

# THE SANDESH LIMITED

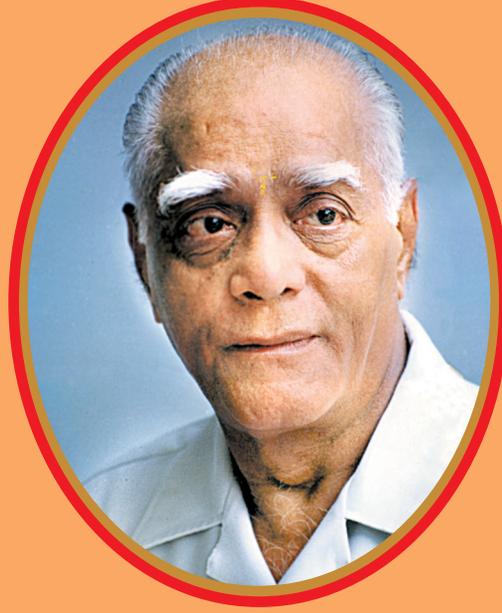
NEWS PAPER | TV CHANNEL  
DIGITAL | OUTDOOR

2020-21  
Annual Report



***Sandesh***  
*shaping tomorrow*

Late Shri Chimanbhai Patel  
(1918 - 1995)



विहाय कामान्यः सर्वान्पुमांश्चरति निस्पृहः।  
निर्भ्रमो निरङ्कारः स शान्तिमधिगच्छति॥

श्रीमद् भगवद्गीता (२-७१)

He who abandons all desires  
and acts free from longing, without  
any sense of mineness or  
egotism he attains peace.

Dr. Radhakrishnan



## About Us

The best way to predict change is to create it. For over 98 years the Sandesh Group has been creating change with powerful ideas.

Starting its journey in 1923, today Sandesh is Gujarat's largest and most influential media house. It has been redefining journalism with equanimity and courage and has been plotting the path for others to follow. Today this heritage and expertise represents the irrepressible spirit and definitive voice of journalism. The Sandesh Limited has been ushering change with its powerful presence across the media spectrum including print, broadcast, digital, activations and outdoor solutions.

### **A strong foothold across the Media landscape**

#### **Sandesh Newspaper:**

Published from Gujarat, Sandesh is the largest Gujarati media company with 6 editions across Gujarat every day sandesh delivers a tradition that is unique synthesis of views, information and upright journalism. Every story is infused with unparalleled authenticity and neutrality, empowering readers with the most knowledgeable and analytical news coverage.

#### **Sandesh Television:**

The region's fastest growing 24x7 Gujarati News Channel, Sandesh News reaches out to the most affluent and powerful Gujarati Audience. As news breakers we identify facts, get after the truth and deliver the inside stories from events, wherever they occur. Armed with a team of over 100 reporters across the country and state-of-the-art technology, we are a fiercely independent media house, who dives in, goes that extra mile and gets results.

#### **Sandesh Digital:**

The powerful ethos of Sandesh in the Print & TV landscape, is now creating ripples in the digital domain. Harnessing its power as the future of communication, we are leaping ahead by expanding and connecting our digital community to information in real time. We are among the first to launch a Gujarati news App in India, and have an expanding digital presence of over 7-8 million followers across all platforms.

#### **Out Of Home (OOH) media solutions:**

Sandesh's Out Of Home (OOH) media solutions in the name of "Spotlight", focuses on innovatively and effectively enhancing the brand message by going beyond just grabbing eyeballs, and creating a lasting buzz around the brand.







## 78<sup>th</sup> ANNUAL REPORT (FINANCIAL YEAR 2020-2021)

### BOARD OF DIRECTORS:

Mr. Falgunbhai C. Patel	(Chairman & Managing Director)
Mr. Parthiv F. Patel	(Managing Director)
Mrs. Pannaben F. Patel	(Director)
Mr. Yogeshbhai Jani	(Whole Time Director)*
Mr. Mukeshbhai Patel	(Independent Director)
Mr. Sudhirbhai Nanavati	(Independent Director)
Mr. Shreyasbhai Pandya	(Independent Director) <sup>§</sup>
Mr. Sandeepbhai Singhi	(Independent Director)
Dr. Gauri Trivedi	(Independent Director) <sup>#</sup>
Mr. Sanjay Kumar Tandon	(Whole Time Director) <sup>#</sup>

\*Ceased to be Whole Time Director w.e.f. September 15, 2020

# Appointed w.e.f. September 15, 2020

§ Ceased to be Director w.e.f. January 19, 2021

### CHIEF FINANCIAL OFFICER:

Mr. Sanjay Kumar Tandon

### COMPANY SECRETARY:

Mr. Dhaval Pandya

### CORPORATE IDENTIFICATION NUMBER:

CIN: L22121GJ1943PLC000183

### WEBSITE OF THE COMPANY:

www.sandesh.com

### STATUTORY AUDITORS:

S G D G & Associates LLP  
Chartered Accountants

### SECRETARIAL AUDITORS:

M/s. Jignesh A. Maniar & Associates,  
Practicing Company Secretaries

### REGISTERED OFFICE OF THE COMPANY:

THE SANDESH LIMITED  
'Sandesh Bhavan', Lad Society Road,  
B/h. Vastrapur Gam, P.O. Bodakdev,  
Ahmedabad-380054 (Gujarat-India)  
Telephone No. (079) 40004000  
Fax No.: (079) 40004242  
Email ID: cs@sandesh.com

### REGISTRAR & TRANSFER AGENT:

MCS Share Transfer Agent Limited  
having its regional office at  
201, Shatdal Complex, 2<sup>nd</sup> Floor,  
Ashram Road, Ahmedabad-380009 (Gujarat-India)  
Telephone No. (079) 26580461/62/63 Fax No. (079) 26581296  
Email ID: mcssta@rediffmail.com, mcsahmd@gmail.com

### BANKERS:

HDFC Bank  
Yes Bank  
Axis Bank  
State Bank of India  
Union Bank of India  
ICICI Bank

### 78<sup>th</sup> ANNUAL GENERAL MEETING

#### : Date :

Wednesday, the 29<sup>th</sup> day of September, 2021

#### : Venue :

Through Video Conferencing ("VC") /  
Other Audio Visual Means ("OAVM")

#### : Time :

02:00 p.m.

### TABLE OF CONTENTS

PARTICULARS	PAGE No.
↪ NOTICE OF ANNUAL GENERAL MEETING .....	04
↪ BOARD'S REPORT .....	20
↪ MANAGEMENT DISCUSSION AND ANALYSIS .....	40
↪ CORPORATE GOVERNANCE REPORT .....	46
↪ BUSINESS RESPONSIBILITY REPORT .....	68
↪ INDEPENDENT AUDITOR'S REPORT .....	74
↪ BALANCE SHEET .....	80
↪ STATEMENT OF PROFIT AND LOSS .....	81
↪ CASH FLOW STATEMENT .....	83
↪ NOTES TO FINANCIAL STATEMENTS .....	84
↪ CONSOLIDATED INDEPENDENT AUDITOR'S REPORT .....	116
↪ CONSOLIDATED BALANCE SHEET .....	122
↪ CONSOLIDATED STATEMENT OF PROFIT AND LOSS ..	123
↪ CONSOLIDATED CASH FLOW STATEMENT .....	125
↪ CONSOLIDATED NOTES TO FINANCIAL STATEMENTS .....	126

## NOTICE

NOTICE is hereby given that the 78<sup>th</sup> ANNUAL GENERAL MEETING of the Members of “**THE SANDESH LIMITED**” (CIN: L22121GJ1943PLC000183) will be held on Wednesday, the 29<sup>th</sup> day of September, 2021 at 02:00 P.M. IST, through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following businesses:

### ORDINARY BUSINESSES:

#### 1. To receive, consider and adopt:

- a) the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2021, together with the Reports of the Board of Directors and Auditors thereon; and
- b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2021, together with the Report of Auditors thereon, and in this regard, pass the following resolutions as Ordinary Resolutions:
  - (a) “RESOLVED THAT the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2021, together with the Reports of the Board of Directors and Auditors thereon laid before this Meeting, be and are hereby received, considered and adopted.”
  - (b) “RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2021, together with the Report of Auditors thereon laid before this Meeting, be and are hereby received, considered and adopted.”

