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

Presently, Hindustan is the second largest read newspaper in India and enjoys a strong presence in Bihar, Jharkhand, Uttar Pradesh, Uttarakhand and Delhi-NCR. It is printed from 19 locations and has 19 editions and 158 sub-editions. The press facilities employ modern printing technology for high page-levels and printing speed.

PRINT LOCATIONS

Uttar Pradesh & Uttarakhand

Lucknow	Agra	Bareilly	Kanpur
Varanasi	Allahabad	Moradabad	Dehradun
Meerut	Gorakhpur	Aligarh	Greater Noida

Bihar & Jharkhand

Patna	Muzaffarpur	Bhagalpur	Gaya
Ranchi	Dhanbad	Jamshedpur	

KEY BRANDS

हिन्दुस्तान



A daily pull-out covering city based news and events



Weekly supplement for women



Health and lifestyle supplement



A weekly supplement for jobs



An entertainment supplement featuring stories of glamour world



Supplement for English education



Weekly educational supplement

OTHER BRANDS



A monthly publication with cultural and literary content



Children's magazine with fictitious and moralistic story



Hindi News website

Financial Highlights



Operational Review

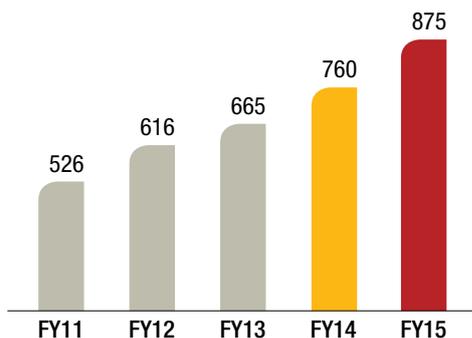
- Hindustan retained its No.1 position in Bihar, Jharkhand and Uttarakhand and strong No.2 position in Uttar Pradesh and Delhi
- Completed successful re-launch in Kanpur
- Readership has reached 14.75 million in 2014 (IRS, 2014) compared to 14.25 million in 2013
- Over 2 Lakh copies added to the circulation
- Launched voter awareness and engagement campaign *Aao Rajneeti Karein* in the key markets before the General Election of 2014
- Launched programmes for local connect across the region: *Masti Marg* and *Hindustan Aapke Dwar*

Financial Review

Particulars	(₹ in Crore, unless otherwise stated)				
	FY15	FY14	FY13	FY12	FY11
Total Revenue	875.0	760.3	664.7	615.8	525.9
Earning Before Interest, Taxes, Depreciation and Amortization (EBITDA)	222.9	181.8	141.0	114.5	97.1
Earning Before Interest and Taxes	198.6	160.2	119.3	95.1	80.6
Earning before Tax	188.1	154.6	114.0	91.7	76.1
Net Profit	140.9	111.2	84.5	65.3	53.6
Equity	73.4	73.4	73.4	73.4	73.4
Reserves and Surplus	665.3	535.8	434.9	360.7	305.6
Net Block	180.01	169.3	178.1	186.1	164.7
Earnings per Share (in ₹)	19.19	15.15	11.52	8.9	7.8
EBITDA Margin (%)	25.5%	23.9%	21.2%	18.6%	18.5%
Net Profit Margin (%)	16.1%	14.6%	12.7%	10.6%	10.2%

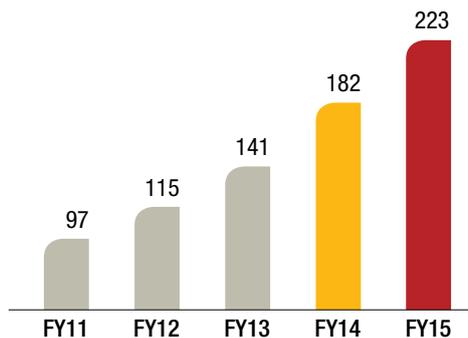
Revenue

(In ₹ Cr)



