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6<sup>th</sup> November, 2024

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street  
**Mumbai - 400 001**

**National Stock Exchange of India Limited**

Exchange Plaza, C-1, Block G,  
Bandra-Kurla Complex, Bandra (E)  
**Mumbai - 400 051**

**Scrip Code: 532662**

**Trading Symbol: HTMEDIA**

**Sub: Transcript of Conference Call for Analysts and Investors on the Un-Audited Financial Results of the Company for the quarter and half year ended on 30<sup>th</sup> September, 2024**

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find the enclosed transcript of Conference Call for Analysts and Investors held on Tuesday, 29<sup>th</sup> October, 2024 in respect of the Un-Audited Financial Results of the Company for the quarter and half year ended on 30<sup>th</sup> September, 2024.

The transcript of the Call is also available on the Company's website at:

<https://www.htmedia.in/investor-relations>

You are requested to take the above information on record.

Thanking you,

Yours faithfully,  
For **HT Media Limited**

**(Manhar Kapoor)**  
**Group General Counsel & Company Secretary**  
Encl: *As above*

## HT Media Group: Q2 FY25 Earnings Conference Call

October 29, 2024

**Management:**

- Mr. Piyush Gupta:** Group CFO - HT Media Ltd.
- Ms. Anna Abraham:** CFO - Hindustan Media Ventures Ltd. and  
Head, Investor Relations - HT Media Group
- Mr. Pervez Bajan:** Head Financial Controllershship & Taxation - HT Media Group

Aaditya Mulani:

Good afternoon, ladies and gentlemen. This is Aaditya Mulani from the HT Media Group. I would like to welcome you all to our second quarter, FY2024-25 earnings webinar. As a reminder, all the participants will be in listen-only mode. After we are through with the presentation, there will be an opportunity for you to ask questions.

With this, I now hand over to Ms. Anna Abraham – CFO, Hindustan Media Ventures Limited and Head – Investor Relations, HT Media Group. Thank you, and over to you Anna.

Anna Abraham:

Thank you, Aaditya. Good afternoon, everyone. Welcome to our earnings webinar on the second quarter results of FY2024-25. The results of Hindustan Media Ventures Limited were announced yesterday and those of HT Media Ltd. were released earlier today. Joining me on today's call to discuss the results are Mr. Piyush Gupta, Group CFO; Mr. Pervez Bajan, Head Financial Controllershship and Taxation; and members of our Investor Relations team.

Our comments during this webinar will follow the presentation slides. These slides and the financial statements are accessible on stock exchanges and on the Investor Relations page of our website.

As we start with the presentation, kindly take note of the cautionary statement on any forward-looking comments during the call. In line with our usual practice, we would not be issuing any specific guidance on revenue or earnings.

This slide gives the chairperson's comments on the performance of the company for the quarter, and I quote,

*“The second quarter of the current fiscal saw an improvement in the overall performance of your Company. Our revenue grew and operating profitability increased. This performance can be attributed to our focused efforts on pricing, cost management and efficiency as well as a conducive business environment.*

*The Print business posted better numbers on the back of pricing led advertising growth, which, coupled with our emphasis on operational efficiency resulted in enhanced profitability. While the Radio business was flat, the Digital business saw considerable upside in revenue on a y-o-y as well as q-o-q basis, largely driven by growth of OTTplay business in which we continue to invest.*

*In the run-up to the festive season during the ongoing quarter, the Company aims to boost growth on the back of a pickup in both retail and commercial market activity. Across businesses, we remain committed to enhancing the audience experience, bringing innovative solutions to advertisers and engaging content to customers.”*

This slide presents the agenda for the day. We will start with an update on the overall consolidated performance followed by the businesswise segments, after which, we will open for a Q&A session.

With this now, I hand over the call to Mr. Piyush Gupta.

Piyush Gupta:

Thank you, Anna. Good afternoon, ladies and gentlemen. We'll quickly go over the second quarter's performance.

So, this is a view of the consolidated financial summary. As we can see, there's been a strong revenue growth on a sequential as well as on a y-o-y basis. We have grown top line by 12% on a y-o-y basis and by the same number on a q-o-q basis as well. As you can see, there's a substantial improvement in the EBITDA as well and there's a positive cash flow during the quarter.

Now we come to the business unit performance. Straight away, starting with Print business. As is visible from the numbers, there's an improvement in Print segment operating revenue led by advertising revenue on a y-o-y as well as on a sequential basis. Our revenues came in at INR 252 crores as against INR 244 crores in the same period last year, which is a growth of 3% and a 15% growth on a sequential basis. Our operating EBITDA came at INR 19 crores against a loss in the same quarter last year with a substantial growth therefore.