#### 2. To confirm the Interim Dividend of ₹ 5/- (Rupees Five Only) for every equity share of the Face Value of ₹ 10/- each, already paid to the Shareholders of the Company, as a Final Dividend for the Financial Year 2020-21

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT the interim dividend of Rs 5/- (Rupees Five only) for every Equity Share of the Face Value of Rs 10/- each, paid to the Shareholders for the Financial Year ended March 31, 2021, as per the Resolution passed by the Board of Directors at their Meeting held on February 09, 2021, be and is hereby noted and confirmed as final dividend for the Financial Year 2020-21.”

#### 3. To appoint a Director in place of Mr. Parthiv F. Patel (DIN: 00050211), who retires by rotation and being eligible, offers himself for re-appointment:

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Parthiv F. Patel (DIN: 00050211), who retires by rotation at this Meeting and being eligible offers himself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

### SPECIAL BUSINESSES:

#### 4. To re-appoint Shri Falgunbhai C. Patel (DIN: 00050174) as Chairman and Managing Director of the Company:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 of the Companies Act, 2013 read with Schedule V thereto and also read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, provisions of the Article 86 of the Articles of Association of the Company and other applicable provisions of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof) and in terms of the recommendation by the Nomination and Remuneration Committee of the Board of Directors of the Company, the re-appointment of Shri Falgunbhai C. Patel be and is hereby approved as the Chairman and Managing Director of the Company for a further period of five years with effect from 01<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2027 on the terms and other conditions of appointment including payment of remuneration set out below:

- 1) Salary of ₹ 6,50,000/- (Rupees Six Lakhs Fifty thousand only) per month.
- 2) Perquisites to be allowed in addition to salary and commission as under:
  - (A) i) The Company shall provide equipment, appliances, furniture, fixtures and furnishing at his residence at the cost of the Company. The Company shall reimburse expenses of Gas, Electricity, Water, etc.
  - ii) Medical expenses for self and family including insurance premia shall be reimbursed by the Company in accordance with the Policy of the Company.
  - iii) The Company shall reimburse Leave Travel Fare for him and his family once in a year.
  - iv) The Company shall pay personal accident insurance premia in accordance with the Policy of the Company.

These perquisites shall be subject to a ceiling of an amount equal to the annual salary.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of the Income Tax Act, 1961 or any rules thereunder or any statutory modifications or re-enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

Shri Falgunbhai C. Patel shall also be given the following perquisites, which shall not be included in the computation of the ceiling on remuneration specified in Schedule V of the Companies Act, 2013.

- (B) i) The Company shall contribute to the Provident Fund such percentage as may be specified from time to time.
- ii) The Company shall contribute towards Pension / Superannuation Fund / Annuity Fund provided that such contribution together with contribution to Provident Fund shall not exceed the limit laid down under the Income-Tax Act or any statutory modification thereof.
- iii) The contribution to the Provident Fund, Pension / Superannuation Fund will not be included in the computation of the ceiling on perquisites to the extent this either singly or put together are not taxable under the Income tax Act, 1961.
- iv) The Company shall pay Gratuity as per the rules of the Company and encashment of leave as per Company's Policy and the same shall not be included in the computation of limits for the remuneration or perquisites.
- (C) i) The Company shall provide a car with driver at the entire cost of the Company for personal use and office work. Use of car for private purpose shall be billed by the Company.
- ii) The Company shall provide telephone at his residence at the entire cost of the Company. Personal long distance shall be billed by the Company.
- iii) He shall be entitled to privilege leave in accordance with the Policy of the Company. He shall be entitled to en-cash the un-availed leave at the end of his tenure.

### 3) COMMISSION:

He shall be paid commission in addition to the salary and perquisites mentioned above in a manner that the total remuneration including commission shall be 10% of the Net profit of the Company computed in the manner laid down in Section 197 of the Companies Act, 2013.

The remuneration referred to above is subject to the limit of 10% of the Net profit of the Company for the Managing Director and subject further to the overall limit of 11% of the net profit of the Company for all the Directors including Managing Director and Whole-Time Director of the Company taken together.

- 4) In case of absence or inadequacy of profits in the financial years during the tenure of Shri Falgunbhai C. Patel, the Company will be entitled to pay salary, perquisites and other allowances as the minimum remuneration subject to the limits prescribed in Section 197 read with Section II of Part II of the Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to enhance, enlarge, alter or vary the scope and quantum or remuneration, allowances and perquisites and other terms & conditions of the appointment of Shri Falgunbhai C. Patel, as the Board in its absolute discretion deem fit and is acceptable to Shri Falgunbhai C. Patel, within the limits specified in Section 197 read with Schedule V of the Companies Act, 2013 or any amendments, modifications, re-enactments made thereof from time to time by the Company in this behalf;

**RESOLVED FURTHER THAT** after obtaining the approval of the Members of the Company at ensuing General Meeting of the Company for the said re-appointment, the Company do execute an Agreement with Shri Falgunbhai C. Patel for his re-appointment as a Chairman and Managing Director of the Company on the above terms and that any one of the Directors of the Company do execute the said Agreement on behalf of the Company;

**RESOLVED FURTHER THAT** any of the Directors of the Company and the Company Secretary of the Company, be and are hereby severally authorised to do all incidental and consequential tasks in order to give effect to the above resolution and to file necessary forms with the Registrar of the Companies."

### 5. To approve remuneration of Shri Falgunbhai C. Patel (DIN: 00050174), the Chairman and Managing Director of the Company, in accordance with the provisions of Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereto and the rules made thereunder, the applicable provisions of the Articles of Association of the Company and other applicable provisions of the Act and Regulation 17(6)(e) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment, modification or re-enactment thereof, for the time being in force), the approval of the Members of the Company be and is hereby accorded, for the continuation of payment of remuneration to Shri Falgunbhai C. Patel (DIN: 00050174), the Chairman and Managing Director of the Company and who is also

the Executive Director and Promoter of the Company, notwithstanding the annual remuneration payable to him exceeds ₹ 5 Crores or 2.5% of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, whichever is higher, or the aggregate annual remuneration of all the Executive Promoter Directors exceeds 5% of the net profits of the Company, calculated as per the provisions of Section 198 of the Companies Act, 2013, during the tenure of his appointment for the period of five years with effect from 01<sup>st</sup> April, 2022 up to 31<sup>st</sup> March, 2027;

**RESOLVED FURTHER THAT** any of the Directors of the Company and the Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds and things, to enter into such agreements, deeds or any such documents, consider necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution."