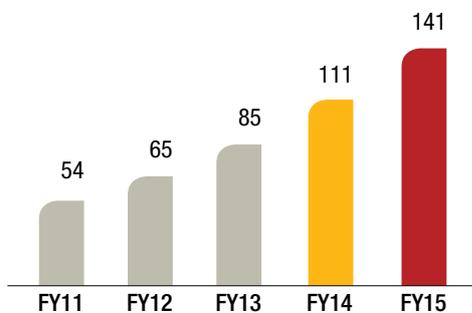
EBITDA

(In ₹ Cr)



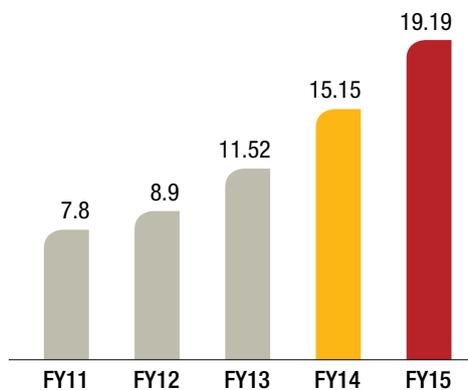
PAT

(In ₹ Cr)



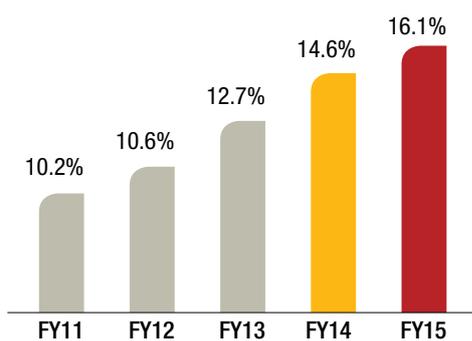
Earnings Per Share

(in ₹)



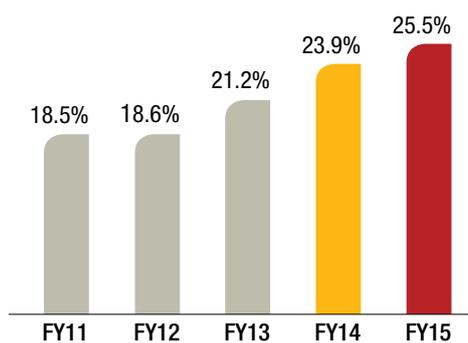
Net Profit Margin

(in %)



EBITDA Margin

(in %)



Chairperson's Message



Dear Shareholders,

Last year was a year of hope. A new government started work on policies to revive a moribund economy. The results are beginning to make themselves felt, in sentiment if not in actual numbers, which will no doubt follow.

The new government is striving to usher in structural reforms, which, if implemented, will fast-forward growth. There has been an emphasis on the infrastructure sector, and foreign investment limits have been raised in insurance, railway infrastructure and the manufacture of defence equipment. The government is also focused on improving the overall environment for doing business. Together, all this means higher business and investor confidence and, ultimately growth.

The media and entertainment industry continued to grow at a steady pace during the year. Print Media retained its leadership position accounting for almost 43% of the overall ₹ 41,400 Crore advertising revenue of the industry in 2014.

Your Company maintained its growth trajectory by recording a rise in revenue of 15% to ₹ 875 Crore in 2014-15 over ₹ 760 Crore the previous year. While advertising revenue grew by 13% to ₹ 596.5 Crore from ₹ 530 Crore the previous year, circulation revenue also increased by 13% to ₹ 200.7 Crore from ₹ 178.2 Crore.

Despite higher input costs and an increase in employee expenses due to one-time compliance requirement, we have registered a strong growth of 22.6% in our operating



profit (EBITDA). We recorded an impressive growth of 26.7% at the net profit level with an improvement in net profit margin to 16.1% from 14.6% the previous year. Our earnings per share (EPS) stood at ₹ 19.19.

The Indian Readership Survey, 2014 is out after a long gap and I am very happy to share with you that Hindustan has maintained its leading position in the industry. It remains the second largest news daily in India, and has further strengthened its position in various states where it operates. It is the No.1 Hindi daily in Bihar, Jharkhand and Uttarakhand and a strong No.2 in Uttar Pradesh and Delhi. The overall readership of Hindustan grew by 3.5% to reach 14.75 million.