Moving on to English, as you can see, the advertising revenue improved y-o-y basis commercial revenue and q-o-q basis better volume in Govt. segment. Circulation revenue was sequentially aided by higher number of copies.

Coming on to the Hindi segment. There is a marginal decline in advertising revenue on a y-o-y basis, however, sequential improvement due to better yield and volume traction. Growth on y-o-y basis, seen across key commercial categories except Retail, FMCG and Industrial. And there's a decline in circulation revenue on a sequential and annual basis.

For the Radio segment, operating revenue remains flat with a marginally drop in operating margins.

In Digital, we saw strong growth on a yearly basis across all segments, especially in OTTplay. Operating losses on account of investments in OTTplay continued as we continue to invest behind OTTplay.

With that, we come to the end of the presentation. I hand it back to Anna.

Aaditya Mulani:

Thank you, Piyush.

We will now begin the Q&A session. You can click on the “Raise Hand” option, which will enable the moderator to unmute you for posing your query. Please introduce yourself before posing your query and kindly restrict to a maximum of 2 questions per participant, so that we may be able to address questions from all participants. We will wait for a few moments while the question queue assembles.

The first question is from the line of Deepak Sharma. Please introduce yourself and ask your question.

**Deepak Sharma:** This is Deepak. I'm an individual investor. My question is on the OTT side, with Reliance Jio TV Plus, do we see a threat over there because they have the distribution and what's our strategy with that behemoth looking at us on something that we have been bleeding for the last couple of years?

**Piyush Gupta:** Yeah Deepak, great question. Look, we don't see a particular threat. So first of all, if you segment the market, Deepak, you know, in Reliance Jio, this is basically going through the broadband, whereas our strategy is to go into tier 2/3 towns where the broadband or fiber is not so easily available. However, having said that we also have a Reliance Jio feed coming onto our OTT platform, that's the latest that we have done. So that's also available. And the last point that I'd like to mention is the pricing. So, Reliance Jio of course, is bundled with the ISP service provider. Here, our pricing is very substantially competitive for the tier 2/3 towns which we've been maintaining. With the combination of that, I don't think there's a direct head-on competition. Market sets are very different, the product is very different and the product delivery is very different. So, on OTTplay with a single login, you get seamless access to content which you can scrape through multiple platforms. Unlike Jio, where you'll have to, once you are there, you'll have to open multiple platforms and get into the whole stuff. So, the content, the delivery, the pricing and the target audience set is very different in both the products.

**Deepak Sharma:** Sure, thanks. My question was on Jio TV Plus which was launched last month because I think that is operating in the same landscape.

**Piyush Gupta:** Well, you know, I, off the cuff don't have too much details so why don't we send those details across to you? But as I said, my first two parts of the response still kind of applies to that. Due to the target audience, even for Reliance Jio TV Plus because that goes through the broadband wire and the fiber, will still hold true. But on the third part, I'll check up on the content and let you know. But you know, more or less the answer still remains the same.

**Deepak Sharma:** Sure.

**Aaditya Mulani:** Thank you. The next question is from the line of Mehul Pathak. Please introduce yourself and ask your question.

**Mehul Pathak:** Hi Piyush, Anna, Happy Diwali. I have a few questions to ask. My first question is on Digicontent. I had reached out to the Company Secretary twice and the second

time I heard back from him in a very cliched manner. My question was that if HTDS is a 100% subsidiary of Digicontent, why is HTDS buying back HTDS shares? It will remain 100%. Usually, a buyback happens when the shares for the shareholders are listed cheaply, not, you know trading at intrinsic worth, and you want to return value to the shareholder. Now here, the shareholder is Digicontent, but you know HTDS is buying back its own shares which are 100% with Digicontent only.

Piyush Gupta:

Mehul, Happy Diwali and Season's Greetings. Let me try to address and Anna can fill you on the details. Look if you've analyzed the DCL balance sheet, you already know that there's a substantial loan sitting in DCL and this buyback is basically resulting into payback of the debt. Now, I understand your point of view that in the cap-table a 100% subsidiary will still remain to be 100% subsidiary. But once you reduce the debt, et cetera, return ratios will improve. But I'll ask Anna to kind of elaborate on that as well.

Anna Abraham:

Mehul, Happy Diwali to you too. I think Piyush addressed it. The cash-generating company is HT Digital Streams. However, their parent company, Digicontent Limited does have a substantial loan which impacts the consolidated results from the interest costs charge that the consolidated results bear on such a loan. And of course, there's a timeline for repayment as well. So therefore, it is important for Digicontent to be able to pay back the loan and since the cash is in the operating entity the buyback enables the cash to be sent to the parent company for a repayment of the loan sitting in the parent company which benefits the overall financials of the consolidation.