**6. To approve continuation of directorship of Shri Sudhirbhai Nanavati (DIN: 00050236) as Non-executive Independent Director in terms of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, other applicable provisions, if any, of the Companies Act, 2013 and the applicable Rules made thereunder, including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force, the approval of the Members of the Company be and is hereby granted to Shri Sudhirbhai Nanavati (DIN 00050236), who will attain the age of seventy five (75) years on September 29, 2022, to continue to be a Non-Executive Independent Director of the Company up to March 31, 2024, being the date of expiry of his current term of office;

**RESOLVED FURTHER THAT** any of the Directors of the Company and the Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary to give effect to this resolution and for matters connected therewith or incidental thereto."

**7. To create charge, mortgage and hypothecation on all or any of the Company's movable or immovable properties, both present and future:**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, and rules made thereunder and as amended from time to time, the consent of the Shareholders of the Company be and is hereby accorded to the Board of the Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee thereof for the time being exercising the powers conferred on the Board by this resolution) to create such charges, mortgages and hypothecations in such form and manner and with such ranking and at such time and on such terms as the Board may determine on all or any of the movable and / or immovable properties of the Company, both present and future, in favour of the lenders, agents and the trustees for securing the borrowings / financial assistance obtained / to be obtained from banks, public financial institutions, body(ies) corporate or any other party and / or to give a collateral security for the borrowings / guarantees of any group / associate Company or otherwise to charge the assets of the Company, for monies availed / to be availed by way of loans, (in foreign currency and / or rupee currency) and securities (comprising fully / partly convertible debentures and / or non-convertible debentures with or without detachable or non-detachable warrants and / or Secured / Un-Secured Premium Notes and / or floating rates notes / bonds / fund based / non fund based limits / guarantee or other debt instruments), issued / to be issued by the Company, from time to time, up to value not exceeding limit approved by shareholders under Section 180(1)(c) of the Companies Act, 2013 from time to time, together with interest, at the respective agreed rates, additional interest, compound interest, in case of default, accumulated interest, liquidated damages, commitment charges, premia prepayment, remuneration of the agent(s), trustee(s), premium if any on redemption, all other cost, charges and expenses including any increase as a result of devaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of the loan agreement, heads of agreement, debenture trust deeds or any other documents, entered into / to be entered into between the Company and the lenders, agents and trustees in respect of the said loans / borrowings / debentures / bonds and containing such specified terms and conditions and covenants in respect of enforcement of security(ies) as may be stipulated in this behalf and agreed to between the Board of Directors or Committee thereof and the lenders, agents, trustees;

**RESOLVED FURTHER THAT** any of the members of the Board of Directors or its Committee and the Company Secretary of the Company be and are hereby severally authorised to do such acts, deeds and things as may be deemed expedient and incidental thereto for the purpose of giving effect to this resolution."

**Registered Office:**

"Sandesh Bhavan", Lad Society Road,  
B/h. Vastrapur Gam, P. O. Bodakdev,  
Ahmedabad-380054  
Date : August 13, 2021  
Place : Ahmedabad

By Order of the Board of Directors,  
**For, THE SANDESH LIMITED**

**Dhaval Pandya**  
Company Secretary

## NOTES:

1. In view of the COVID-19 pandemic and related restrictions to be followed, and pursuant to General Circular Nos. 14/2020, 17/2020, 20/2020 and 02/2021 dated April 8, 2020, April 13, 2020, May 05, 2020 and January 13, 2021, respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India ("SEBI Circulars") and in compliance with the provisions of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 78<sup>th</sup> Annual General Meeting ("AGM") of the members of the Company is being conducted through Video Conferencing or Other Audio Visual Means ("VC / OAVM"), which does not require physical presence of members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company. Hence, Members can attend and participate at the ensuing AGM through VC/OAVM and physical attendance of Members is not required.
2. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Listing Regulations, MCA Circulars and SEBI Circulars as referred above, the Company is providing facility of remote e-voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into arrangement with National Securities Depository Limited (NSDL), for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by NSDL.
3. Pursuant to the provisions of Section 105 of the Act and Rules made thereunder, proxy is allowed to be appointed to attend and vote at the AGM. Since AGM will be held through VC/OAVM, where physical attendance of members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility for appointment of proxies of members will not be available for this AGM. However, in pursuance of the Section 112 and 113 of the Act, representative of the members may be appointed for the purpose of voting through remote e-voting or for participation and voting in the meeting held through VC/OAVM.
4. A body corporate intending to send their authorized representative(s) to attend the Meeting pursuant to Section 113 of the Act are requested to send to the Company, a certified copy of resolution of the Board of Directors or other governing body authorizing such representative(s) to attend and vote on their behalf at the Meeting.
5. The attendance of the Members attending AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. The Members can join AGM through VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend AGM without restriction on account of first come first served basis.
7. In compliance with the above mentioned MCA Circulars and SEBI Circular, Notice of the 78<sup>th</sup> AGM, Annual Report and instructions for e-voting are being sent to the members through electronic mode whose email addresses are registered with the Company/ Depository Participant(s). The copy of Notice of 78<sup>th</sup> AGM and Annual Report will also be available on the website of (i) the Company at [www.sandesh.com](http://www.sandesh.com), (ii) the BSE Limited (BSE) at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited (NSE) at [www.nseindia.com](http://www.nseindia.com), (iii) NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
8. Explanatory Statement setting out the material facts pursuant to Section 102 of the Act relating to special businesses under Item No. 4 to Item No. 7, at the AGM is annexed hereto.
9. Information pursuant to Regulations 26 (4) and 36(3) of the Listing Regulations and Secretarial Standard - 2 with respect to Directors seeking appointment / re-appointment at AGM is attached hereto. The said Directors have furnished necessary consent / declarations for their appointment / re-appointment.
10. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, viz. MCS Share Transfer Agent Limited (RTA), having its regional office at 201, Shatdal Complex, 2<sup>nd</sup> Floor, Ashram Road, Ahmedabad-380009 (Gujarat). Telephone No. (079) 26580461/62/63, Fax No. (079) 26581296, Email ID: [mcssta@rediffmail.com](mailto:mcssta@rediffmail.com) & [mcsahmd@gmail.com](mailto:mcsahmd@gmail.com), and quote their DP ID No. /Client ID No. or folio number in all their correspondence. Members may also refer to guidance note on dematerialisation of shares available on the website of the Company: [www.sandesh.com](http://www.sandesh.com).
11. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to RTA in case the shares are held in physical form.