Realising the growth potential of Kanpur, we re-launched our edition in the city last year. We have grown rapidly in Kanpur since, creating another success story in Uttar Pradesh, a state where the general assumption even two years ago was that the print media business had reached saturation point.

Our performance is evidence that at HMVL, we have formulated a strategic approach that is the right blend of planning and execution, and which has made growth a way of life for us. We have successfully grown even during tough times. Our growth journey has been an inclusive one, and includes our readers, advertisers and employees.

Going forward, our focus will be on continuing to engage our readers through continuous improvement in the quality and relevance of our content, and grow our advertising revenue by increasing yields. These steps are in line with our larger vision of becoming the leader in Hindi dailies in the Indo-Gangetic plain.

I take this opportunity to thank all our shareholders, employees, readers, advertisers, lenders, and the central and state governments. With your consistent support, we will continue to create sustained value.

Thanking you

Shobhana Bhartia
Chairperson

I am very happy to share with you that Hindustan has maintained its leading position in the industry. It remains the second largest news daily in India, and has further strengthened its position in various states where it operates.

Management Discussion and Analysis



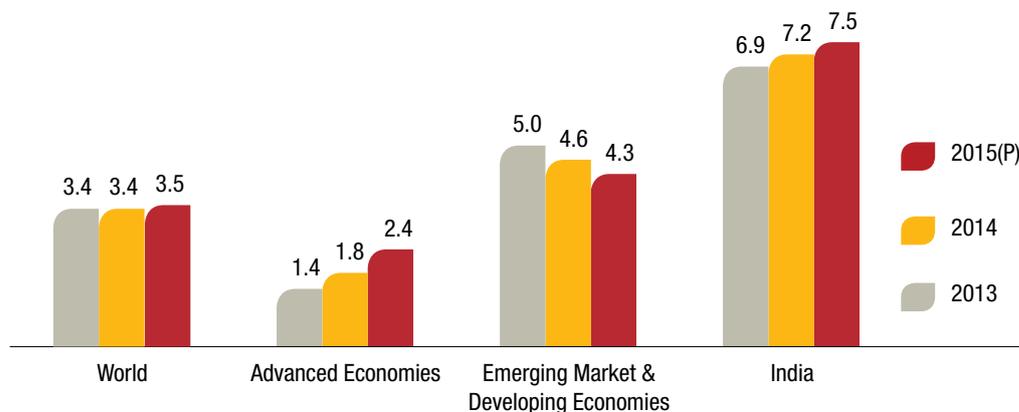
OVERVIEW OF ECONOMY

International Monetary Fund (IMF), in its World Economic Outlook Report of April 2015, estimated the Global GDP growth to have remained flat at 3.4% for 2014. The IMF forecast for 2015 indicates a 10 bps increase to lift the Global GDP growth rate to 3.5%.

In India, the return of a single party majority government, after a long gap of three decades, lifted the hope of translating this political stability into steady policy reforms and sustained economic growth. Government's committed focus on reviving economic growth through increased foreign direct investment in a number of crucial sectors, an immediate thrust on fast-tracking growth in the core infrastructure sectors, connecting growth with the vast masses of rural and sub-urban populace and steely resolve of making India as an attractive global destination for doing business, has since gone on to increase the confidence and interest of global business and investor communities.

Global GDP Growth

(In %)



Source: IMF's World Economic Outlook Report, April 2015

While the true results of these measures would become visible on the ground with a lag effect; contained inflation, three consecutive cuts of 25 bps each in the Repo Rate by the Reserve Bank of India, and strengthening of Fiscal and Current Account Deficit were significant structural improvements achieved in the fiscal year 2014-15. The developments augur well for rebooting our economy to a path of sustained higher growth.

The Government moved to a new series of GDP estimation, making 2011-12 prices as the base price (factor cost). The GDP growth rate, as per CSO's estimation based on the new series, recorded a 40 bps increase to reach 7.3% as against 6.9% in the previous year. The growth was led by the core sectors of manufacturing, utilities and construction, while agricultural activities recorded a drop in their growth, and the services sector recorded a moderate growth.