Piyush Gupta:

Yeah, apart from the return ratios improving, Mehul, you also have to understand HTDSL which is the Op.Co. under DCL is not being starved of any capital requirement. I mean this is a surplus cash that it is generating, and which it is using to pay down the debt at the parent company level is all that is happening. So, at the end of the day, it is an accretive for shareholders only.

Mehul Pathak:

One thing is, what you stated was not part of the Company Secretary's response to me. Secondly, here was a separate call with Anna that I had, when you know the merger and all that was being discussed, and we all know why the debt is there on the Digicontent books also.

Piyush Gupta:

Well, you've been tracking this Company for a while. This entire business was purchased for a certain price and hence the debt came onto the books. Now by multiple buybacks, this debt has been partially retired and therefore the return ratios are improving and all this is happening whilst the operating performance in the wholly-owned subsidiary is doing well and all the investments are going in. I think that's the sum and substance. So, it is definitely accretive to all the shareholders in improving the ROCE ratios.

Mehul Pathak:

Yeah, I know but when it's 100% subsidiary, obviously, you know, the very fact that that is the finance structure designed, there is always going to be some issue or the other in taking money from a subsidiary to the parent. So, either in form of a dividend or a buyback or whatever and I'm sure all this work would have been thought

through before having this sort of a financial structure. Nevertheless, my point is that all this financial engineering, optics are not healthy and doesn't look good. So, that is my feedback

Anna Abraham: We take your feedback. However, we are not doing anything which is inappropriate or not allowed by law.

Mehul Pathak: I'm not saying that.

Anna Abraham: We are following a process which is allowed by law to settle the financial liabilities. If the merger had happened, the financials and the entities would have looked different. But in the absence of that merger happening, which was also the privilege of the minority shareholders to decide. If there is a financial liability, it has to be settled, otherwise there are repercussions which fall into the Company and its stakeholders as well. So we are with full disclosure, with full transparency following actions which are important to settle the liabilities of the Company as it exists.

Piyush Gupta: And Mehul, just a point. I mean, you know, this whole piece around 'financial engineering / the capital structure should have been known', etc. - I don't think I buy into any of these things. This is all happening to improve the intrinsic value of the underlying shares. I mean, if you are managing to retire your debt in a timely manner, I don't see what's wrong in it and there is no financial engineering here. You tell me a better way of retiring the debt, I'll be happy. I mean, this is all happening because the operating company is churning out decent free cashflows.

Mehul Pathak: In future, how do you plan to transfer profits made by the HTDS to Digicontent? Is it always going to be this buyback?

Piyush Gupta: No Mehul, the debt is finite, operating performance is good. Once the debt is retired, everything belongs to the shareholders, right? I mean, whether it will be a dividend, whether it will be something else I can't say right now. But at the end of the day, whatever cash is being created belongs to the shareholder. Now, whether a dividend will be announced, or it will be reinvested back into the business, I can't say now. But you know, as well as I do that, this is only improving the return ratios of the Company. I mean, you know, this whole piece around financial engineering. I don't know what is financial engineering.

Mehul Pathak: And even if you buyback another 50% Digicontent will remain 100% owner of HTDS.

Anna Abraham: We are not trying to change the ownership, Mehul. We have explained why we are doing it. I think we've made a point; we will move on from this.

Mehul Pathak: Second thing is, in the past also I raised this point. The Digicontent, quarterly Board meeting, gets over in 25 minutes. I don't know how you can do a business review of a Company in 25 minutes when you have not shared, even a rupee with the shareholders in the last three years. You would say that it is enough, you know, but I'm just saying that these are observations.