12. The businesses set out in the Notice of this AGM will be transacted through electronic voting system. The Company is providing facility for voting by electronic means. Instructions and other information regarding e-voting are given in this Notice under Note No. 27. The Company / NSDL will also send communication relating to e-voting which inter alia will contain details about User ID and password along with a copy of this Notice to the Members of the Company, separately.
13. Members seeking any information with regard to accounts or any matter to be placed at AGM are requested to write to the Company on or before September 24, 2021 through email on [cs@sandesh.com](mailto:cs@sandesh.com).
14. The Register of Members and the Share Transfer Book of the Company will remain closed from Friday, September 17, 2021 to Wednesday, September 29, 2021, (both days inclusive).
15. Unpaid/unclaimed dividends and shares in respect of which dividend had remained unpaid/unclaimed:
  - a. Members are requested to note that, dividends if not encashed for a consecutive period of seven (7) years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of which dividends are not encashed for the consecutive period of seven (7) years also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.
  - b. The Company has transferred the unpaid or unclaimed dividends declared up to Financial Years 2012-13 from time to time, to the IEPF established by the Central Government. The Company has also uploaded the details of unpaid/unclaimed dividends lying with the Company as on December 30, 2020 (date of the previous AGM) on the website of the Company ([www.sandesh.com](http://www.sandesh.com)). The said details have also been uploaded on the website of IEPF Authority ([www.iepf.gov.in](http://www.iepf.gov.in)).
  - c. Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during Financial Year 2020-21, transferred to IEPF Authority all shares in respect of which dividend had remained unpaid / unclaimed for seven (07) consecutive years or more. Details of shares transferred to IEPF Authority are available on the website of the Company ([www.sandesh.com](http://www.sandesh.com)). The said details have also been uploaded on the website of IEPF Authority ([www.iepf.gov.in](http://www.iepf.gov.in)).
  - d. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in). For more details, please refer to corporate governance report which is a part of Annual Report.
16. Members are requested to (a) send to their depository participant, ECS bank mandate form, to ensure safe and prompt receipt of dividend, if any (this is to avoid fraudulent encashment of dividend warrants), (b) note that all correspondence relating to share transfers, transmission, change of address, duplicate share certificate and related matters may be addressed to the Registrar and Transfer Agents of the Company, viz. MCS Share Transfer Agent Limited (RTA), having its regional office at 201, Shatdal Complex, 2<sup>nd</sup> Floor, Ashram Road, Ahmedabad-380009 (Gujarat). Telephone No. (079) 26580461/62/63, Fax No. (079) 26581296, Email ID: [mcssta@rediffmail.com](mailto:mcssta@rediffmail.com) & [mcsahmd@gmail.com](mailto:mcsahmd@gmail.com), and quote their DP ID No. /Client ID No. or folio number in all their correspondence.
17. In case of joint holders, Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
18. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website: [www.sandesh.com](http://www.sandesh.com).
19. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the RTA of the Company, for consolidation into a single folio. The consolidated share certificate will be issued to such Members after making requisite changes.
20. Annual Report for Financial Year 2020-21 along with the Notice of AGM is being sent by electronic mode to all the members who have registered their email ids with the depository / RTA. Members may further note that the said documents will also be available on the Company's website [www.sandesh.com](http://www.sandesh.com) and at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) for download. For any communication, the Members may also send requests to the email address of the Company viz. [cs@sandesh.com](mailto:cs@sandesh.com).
21. Pursuant to Section 101 of the Act and the Rules made thereunder, the Company is allowed to send communication to the Members electronically. We, thus, request you to kindly register/update your Email ID with your respective depository participant and the Company's RTA (in case of physical shares) and make this initiative a success.
22. Members are requested to provide or update (as the case may be) their bank details with the respective depository participant for the shares held in demat mode and with the RTA for physical shares.
23. SEBI has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to RTA / the Company.

24. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. However, the Members are entitled to receive such communication in physical form, upon making a request for the same, by permitted mode at free of cost.
25. Since AGM will be held through VC/OAVM, the route map, proxy form and attendance slip are not attached to this Notice.
26. Non-Resident Indian members are requested to inform RTA/respective DPs, immediately of (a) Change in their Residential Status on return to India for the purpose of permanent settlement, along with PAN details, (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank along with Pin Code number, if not provided earlier.
27. Instructions for e-voting and joining the AGM are as follows:

**I. VOTING THROUGH ELECTRONIC MEANS:**

- a) The businesses as set out in the Notice of AGM may be transacted through electronic voting system. In compliance with provisions of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014 and amendments thereof, SS-2 Secretarial Standards on General Meetings and in compliance with Regulation 44 of the Listing Regulations, as amended from time to time, the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its members to enable them to cast their votes electronically. The Company has made necessary arrangements with NSDL to facilitate the Members to cast their votes from a place other than venue of AGM (remote e-voting). The facility for voting has been made available during AGM (e-voting at AGM) through e-voting and those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- b) The remote e-voting period begins at 09:00 A.M. on Saturday September 25, 2021 and ends at 05:00 P.M. on Tuesday, September 28, 2021 (remote e-voting period). During this period, the shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, September 17, 2021, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
- c) A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories, as on the cut-off date (stated above) shall be entitled to avail the facility of remote e-voting or e-voting at AGM. Persons who are not the Members of the Company as on the cut-off date should treat this Notice for information purpose only.
- d) Member can opt for only one mode of voting i.e. either through remote e-voting or e- voting at AGM. Members attending AGM (by VC or OVAM) who have not casted their votes by remote e-voting shall only be able to exercise their right through e-voting at AGM. Members who have casted their vote by remote e-voting prior to AGM may also attend AGM, but shall not be entitled to cast their vote again.
- e) The details of the process and manner for remote e-voting and e-voting at AGM using NSDL e-Voting system are explained herein below:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

- A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; e-voting at the AGM.</li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the "EVEN" of all the companies in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders / Corporate Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [jignesh@gujoil.com](mailto:jignesh@gujoil.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [cs@sandesh.com](mailto:cs@sandesh.com).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case you have any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or contact Ms. Sarita Mote at designated email id: [saritam@nsdl.co.in](mailto:saritam@nsdl.co.in)

**II. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD FOR E-VOTING ON THE RESOLUTIONS SET OUT IN THE NOTICE:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [cs@sandesh.com](mailto:cs@sandesh.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [cs@sandesh.com](mailto:cs@sandesh.com). If you are Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at Step 1 i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholder holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**III. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against Company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

4. Members who would like to express their views or ask questions may send their questions in advance mentioning their name, demat account number / folio number, email id, mobile number at cs@sandesh.com on or before September 24, 2021 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
28. Copies of all the documents referred to in the Notice are available, electronically, for inspection, without any fee by the Members from the date of circulation of this Notice up to the date of AGM.
29. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act will be available, electronically for inspection by the Members during the AGM.
30. The Company has appointed M/s. Jignesh A. Maniar & Associates, Company Secretaries, Ahmedabad (C.P. No.: 6996 & F.C.S. No.: 3468), to act as the Scrutinizer to scrutinize the electronically voting (remote e-voting or e-voting during AGM) process in a fair and transparent manner.
31. The Scrutinizer shall after the conclusion of voting at AGM by the way of e-voting, will first count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and shall make, not later than forty eight (48) hours of the conclusion of AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
32. The results declared along with the Scrutinizer's report, will be posted on the website of the Company (www.sandesh.com) and on the website of NSDL and will be displayed on the Notice Board of the Company at its Registered Office immediately after the declaration of the result by the Chairman or any other person authorised by him and communicated to the Stock Exchanges.
33. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Annual General Meeting, i.e. Friday, September 29, 2021.

**Registered Office:**

"Sandesh Bhavan", Lad Society Road,  
B/h. Vastrapur Gam, P. O. Bodakdev,  
Ahmedabad-380054  
Date : August 13, 2021  
Place : Ahmedabad

By Order of the Board of Directors,  
**For, THE SANDESH LIMITED**

**Dhaval Pandya**  
Company Secretary

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:**

The following Statement sets out all the material facts relating to the Special Businesses mentioned in the accompanying Notice of the Annual General Meeting:

**ITEM NO. 4**

Shri Falgunbhai C. Patel is a Chairman and Managing Director of the Company. His present term as Chairman and Managing Director of the Company expires on March 31, 2022. Shri Falgunbhai C. Patel and his family are the Promoters of the Company. He has been associated with the Company for more than 46 years. He has vast experience in the field of Print Media administration and management. Under his stewardship "Sandesh" a leading Gujarati Newspaper charted out a dynamic trail of achievements by having independent editions from Ahmedabad, Baroda, Surat, Rajkot, Bhavnagar, and Bhuj.

The shareholders of the Company at 73<sup>rd</sup> Annual General Meeting of the members of the Company held on September 30, 2016 approved the re-appointment of Shri Falgunbhai C. Patel for the period of five years with effect from April 01, 2017 to March 31, 2022.