Government's drive to increase the share of manufacturing segment to 25% of the national GDP is being backed by an ambitious 'Make in India' campaign besides being supported through an increased thrust on mass scale and high impact factors such as core infrastructure, financial inclusion, land & labour reforms, etc. Making manufacturing the bedrock of economic growth, as and when accomplished, would help improve our overall socio-economic indicators by generating mass employment, reducing dependence on agriculture for a vast rural population, and generating additional demand for consumption of retail services.

INDUSTRY REVIEW

Indian Media and Entertainment Industry sustained its growth momentum of about 12% in 2014. From ₹ 580 billion in 2008 to ₹ 1026 billion in 2014, the industry has grown at a CAGR of 10.0% over the last 6 years. With a projected CAGR of 13.9% for the next 5 years, the industry is likely to reach ₹ 1964 billion by 2019, with the top three positions remaining unchanged and occupied by Television, Print and Films, in that order. Digital Advertising, though small today, would grow at an impressive CAGR in excess of 30% to become the fourth largest segment by 2019, from its current standing of the fifth largest.

Indian Media and Entertainment Industry (₹ billion, except for CAGR)

Segment	2008	2014	CAGR (2008-14)	2019p	CAGR (2014-19)
TV	241.0	474.9	12.0%	975.5	15.5%
Print	172.0	263.4	7.4%	386.8	8.0%
Digital Advertising	6.0	43.5	39.1%	162.5	30.2%
Others*	160.8	244.7	7.3%	439.2	12.4%
Total	580	1026	10.0%	1964	13.9%

Source: FICCI-KPMG Indian Media and Entertainment Industry Report 2015

* Include Films, Radio, Music, OOH, Gaming, and Animation & VFX.

Advertising revenue, a predominant contributor to overall revenue of TV, Print, Radio, Outdoor and Digital medium recorded a strong annual growth of 14.2% in 2014 to reach ₹ 414 billion. It is estimated to almost double to ₹ 816 billion over the next five years at a CAGR of 14.5%.

Advertising Revenue (₹ billion, except for CAGR)

Segment	2008	2014	CAGR (2008-14)	2019p	CAGR (2014-19)
TV	82.0	154.9	11.2%	299.1	14.1%
Print	108.0	176.4	8.5%	280.0	9.7%
Digital Advertising	6.0	43.5	39.1%	162.5	30.2%
Others*	24	39.2	8.2%	74.4	13.7%
Total	221	414	11.0%	816	14.5%

Source: FICCI-KPMG Indian Media and Entertainment Industry Report 2015

* Includes Radio and OOH

Print Media

Print Media advertising grew by 8.5% in 2014 to reach ₹ 176 billion from ₹ 163 billion in the previous year. Print contributed 43% to the total advertising revenue for the industry in 2014, retaining its No.1 position among various media segments. Television, though, is fast catching up in terms of advertising revenue.

Circulation revenue grew by 7.9% to reach ₹ 87 billion in 2014. Growth in circulation mainly came from Tier II and Tier III cities with regional language newspapers outperforming the National English dailies. This trend is expected to continue over the coming years.

Hindi and vernacular markets accounted for nearly 64% of the total print revenue in 2014. Contribution from the regional advertisement also increased in the overall print advertising pie this year.

Print Media Revenue mix

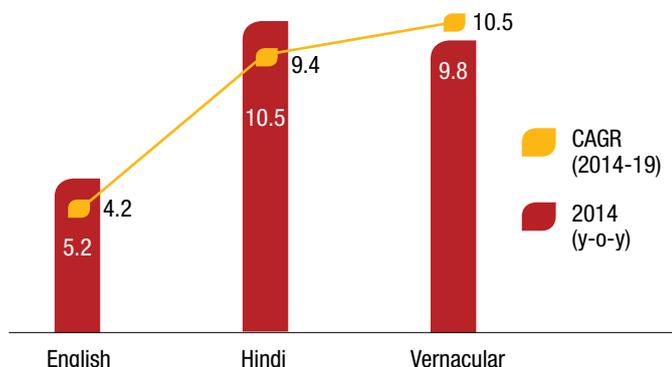


Source: FICCI-KPMG Indian Media and Entertainment Industry Report 2015

While growth in Hindi and language market accelerated in 2014, English market recorded a slowdown in growth. The moderation in growth rate of English print is primarily on account of consumption getting crushed in the urban areas more than the rural areas. Consequently, advertising revenue has shifted more towards non-English print media. Language print, which offers an economical mode of reaching the target audience in smaller cities and towns, will continue to grow its advertising revenue at an impressive rate, the time though has come for language print industry to fast evolve a strong digital strategy.