- Piyush Gupta: Well, Mehul, I'd rather not comment on this whole thing, but I can tell you, that in the Board of Directors' meeting, there's a proper review which is done on the business performance. All the feedback is taken on-board. Now, whether 25 minutes is good enough or not, I really don't want to comment on that but that's a full-fledged review that is always undertaken.
- Mehul Pathak: No, it's okay, Piyush, my point is can you please convey my feedback to the Board?
- Anna Abraham: Yes. Mehul, we also have the shareholders' meeting of DCL. You are welcome to join there and share the feedback directly as well.
- Mehul Pathak: Because I have not seen any other Company, Piyush, if that is possible, many other companies should be able to do that. Only Digicontent is able to finish in 25 minutes and no other company in India, you know, I have not seen.
- Piyush Gupta: Fair enough, Mehul.
- Mehul Pathak: Third point on the Hindustan Media Ventures, I have seen, there are two new investments, you know, in the notes of accounts and even in the covering note of the quarterly result. Can you please share what these investments are and what is the strategic objective of these investments in the HMVL quarterly report?
- Piyush Gupta: Well, Mehul, OTTplay is the single biggest investment where we are investing in.
- Mehul Pathak: HMVL, there are two investments, if you don't mind, I'll just take a second and read it for you. There is one of INR 8 crores and one of INR 52 crores in this year- in this quarterly report.
- Piyush Gupta: Okay, Mehul, let me just get my hands on it.
- Mehul Pathak: There is Samast Technologies Private Limited and Appreciate Platform Private Limited.
- Piyush Gupta: Mehul, these are AFE investments which we undertake, and you know, the AFE model, these are AFE investments.
- Mehul Pathak: What is AFE?
- Piyush Gupta: Ads for Equity, which is a cash-neutral platform where we invest in equities against ads. I think you're aware of that.
- Aaditya Mulani: Dear participant, sorry to interrupt at the moment, but we will request you to fall back in the queue please for any follow-ups.
- Mehul Pathak: Okay.



- Aaditya Mulani: Thank you, ladies and gentlemen. In order to ensure that the management is able to address queries from all participants, please limit your questions to two per participant. The next question is from the line of Rakesh Wadhvani. Please introduce yourself and ask your question.
- Rakesh Wadhvani: Hi team, thank you very much for the opportunity. I'm Rakesh Wadhvani from Nine Rivers Capital. Sir, my question is with respect to the ad revenue. We have seen a very good improvement in advertisement in Print from English and lesser growth or degrowth from Hindi. Any reason for that?
- Anna Abraham: The commercial revenue even for Hindi has actually grown fairly well, however, overall revenue for Hindi is slightly depressed because of government revenue. So, the share of government revenue in the previous year was substantially high since it preceded a national election and therefore, there's that government revenue that has seen some softness in Hindi and you will see that consistently in the industry and not just for us and that's impacted the overall growth for Hindi. Commercial revenue even for Hindi continues to be healthy.
- Rakesh Wadhvani: No, because other players in the industry, the revenue degrowth is far big and more than ours. Ours is 2% for other players it is more than 5%. That is a very good thing. But any reason why I'm talking y-o-y, I'm not talking q-o-q.
- Anna Abraham: So, q-o-q, actually government revenue has substantially improved because Q1 had the code of conduct because of which there was a depression in the volumes from government advertising and therefore on a q-o-q, the government volumes have improved. I am talking y-o-y itself and both the industry and us are seeing a decline on the account of the fact that the base had a significantly higher government revenue as it preceded a national election and that revenue is slightly subdued now. Commercial revenue has grown.
- Rakesh Wadhvani: Understood. One more question from my side, with respect to the future, how do you see ad rates, as well as the Print advertising segment growing for both Hindi as well as English?
- Anna Abraham: So, as we have spoken in the past, we've been on a journey to improve our pricing in Print advertising and we have seen success in the last two quarters so the pricing has improved for us consistently, and therefore that should hold us in good stead. Festive has been a fairly decent start and we just hope to keep the momentum up for the rest of the quarter. And it will depend on that. There are certain economic indicators which are showing a slight plateauing in the overall economic environment and the consumption patterns which could see some pluses and minus here and there. However, on pricing, we've been able to achieve what we set out to do to some extent.
- Rakesh Wadhvani: And with respect to the demand for the advertising across Hindi as well as English belt, we are getting the same demand? Or English belt is getting more demand and more ad rates and the Hindi belt is getting lesser demand and lesser rates or across both they are same?