It is therefore proposed to re-appoint Shri Falgunbhai C. Patel as a Chairman and Managing Director of the Company for the further period of five (5) years with effect from April 01, 2022, which shall be within the limits prescribed under the provisions of the Companies Act, 2013 read with Schedule V. Shri Falgunbhai C. Patel satisfies all the conditions as set out in Part – I of Schedule V to the Companies Act, 2013 as also the conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for his appointment. The remuneration payable to Shri Falgunbhai C. Patel is within the permissible limits specified by the Companies Act, 2013 and is also commensurate with his expertise, experience and exposure in the field of print media, electronic media, finance, treasury and the responsibilities being shouldered to him as well as his association with the Company. He is not disqualified from being appointed as a Director in terms of section 164 of the Companies Act, 2013 and has given his consent to act as a Director of the Company. The Managing Director shall also be a Key Managerial Personnel under Section 203 of the Companies Act, 2013. The Nomination and Remuneration Committee and the Board of Directors of the Company are of the opinion that he is fit and proper person to hold the said office and his reappointment will be in the interest of the Company. The Board of Directors of the Company, at their meeting held on June 29, 2021 has, while considering his expertise, long lasting experience and exposure in the field of media and the responsibilities being shouldered by him as well as his association with the Company and also the recommendation of the Nomination and Remuneration Committee, recommends the re-appointment of Shri Falgunbhai C. Patel as the Chairman and Managing Director of the Company for the approval of members at the ensuing AGM for a period of five (5) years from April 01, 2022 to March 31, 2027 on the following terms and conditions:-

- 1) Salary of ₹ 6,50,000/- (Rupees Six Lakhs Fifty thousand only) per month.
- 2) Perquisites to be allowed in addition to salary and commission as under:
  - A. i. The Company shall provide equipment, appliances, furniture, fixtures and furnishing at his residence at the cost of the Company. The Company shall reimburse expenses of Gas, Electricity, Water, etc.
  - ii. Medical expenses for self and family including insurance premia shall be reimbursed by the Company in accordance with the Policy of the Company.
  - iii. The Company shall reimburse Leave Travel Fare for him and his family once in a year.
  - iv. The Company shall pay personal accident insurance premia in accordance with the Policy of the Company.

These perquisites shall be subject to a ceiling of an amount equal to the annual salary.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of the Income Tax Act, 1961 or any rules thereunder or any statutory modifications or re-enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

Shri Falgunbhai C. Patel shall also be given the following perquisites, which shall not be included in the computation of the ceiling on remuneration specified in Schedule V of the Companies Act, 2013.

- B. i. The Company shall contribute to the Provident Fund such percentage as may be specified from time to time.
- ii. The Company shall contribute towards Pension / Superannuation Fund / Annuity Fund provided that such contribution together with contribution to Provident Fund shall not exceed the limit laid down under the Income-Tax Act or any statutory modification thereof.
- iii. The contribution to the Provident Fund, Pension / Superannuation Fund will not be included in the computation of the ceiling on perquisites to the extent this either singly or put together are not taxable under the Income tax Act, 1961.
- iv. The Company shall pay Gratuity as per the rules of the Company and encashment of leave as per Company's Policy and the same shall not be included in the computation of limits for the remuneration or perquisites.
- C. i. The Company shall provide a car with driver at the entire cost of the Company for personal use and office work. Use of car for private purpose shall be billed by the Company.

- ii. The Company shall provide telephone at his residence at the entire cost of the Company. Personal long distance shall be billed by the Company.
- iii. He shall be entitled to privilege leave in accordance with the Policy of the Company. He shall be entitled to en-cash the un-availed leave at the end of his tenure.

### 3) COMMISSION:

He shall be paid commission in addition to the salary and perquisites mentioned above in a manner that the total remuneration including commission shall be 10% of the Net profit of the Company computed in the manner laid down in Section 197 of the Companies Act, 2013.

The remuneration referred to above is subject to the limit of 10% of the Net profit of the Company for the Managing Director and subject further to the overall limit of 11% of the net profit of the Company for all the Directors including Managing Director and Whole-Time Director of the Company taken together.

- 4) In case of absence or inadequacy of profits in the financial years during the tenure of Shri Falgunbhai C. Patel, the Company will be entitled to pay salary, perquisites and other allowances as the minimum remuneration subject to the limits prescribed in Section 197 read with Section II of Part II of the Schedule V of the Companies Act, 2013.

The particulars set out hereinabove may be treated as an abstract of the terms of Agreement to be entered between the Company and Shri Falgunbhai C. Patel, Chairman and Managing Director pursuant to the provisions of the Companies Act, 2013.

A brief resume of Shri Falgunbhai C. Patel, nature of his expertise in the specific functional areas, the names of the companies in which he holds directorships and memberships / chairmanships of the Board Committees, the shareholding and the relationships amongst the directors inter-se as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the Annexure hereto.

This Explanatory Statement may also be read and treated as disclosure in compliance with the requirements of the Section 190 of the Act and Listing Regulations.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Shri Falgunbhai C. Patel, Shri Parthiv F. Patel, Smt. Pannaben F. Patel and their relatives, is concerned or interested, financial or otherwise, in the passing of the resolution mentioned in Item No. 4. The Board of Directors recommends the resolution set forth in Item No. 4 for approval by the Members of the Company by way of Ordinary Resolution.

### ITEM NO. 5

The re-appointment of Shri Falgunbhai C. Patel for a further period of five (05) years commencing from April 01, 2022 to March 31, 2027 is proposed to be approved by the Shareholders by way of Ordinary Resolution at the ensuing AGM.

Regulation 17(6)(e) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), prescribes that the fee or compensation payable to all the Executive Directors who are promoters or members of the promoter group, shall be subject to the approval of the Shareholders by Special Resolution in general meeting, if (i) the annual remuneration payable to such Executive Director exceeds rupees 5 crores or 2.5% of the net profits of the listed entity, whichever is higher; or (ii) where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5% of the net profits of the listed entity - provided that the approval of the shareholders under this provision shall be valid only till the expiry of the term of such director.

The shareholders of the Company have earlier approved the remuneration payable to Shri Falgunbhai C. Patel, Chairman and Managing Director of the Company who is also promoter of the Company notwithstanding the annual remuneration payable to him exceeds ₹ 5 crores or 2.5% of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, whichever is higher, or the aggregate annual remuneration of all the Executive Promoter Directors exceeds 5% of the net profits of the Company, calculated as per the provisions of Section 198 of the Companies Act, 2013, during the remaining tenure of his appointment up to March 31, 2022.

The term of Shri Falgunbhai C. Patel is expiring on March 31, 2022, accordingly, the approval of the shareholders shall expire on March 31, 2022. Hence, it is necessary to seek approval of shareholders of the Company by way of a special resolution to pay the remuneration in terms of Regulation 17(6)(e) of the Listing Regulations for his new term.

A brief resume of Shri Falgunbhai C. Patel, nature of his expertise in the specific functional areas, the names of companies in which he hold directorships and memberships or the chairmanships of the Board Committees, the shareholding and the relationships amongst the directors inter-se as stipulated under the Listing Regulations are provided in the Annexure hereto.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Shri Falgunbhai C. Patel, Shri Parthiv F. Patel, Smt. Pannaben F. Patel and their relatives, is concerned or interested, financial or otherwise, in the passing of the resolution mentioned in Item Nos. 5. The Board of Directors recommends the resolution set forth in Item No. 5 for approval by the members of the Company by way of a Special Resolution.