Print Media Growth

(In %)



Source: FICCI-KPMG Indian Media and Entertainment Industry Report 2015

The advertisers are increasingly focusing on print as a medium to reach out to their customers in Tier II/III cities and rural markets. The FMCG sector continues to be the largest contributor to the advertisement revenue, with its share increasing to 13.5% in 2014 from 12.3% over the last year. Auto, Education and Real Estate were among the other big spenders.

Revenue Contributors

(In %)



Source: FICCI-KPMG Indian Media and Entertainment Industry Report 2015

OPERATIONAL REVIEW

Operating Geographies

While advertising revenue is related to the economic growth in the country, circulation revenue is expected to grow due to structural growth drivers like higher literacy levels and improving spending power of the readers. The states, where Hindustan has presence, have witnessed a healthy improvement in the demographic as well as economic factors, auguring well for the newspaper.

Operating Geographies: Socio-economic Profile

States	No. of literates (Cr, 2011)	Increase in no. of literates (% , 2001-11)	GDP (₹ Cr, FY14, current price)	Per Capita GDP (₹, FY14, current price)
Uttar Pradesh	11.84	56.4	788,421	37,579
Uttarakhand	0.70	37.1	115,868	112,428
Bihar	5.44	74.8	338,056	33,459
Jharkhand	1.88	59.2	163,346	50,125
Delhi	1.28	32.1	387,097	219,979

Source: Census 2011 & Indian Public Finance Statistics 2013-14, Ministry of Finance

Bihar and Jharkhand

Hindustan is the No.1 Hindi newspaper in Bihar and Jharkhand. As per the IRS Survey, 2014, it has maintained its leadership position in both the states with a readership of 43.8 Lacs and 13.1 Lacs respectively. This reaffirms Hindustan's leadership position in the two states even after recent entry of new players. Besides having a large literate population (5.44 Crore and 1.88 Crore in Bihar and Jharkhand respectively), both the states are witnessing healthy growth. Between 2008-09 and 2013-14, GDP of Bihar and Jharkhand have grown at a CAGR of 21.1% and 16.5% respectively (Source: Indian Public Finance Statistics 2013-14, Ministry of Finance). The overall growth, which has been possible due to socio-political changes in the states, has created an opportunity for newspapers like Hindustan to leverage on its readership mix to attract high quality advertisers.

Uttar Pradesh and Uttarakhand

Sensing the growth potential of Uttar Pradesh, the Company had identified the state as a growth area in early 2000s and aggressively invested into it from 2006. As per Census 2011, Uttar Pradesh, the second largest state in terms of GDP (8.1% contribution in India's GDP) had its economy growing at a CAGR of 15% between 2008-09 and 2013-14. (Source: Indian Public Finance Statistics 2013-14, Ministry of Finance). With 11.84 Crore literate population, the state also has a large number (12 out of 62) of Tier II cities, and therefore, a high-focus target market for the advertisers. It is not surprising that Uttar Pradesh is the largest advertising market for Hindi newspapers (Size: ₹ 1200 Crore approx.)

Today, out of the 19 printing locations of HMVL, 12 are located in Uttar Pradesh and Uttarakhand. During the year, Company re-launched its Kanpur edition, which has been hugely successful. Company's effort in the state for several years has borne fruits with Hindustan bagging the No.2 spot in Uttar Pradesh in IRS Survey, 2013 and maintaining it in the latest IRS Survey, 2014 as well. As per 2014 Survey, Hindustan has a combined readership of 81.30 Lacs in Uttar Pradesh and Uttarakhand.

Delhi-NCR

Delhi-NCR is one of the key markets for Hindustan. In between 2008-09 and 2013-14, GDP of Delhi has grown at 16.7%. (Source: Indian Public Finance Statistics 2013-14, Ministry of Finance). Hindustan is confident of leveraging on its affiliation with its promoter's publication Hindustan Times which provides greater visibility and reach for its brand in the region. As per the IRS Survey, 2014, Hindustan maintained its No.2 position in Delhi with a readership of 10.7 Lacs.