- Anna Abraham: We are seeing similar uptick in commercial revenue. Of course category by category and depending on the relative importance of the various markets, there could be some changes.
- Rakesh Wadhvani: Thank you.
- Aaditya Mulani: The next question is from the line of Deepak Sharma, please unmute yourself and ask a question.
- Deepak Sharma: Thanks. So earlier this year, we invested into EazyDiner. Is that the same methodology what Mehul was asking? And, could you just explain more on that?
- Piyush Gupta: Yeah, that's the same methodology what Mehul was asking. And I think in the previous investors interactions we have covered that. You know, this part of our business is the Ad for Equity business whereby we take investment positions in multiple companies and we don't invest cash. It's basically the advertising commitment that we give from our side. These are long-term contracts. Of course, there is a classical investment process of valuations and various other terms which are agreed, basis which all these investments are made. The Samast Technologies which Mehul was saying and the EazyDiner which you are referring are both part of the AFE portfolio. And I think, I've comprehensively discussed this in the earlier calls, this is a pretty substantial part of our business and a pretty profitable part of the business as well.
- Deepak Sharma: So, there is no risk to it and it's not a typical investment which you're doing. It's just only barter part of it, is what I'm able to understand.
- Piyush Gupta: Yes, think of it like this. Risk in a sense, I mean, of course, it's a minimalistic risk. It is a barter in a manner of speaking.
- Anna Abraham: There's no cash at risk.
- Deepak Sharma: So, the guy can refuse to not advertise into our system, that's all.
- Piyush Gupta: Yes, that's all.
- Aaditya Mulani: Thank you. The next question is from the line of Rakesh Wadhvani, please unmute yourself and ask your question.
- Rakesh Wadhvani: Hi Team. Thank you for the follow up opportunity. I have a second question with respect to the circulation revenue. We have seen circulation revenue coming down drastically across Hindi as well as English format and in English format the negative growth is lesser. But in Hindi, the degrowth is very high at 12%. Any reason for that?
- Anna Abraham: So English, we have actually grown circulation revenue on a sequential basis and it's kind of flat on annual basis. Hindi has seen some decline in copies but it is across the industry. Commodity had been heightened levels over the last one year. It has come down to slight reasonable levels at this point. So, the entire industry did

see some correction in the copy. So, no impact on share as such but correction overall.

Piyush Gupta:

And whilst we are speaking, this whole rationalization of unproductive copies which happened, brought it down, our realization per copy is absolutely intact and market by market, wherever there's an opportunity to take a print order, we are on that journey any which way.

Rakesh Wadhvani:

If I can correlate, the lesser the circulation revenue or the lesser the circulation, it impacts the ad yields also.

Piyush Gupta:

And, that's the reason I said the unproductive copy. So, of course, it does. So, there is by market, by edition, and looking at the competitive position, you keep on optimizing the copies. There are some markets where you will bring down the copies because they are unproductive and they are not doing anything to your pricing, therefore, the ad revenue and circulation revenue. But there are markets where you will be increasing your copies because there's a bigger opportunity to take a bigger market share of ad revenue and therefore get the circulation revenue going as well.

Rakesh Wadhvani:

For the full year, what will be the circulation revenue growth or it will be degrowth for the full year? Any guidance on that?

Piyush Gupta:

Well, there's no guidance on that, but I can tell you that, you know, the philosophy is to serve the market to the market's capacity. And obviously, as you rightly pointed out, revenue is the clear yardstick. So as long as you can grow readership to a level which will drive revenue, we will do that, but just putting in copies where it doesn't have a commensurate impact on the revenue is not something that we'd like to do very often.

Rakesh Wadhvani:

Okay, one last question with respect to Digital. I'm a little new to this Company. So, forgive me if my question is very simple. So, in Digital business, what we are doing, we have an app and how's the revenue model or how's the business working? Can you explain that to me in that small?

Anna Abraham:

So, it varies a little bit depending on whether you're looking at HT Media Ltd. consolidated digital segment or Hindustan Media Ventures Ltd digital segment. So, in Hindustan Media Ventures Ltd the Digital segment only pertains to the business that we have incubated from last year which is called OTTplay, which is an aggregator model in the OTT space. So, we are an aggregator of various OTTs. However, we offer the content through a unified single login platform and not just the bundling process. So that's OTTplay. And the revenue there is from subscription of the various packages that we have which we are offering to the customers.

When it comes to HT Media Ltd consolidated results, the digital segment additionally has some other businesses like Shine which is our jobs and learning portal. It also has the Mosaic business which has properties such as the VCCircle and TechCircle, which is in the venture space and the tech SaaS space, and a small

business called Digital Entertainment which is into a digital streaming on a YouTube channel. So, those are the four businesses which come in when we talk about HT Media Ltd.

Rakesh Wadhvani:

Okay. That was very helpful. Thank you very much and Diwali wishes in advance. Thank you.

Aaditya Mulani:

Thank you all. With this, we come to the end of the Q&A session. If you have any further queries, please reach out to the investor relations team. Our contact details are given in the presentation and are also mentioned on our websites. I now hand over to Piyush for closing remarks.

Piyush Gupta:

Thank you ladies and gentlemen for making the time to join the quarterly earnings call for Q2 FY2024-25. I wish you and your family members season's greetings and a very happy and prosperous Diwali and we look forward to seeing you in the third quarter's earnings call. In the meantime, if there are any questions or clarifications that you require, please feel free to get in touch with our Investor Relations cell and we'll be more than happy to furnish the information. Thank you so much and all the very best.

*Note: This transcript has been edited for readability and does not purport to be a verbatim record of the proceedings.*