**ITEM NO. 6**

Shri Sudhirbhai Nanavati is the Independent Director of the Company. He was re-appointed as an Independent Director of the Company in the 75<sup>th</sup> Annual General Meeting of the Members of the Company for the period of five (05) years from April 01, 2019 up to March 31, 2024.

Shri Sudhirbhai Nanavati would be attaining the age of 75 years on September 29, 2022. In view of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended, for the continuation of Shri Sudhirbhai Nanavati as Non-executive Independent Director beyond September 29, 2022, consent of the shareholders would be required by way of special resolution. Considering the experience and contributions made by Shri Sudhirbhai Nanavati during his tenure, the continued association of him will be in the interest of the Company. Accordingly, considering the recommendations of the Nomination and Remuneration Committee, the Board of Directors recommends the continuation of the Directorship of Shri Sudhirbhai Nanavati as Non-executive Independent Director of the Company for the approval of the members.

A brief resume of Shri Sudhirbhai Nanavati, nature of his expertise in the specific functional areas, the names of companies in which he holds directorships and the memberships or the chairmanships of the Board Committees, the shareholding and the relationships amongst the directors inter-se as stipulated under the Listing Regulations are provided in the Annexure hereto.

Except for Shri Sudhirbhai Nanavati and his relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in this Resolution.

**ITEM NO. 7**

The provisions of Section 180(1)(a) of the Companies Act, 2013 ('the Act'), provides that the Board of Directors of a company shall not except with the consent of the company in General Meeting, by way of Special Resolution, sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company.

In accordance with the provisions of the section 180(1)(a) of the Act, the power to create charges, mortgages and hypothecations on all or any of the movable and / or immovable properties of the Company, both present and future, in favour of the lenders, agents, trustees or any other person for securing the borrowings or financial assistance obtained or to be obtained or to give a collateral security for the borrowings or guarantees of any group or associate Company or otherwise to charge the assets of the Company, from time to time, up to value not exceeding limit approved by shareholders under Section 180(1)(c) of the Act from time to time, can be exercised by the Board of Directors of the Company with the consent of the Members of the Company obtained by a Special Resolution. In view of the same, it is necessary to obtain approval of the Members of the Company by means of a Special Resolution, to enable the Board of Directors of the Company to create charge, mortgage or hypothecation on the Company's immovable and movable properties, both present and future, in favour of the bankers, lenders, agents, financial institutions, trustees for the holders of debentures or bonds, or any other person, to secure the repayment of the monies borrowed by the Company including the temporary loans obtained from the Company's Bankers in the ordinary course of business. The Board of Directors of the Company recommends the Resolution at Item No. 7 of the accompanying notice for the approval of the members by way of a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in this Resolution.

**Registered Office:**

"Sandesh Bhavan", Lad Society Road,  
B/h. Vastrapur Gam, P. O. Bodakdev,  
Ahmedabad-380054  
Date : August 13, 2021  
Place : Ahmedabad

By Order of the Board of Directors,  
**For, THE SANDESH LIMITED**

**Dhaval Pandya**  
Company Secretary

## ANNEXURE

**PARTICULARS OF THE DIRECTOR/S SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING PURSUANT TO PROVISIONS OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SS-2 SECRETARIAL STANDARDS ON GENERAL MEETINGS OF INSTITUTE OF COMPANY SECRETARIES OF INDIA:**

a) **A brief resume of Mr. Parthiv F. Patel, who retires by rotation and is eligible for re-appointment, at the ensuing Annual General Meeting:**

<b>Name</b>	<b>Mr. Parthiv F. Patel</b>
<b>Director Identification No.</b>	DIN 00050211
<b>Date of Birth</b>	July 26, 1982
<b>Age</b>	40 years
<b>Date of Original Appointment</b>	March 14, 2002
<b>Brief resume, qualification, experience and nature of expertise in specific functional areas</b>	Mr. Parthiv F. Patel is the Managing Director of the Company. He has pursued B. A. with Business finance from United Kingdom. He has been associated with the Company for more than 19 years. He was appointed as Director of the Company in the year 2002 and has been handling the management and control of the organization, remarkably since then. He has gained a rich experience in the field of management of newspaper, journals and magazines besides investments, finance, treasury and general administrative functions of the Company. He shoulders the whole gamut of new projects & up-gradation of all departments of the Company. Under his dynamic leadership and industrious nature, the Company is the proud owner of latest technology in printing with zero-error. He also is the champion of all new projects of the Company, which is on a very promising upward trajectory.
<b>Terms and conditions of appointment / re-appointment</b>	In terms of Section 152 of the Companies Act, 2013, Mr. Parthiv F. Patel is liable to retire by rotation and being eligible offers himself for re-appointment.
<b>Name of the other listed entities along with other Companies in which the person holds the directorship as on March 31, 2021</b>	Directorship in Listed Entities: NIL Directorship in other companies: 1. Satyesh Brinechem Private Limited 2. Autumnleaf Estates Private Limited 3. Sandesh Digital Private Limited
<b>Membership / Chairperson of other Board Committees as on March 31, 2021</b>	NIL
<b>Disclosure of relationships between directors inter-se</b>	Mr. Parthiv F. Patel is the son of Shri Falgunbhai C. Patel (Chairman and Managing Director) and Smt. Pannaben F. Patel (Director). Except the aforesaid none of the other Directors, Manager or Key Managerial Personnel is related to Mr. Parthiv F. Patel.
<b>Shareholding in the company</b>	9,95,400 equity shares having face value of ₹ 10/- each
<b>Last salary drawn (for FY 2020-21)</b>	₹ 394.59 Lacs
<b>The number of Meetings of the Board attended during FY 2020-21</b>	4 (Four)

b) A brief resume of Shri Falgunbhai C. Patel, who is proposed to be re-appointed as Chairman and Managing Director, at the ensuing Annual General Meeting:

<b>Name</b>	<b>Shri Falgunbhai C. Patel</b>
<b>Director Identification No.</b>	DIN: 00050174
<b>Date of Birth</b>	January 11, 1956
<b>Age</b>	65 Years
<b>Date of Original Appointment</b>	November 27, 1974
<b>Brief resume, qualification, experience and nature of expertise in specific functional areas</b>	Shri Falgunbhai C. Patel is Chairman & Managing Director of The Sandesh Limited with more than forty six years of experience in the Print Media administration and management. Under his stewardship "Sandesh" a leading Gujarati Newspaper charted out a dynamic trail of achievements by having independent editions from Ahmedabad, Baroda, Surat, Rajkot, Bhavnagar, and Bhuj.
<b>Terms and conditions of appointment / re-appointment</b>	As mentioned in the Item No. 4 of the Notice convening the Annual General Meeting read with the Explanatory Statement thereto, Shri Falgunbhai C. Patel is proposed to be re-appointed as a Chairman and Managing Director of the Company for the period of five (05) years with effect from April 01, 2022.
<b>Name of the other listed entities along with other Companies in which the person holds the directorship as on March 31, 2021</b>	Directorship in Listed Entities: NIL Directorship in other companies: 1. Dhanali Enterprise Private Limited 2. Autumnleaf Estates Private Limited 3. Sandesh Digital Private Limited
<b>Membership / Chairperson of other Board Committees as on March 31, 2021</b>	NIL
<b>Disclosure of relation-ships between directors inter-se</b>	Shri Falgunbhai C. Patel is the spouse of Smt. Pannaben F. Patel, Director of the Company and also the father of Mr. Parthiv F. Patel, Managing Director of the Company. Except the aforesaid, none of the other Directors, Manager or Key Managerial Personnel is related to Shri Falgunbhai C. Patel.
<b>Shareholding in the company</b>	3,40,850 Equity Shares having face value of ₹ 10/- each
<b>Last salary drawn (for FY 2020-21)</b>	₹ 394.59 Lacs
<b>The number of Meetings of the Board attended during FY 2020-21</b>	4 (four)