Reader Engagement

Reader engagement programs have continued to play a key role in maintaining and expanding our reader-base. Hindustan's voter awareness initiative *Aao Rajneeti Karein* has been hugely successful in engaging large number of people in different cities. Various programs on cleanliness were conducted with customised names for higher local connect. In Kanpur, it was

named as *Swachh Kanpur-Sunder Kanpur*, while in Agra, it was christened *Agra Hai Ganda, Kya Aap hai Sharminda*. Other key reader engagement programs deployed during the year were *Hindustan Aapke Dwar* (a program to bring regulatory bodies and citizens face-to-face, at the citizen's doorstep for on-the-spot resolution of their issues), *Hindustan Swachh Ganga Abhiyan*

(a program to create awareness & public consciousness towards need for cleaner Ganges), *Kyon Batti Gul* (a program to keep deeper level of engagement between the public and electricity distribution entities) etc.

Hindustan Masti Marg is an innovative way for Hindustan to engage with its readers. Through this, families in our markets reclaim roads for health, fitness and fun promoting activities during the weekends. The activity is being undertaken in our 6 markets - Kanpur, Lucknow, Agra, Meerut, Bhagalpur, and Muzaffarpur at a fixed periodicity and is receiving great response.

Productivity Improvement

Sluggish market growth, impact of Wage Board ruling and price cut by the competitors, posed cost challenge for the Company. Company's focus on yield improvement, gaining shares from the competition in specific markets and product innovation has helped in overcoming these challenges.

The Company has a "Total Cost Productivity" program that continuously reviews the cost structure. Various measures have been taken to keep a check on the newsprint and production cost during the year. The use of 42 GSM newsprint instead of 45 GSM has brought down the cost, and change in Ink Software and Ink Bucket has helped in improving productivity.

The Company is continuously investing in enhancing the capacity and improving colour capabilities. Presently, investment is being made in establishing a new printing unit in Haldwani, which will be the second unit in Uttarakhand.

FINANCIAL REVIEW

Revenue

The Company's revenue increased by 15% to ₹ 875.0 Crore in FY15 from ₹ 760.3 Crore over the last year due to strong growth in both advertisement and circulation revenue. The advertisement revenue grew by 13% to ₹ 596.5 Crore from ₹ 530.0 Crore in FY14 on the back of higher advertising yields. Circulation revenue also increased by 13% led by both higher circulation as well as higher net realization per copy.

Expenditure

Expenditure increased by 13% in FY15 over the last year due to higher raw material costs and employee expenses. The raw material costs increased by 12% in FY15 over last year on account of increase in newsprint prices till the second quarter and also increased consumption owing to higher circulation. The employee expenses increased by 23% to ₹ 106.8 Crore in FY15 from ₹ 86.6 Crore in FY14 due to a one-time regulatory compliance cost coupled with increased employee count and increments.

EBITDA

EBITDA growth was 22.6% in FY15 with EBITDA margins expanding to 25.5% from 23.9% in the last year.

Interest Expense and Other Income

Interest expenses increased by 85% in FY15 albeit from a smaller base last year. Other income increased by 85% to ₹ 56.4 Crore from ₹ 30.6 Crore in FY14. As a result, PAT has grown by 26.71% to ₹ 140.9 Crore in FY15 from ₹ 111.2 Crore in the last year. PAT margin improved to 16.1% from 14.6% in the last year.

EPS

EPS (basic as well as diluted) grew to ₹19.19 for the year under review, recording a growth of 27% over the corresponding figure of ₹ 15.15 for the previous year.

Fixed Asset

Gross Block as at March 31, 2015, increased to ₹ 290.2 Crore as compared to ₹ 254.4 Crore as at March 31, 2014. The Company continued to invest in expanding capacity in existing units.

Investments

Investments as at March 31, 2015 increased to ₹ 547.2 Crore from ₹ 368.6 Crore as at March 31, 2014. The increase was on account of investment of free cash generated by the Company.