- c) A brief resume of Shri Sudhirbhai Nanavati, whose directorship is proposed to be continued after attaining the age of 75 years, at the ensuing Annual General Meeting:

<b>Name</b>	<b>Shri Sudhirbhai Nanavati (Independent Director)</b>
<b>Director Identification No.</b>	00050236
<b>Date of Birth</b>	September 29, 1947
<b>Age</b>	74 Years
<b>Date of Original Appointment</b>	January 31, 2001
<b>Brief resume, qualification, experience and nature of expertise in specific functional areas</b>	<p>Qualification: B.com. LL.B.</p> <p>Resume and experience: An eminent lawyer of Supreme Court of India and reputed senior advocate at the High Court of Gujarat, Mr. Sudhirbhai Nanavati is an inspiring educationalist. Under his leadership, Gujarat Law Society, established in 1927, a prominent Educational Institution in Ahmedabad, is marching forward on the path of success and glory. Mr. Sudhirbhai Nanavati graces the positions of President of GLS University and Executive Vice President of Gujarat Law Society. He has been awarded Honorary Doctorate Degree by Gujarat University for his contribution in the field of Education and Law.</p> <p>Mr. Sudhirbhai Nanavati is the key to GLS's success and its development through these years. He has been awarded several times at National and International levels for his outstanding contribution to education namely: 'Gold Star Award' by Indian Achievers' Forum, Bangkok; 'Best Educationalist Award' by AIMS; 'Best Educational Services – Lifetime Award' by All India Academic applied Psychologists' Association.</p> <p>He has also been honoured with various awards for his outstanding contribution to the nation and the society. Some of the remarkable awards he has received are 'The contemporary Achiever Award' by Divya Bhaskar, 'Visionary Award in the field of Law and Education' by Vision Foundation, 'Shaleen Manav Ratna Award' by Anoopam Mission, 'Indian Achievers' Award' by Indo-Thai Business Community Forum, 'Professional Excellence Award' by Rotary Club and many more.</p> <p>Being appointed Brand Ambassador for "Swachh Gujarat Mission" has added one more feather in the cap. Under his influential leadership, several thousand students and staff members of GLS were guided and encouraged to drive the mission of Swachh Bharat Abhiyaan. He was also appointed a One Member Inquiry Commission by BCCI to give the verdict on the cricketers Harbhajan-Sreesanth 'Slapgate' case in 2008. His keen interest in cricket led him to be in association with various state and national cricket activities. He was the President of Sports Club, Ahmedabad for eight consecutive years. Also, he has graced the positions of Honorary Secretary and Honorary President at Gujarat Cricket Association and position of Chairman, Finance Committee of BCCI.</p>
<b>Terms and conditions of appointment / re-appointment</b>	As per the resolution at Item No. 6 of the Notice convening the Annual General Meeting read with the Explanatory Statement thereto, Directorship of Shri Sudhirbhai Nanavati is proposed to be continued after attaining the age of 75 years.
<b>Name of the other listed entities along with other Companies in which the person holds the directorship as on March 31, 2021</b>	<p>Directorship in Listed Entities: NIL</p> <p>Directorship in other companies:</p> <ol style="list-style-type: none"> <li>1. Sterling Abrasive Limited</li> <li>2. Leadership Entrepreneurship and Acceleration Foundation</li> <li>3. AIC-GLS Foundation</li> </ol>
<b>Membership / Chairperson of other Board Committees as on March 31, 2021</b>	NIL
<b>Disclosure of relation-ships between directors inter-se</b>	None of the Directors, Key Managerial Personnel or Manager is related to Shri Sudhirbhai Nanavati.
<b>Shareholding in the company</b>	250 Equity Shares having face value of ₹ 10/- each.
<b>Last salary drawn</b>	N.A.
<b>The number of Meetings of the Board attended during FY 2020-21</b>	4 (Four)

**Registered Office:**

"Sandesh Bhavan", Lad Society Road,  
B/h. Vastrapur Gam, P. O. Bodakdev,  
Ahmedabad-380054  
Date : August 13, 2021  
Place : Ahmedabad

By Order of the Board of Directors,  
**For, THE SANDESH LIMITED**

**Dhaval Pandya**  
Company Secretary

## BOARD'S REPORT

To the Members,  
**THE SANDESH LIMITED**

The Directors have pleasure in presenting the 78<sup>th</sup> Annual Report and the Audited Standalone and Consolidated Financial Statements for the Financial Year (F.Y.) ended March 31, 2021. Consolidated performance of the Company and its subsidiary has been referred to wherever required.

### 1. Financial Highlights:

(₹ In Lacs)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Revenue from Operations	27184.37	34107.21	27372.07	34321.30
Other Income	4702.60	1151.09	4721.51	1168.39
<b>Total Revenue</b>	<b>31886.97</b>	<b>35258.30</b>	<b>32093.58</b>	<b>35489.69</b>
Expenditure	19666.91	27136.87	19783.15	27260.82
EBIDTA	12220.06	8121.43	12310.43	8228.87
EBIDTA Margin	38.32%	23.03%	38.36%	23.19%
Finance Cost	46.10	41.70	46.10	41.70
Depreciation & Amortization	693.61	785.92	693.61	785.92
<b>Total Expenditure</b>	<b>20406.62</b>	<b>27964.49</b>	<b>20522.86</b>	<b>28088.44</b>
Exceptional Item	152.80	94.23	152.80	94.23
<b>Profit Before Tax</b>	<b>11633.15</b>	<b>7388.04</b>	<b>11723.52</b>	<b>7692.38</b>
Provision for Current Tax, Deferred Tax & Other Tax Expenses	2702.46	1551.73	2725.23	1582.40
<b>Profit After Tax</b>	<b>8930.69</b>	<b>5836.31</b>	<b>8998.29</b>	<b>6109.98</b>
PAT Margin	28.02%	16.55%	28.04%	17.22%
Dividend as % of Paid –up share Capital	50%	50%	N.A.	N.A.

### 2. Review of Operations and the state of the Company's affairs:

The Financial Year 2020-21 was an extremely challenging year affecting the entire strata of the society including Media and Entertainment Industry. Nationwide lockdown to contain the COVID-19 pandemic was a major hit to the Indian economy.

Imposition of the lockdown also affected the business of the Company. Company witnessed lower revenues due to the lockdown imposed during the beginning of the Financial Year. With the relaxation of the restrictions, the Company witnessed gradual increase in the revenues; however, the overall revenues differed significantly in comparison to pre-covid levels. Financial Year 2020-21 being the outlier, the comparison of the Financial Results with the previous Financial Year would not provide reasonable comparison.

During the year under review, on Standalone basis, the revenue from operations has decreased by 20.30% from ₹ 34107.21 Lacs in F.Y. 2019-20 to ₹ 27184.37 Lacs in F.Y. 2020-21.

The Company has prepared the Financial Statements in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) notified under Section 133 of the Companies Act, 2013 ("the Act").

### 3. Material changes affecting the financial position of the Company:

The Board reports that no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year ending March 31, 2021 and the date of this Report, other than continuing impact of pandemic COVID-19. For detailed analysis kindly refer the Management Discussion and Analysis Report, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations"), forming part of the Annual Report.