Inventories

Inventories as at March 31, 2015 increased to ₹ 44.8 Crore from ₹ 33.0 Crore as at March 31, 2014.

Trade Receivables

Trade receivables as at March 31, 2015 increased to ₹ 107.2 Crore from ₹ 93.3 Crore as at March 31, 2014 due to increase in Turnover. Daily Sales Outstanding (DSO) increased from 45 to 47 days, due to delay in government collections.

RISK MANAGEMENT FRAMEWORK

Like any other business, the Company too is exposed to various uncertainties and risks such as changing customer preferences and behavior, competition, volatility in raw material prices and economic uncertainties. Thus, with the objective of assessing and addressing such business risks and their prioritization on regular basis, a comprehensive risk management policy has been put in place, which describes the scope, objectives, processes as well as roles and responsibilities of various functions in risk management.

By way of a systematic risk assessment process, a detailed enterprise risk identification exercise is carried out every year; and risks are evaluated for their likelihood of materialization, potential impact and mitigation efforts. Management has assigned ownership of key risks to various risk owners who are responsible to monitor and review these risks from time to time, and plan for their mitigation measures.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an adequate system of internal control which is commensurate with its size, nature of business and complexity of operation. It ensures accurate, reliable and timely compilation of financial and management information reports and optimum utilization of organisation resources. The system comprises a well-defined organizational structure with clearly defined authority levels and documented policies, guidelines and procedures covering all business areas and functions. These systems have been designed to safeguard the assets and interests of the Company, and also ensure compliance with the Company's policies, procedures and applicable regulations. The Company uses a robust ERP system (SAP) for accounting across its locations and has Shared Service Center (SSC) in place for procurement to payment processes that enhances the reliability of financial and operational information. During the year, the Company has initiated the process of tracking and monitoring of applicable regulatory compliances and their adherence through an online compliance portal which has further strengthened the compliance environment.

Besides, the Company also has a well defined process for formulating and reviewing its annual and long term business plans and monitoring progress of all its operating activities and projects on regular basis.

The internal control system is supplemented with an extensive program of internal audits and their reviews by the management.

HUMAN RESOURCES

The Company has built a robust people culture which weaves the different parts of the organization into one enterprise. The Company provides an equitable work environment that fosters collaboration, openness, high performance, teamwork and shared values. HR initiated a number of people-centric programs during the year.

The Company is fully compliant with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company's formulated policy in this regard is available on the employee intranet portal. The Internal Complaints Committee (ICC) has been constituted. Two such concerns were reported in FY 15 which were adequately dealt with by the ICC.

As on March 31, 2015, the Company had 2,187 employees on its rolls.

OUTLOOK

The Company has a positive outlook for FY16 and beyond. The print industry is expected to grow by 8% to reach at ₹ 28450 Crore in FY 16 over the last year, as per the FICCI-KPMG Report, 2015. The advertising revenue will continue to contribute higher share of the total revenue pie.

With expansion in Uttar Pradesh being complete now, the Company is well poised to gain from its investment made, in the past years. This, accompanied with overall economic recovery, is likely to shore up the revenue of the Company. The benefit of the same has already started coming now in terms of higher advertisement volume accompanied by higher yield. This trend is expected to get further traction in the next year, as the Company expects to command higher yields and increase in advertisement volume, translating into rise in advertisement revenue. The raw material costs are expected to be in control as the newsprint prices have been in the downward trend from the second half of FY15. This should lead to margin expansion.

**Note: Figures in charts/ tables have been taken from the FICCI-KPMG Indian Media and Entertainment Industry Report 2015 without any changes; and casting errors, if any, are incidental.*

हिन्दुस्तान

IRS 2014

1.46 CRORE READERS
HAVE MADE
HINDUSTAN



IN HINDI BELT*

Hindi Daily	Hindustan	Dainik Jagran	Amar Ujala
Readership <small>(in Hindi Belt in Crores)</small>	1.46	1.39	0.68

Source : INDIAN READERSHIP SURVEY 2014

**GIVE YOUR MEDIA PLAN
THE HINDUSTAN ADVANTAGE**



हिन्दी क्षेत्र का नं.1 अखबार



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