### 4. Dividend:

The Directors, in their meeting held on February 09, 2021, declared an Interim Dividend at the rate of 50% i.e. ₹ 5/- per Equity Share of Face Value of ₹ 10/- each, during the Financial Year ended March 31, 2021. The interim dividend payment had an outflow of ₹ 378.47 Lacs. The Directors did not recommend a final dividend for F.Y. 2020-21 and further recommended the resolution, to be placed before the members for their approval at the ensuing Annual General Meeting (AGM), for confirmation of interim Dividend, declared and paid at the rate of 50% i.e. ₹ 5/- per Equity Share of Face Value of ₹ 10/- each, as a Final Dividend for the F.Y. 2020-21.

## 5. Dividend Distribution Policy

In terms of the Regulation 43A of the Listing Regulations the Board of Directors has formulated and approved Dividend Distribution Policy, which is available on the website of the Company and can be accessed at: <http://images.sandesh.com/2021/08/Dividend-Distribution-Policy.pdf>.

## 6. Transfer to Reserves:

The Board of Directors of the Company does not propose to transfer any amount to the Reserves for the year under review.

## 7. Change in the nature of the business:

During the Financial Year 2020-21, there was no change in the nature of Business of the Company.

## 8. Directors' Responsibility Statement:

The Company's Directors make the following statement pursuant to Sections 134(3)(c) and 134(5) of the Act, which is to the best of their knowledge and belief and according to the information and explanations obtained by them:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed to the extent applicable to the Company and there are no material departures;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a going concern basis;
- e) The Directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- f) The Directors has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 9. Board Meetings, Board of Directors, Key Managerial Personnel & Committees of Directors:

### a) Board meetings:

The Board of Directors of the Company met four times during the Financial Year 2020-21. For the details of the Board Meetings kindly refer the relevant section of the Corporate Governance Report annexed with this Report.

### b) Appointment & Re-appointment of Directors:

Pursuant to provisions of Section 152(6) of the Act and the Articles of Association of the Company, Mr. Parthiv F. Patel (DIN 00050211) retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting of the Company. The Directors recommend the resolution relating to the re-appointment of Mr. Parthiv F. Patel (who is liable to retire by rotation), as Director of the Company.

Shri Falgunbhai C. Patel (DIN: 00050174) was re-appointed as Chairman and Managing Director for the term of five (5) years with effect from April 01, 2017 to March 31, 2022 in the 73<sup>rd</sup> Annual General Meeting of the Members of the Company. As the term of Shri Falgunbhai C. Patel will expire on March 31, 2022, the Board of Directors of the Company has recommended the re-appointment of Shri Falgunbhai C. Patel for the period of five (5) years with effect from April 01, 2022.

Shri Sudhirbhai Nanavati (DIN: 00050236), Independent Director of the Company will attain the age of 75 years on September 29, 2022 and pursuant to provisions of the Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five (75) years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person. The Board of Directors, therefore, recommends the passing of a special resolution to continue the directorship of Shri Sudhirbhai Nanavati in the Company and justification for continuation of directorship of Shri Sudhirbhai Nanavati is furnished in the Explanatory Statement to the notice of the Annual General Meeting.

Pursuant to the provisions of Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meetings, the requisite details of Mr. Parthiv F. Patel, Shri Falgunbhai C. Patel and Shri Sudhirbhai Nanavati are furnished in the Explanatory Statement to the Notice of the AGM.

**c) Independent Directors:**

The provisions of Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations provide for the definition of Independent Director. The following are the Independent Directors of the Company:

a)	Mr. Mukeshbhai Patel	(DIN 00053892)
b)	Mr. Sandeepbhai Singhi	(DIN 01211070)
c)	Mr. Sudhirbhai Nanavati	(DIN 00050236)
d)	Dr. Gauri Trivedi	(DIN 06502788)

Dr. Gauri Trivedi (DIN: 06502788) was appointed as an Additional Independent Director of the Company with effect from September 15, 2020. Appointment of Dr. Gauri Trivedi as an Independent Director of the Company for the period of five years with effect from September 15, 2020 was regularized in the 77<sup>th</sup> Annual General Meeting of the Shareholders of the Company.

Shri Shreyasbhai Pandya (DIN: 00050244) has tendered his resignation from the post of Independent Director of the Company with effect from January 19, 2021 on account of his health issues. The Board placed on record its appreciation for his invaluable contribution and guidance during his tenure as Director of the Company.

The Company has received necessary declaration from each Independent Director of the Company under the provisions of Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations, that they meet the criteria of independence as laid down in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company. The Board of Directors has taken on record the declarations of the Independent Directors, after undertaking due assessment of the veracity of the same.

**d) Familiarization Program for Independent Directors:**

In compliance with the requirements of the Listing Regulations, the Independent Directors have been familiarized about the Company by the functional heads of various departments of the Company which includes detailed presentations on the vision and mission of the Company, its operations, business plans, technologies and also future outlook of the entire industry. Details of familiarization programs extended to the Independent Directors are also disclosed on the Company website from time to time at: <https://sandesht.com/ir/Details-of-familiarization-programmes.pdf>.

**e) Resignation, Cessation and Changes in Key Managerial Personnel:**

Mr. Yogesh Jani has tendered his resignation from the post of Whole-time Director of the Company with effect from September 15, 2020. The Board placed on record its appreciation for his invaluable contribution and guidance during his tenure as Director of the Company. Mr. Sanjay Kumar Tandon was appointed as an Additional and Whole-time Director of the Company by the Board of Directors in their meeting dated September 15, 2020. Appointment of Mr. Sanjay Kumar Tandon as Whole-time Director for the period of five years with effect from September 15, 2020 was regularized at the 77<sup>th</sup> Annual General Meeting of the Shareholders of the Company.

Further, none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority. Pursuant to the provisions of Listing Regulations the Company has received a certificate to that effect, issued by M/s. Jignesh A. Maniar & Associates, Practicing Company Secretaries and the same forms the part of Corporate Governance Report.

**f) Details of remuneration to directors:**

The information relating to remuneration of the Directors as required under the provisions of Section 197(12) of the Act, is given in **Annexure D** annexed with this report.

**g) Board Committees:**

The Company has constituted the following Committees of the Board of Directors:

1. Audit Committee;
2. Stakeholders Relationship Committee;
3. Corporate Social Responsibility Committee;
4. Nomination and Remuneration Committee;
5. Executive Committee; and
6. Risk Management Committee

The Corporate Governance Report contains the details of the composition of each of the above Committees, their respective role and responsibilities.

**h) Nomination and Remuneration Policy:**

In terms of the of Sections 178(3) and 178(4) of the Act and Regulation 19(4) read with Part D of Schedule II of the Listing Regulations, the Directors of the Company have, on recommendation of the Nomination & Remuneration Committee, framed and adopted a policy for appointment and remuneration of directors, key managerial personnel and senior management. The salient features of the policy are provided in the Corporate Governance Report. The said policy is also available on the website of the Company at: <http://sandeshe.com/ir/Nomination-Remuneration-Policy.pdf>.

**i) Annual Performance evaluation by the Board:**

Pursuant to the provisions of the Act read with Rules made thereunder and as provided in Schedule IV to the Act and applicable regulations of Listing Regulations, the Nomination and Remuneration Committee has carried out an annual evaluation of the performance of the Board and its Committees and of the Directors individually and the findings were thereafter shared with the Board Members as well as the Chairman of the Company.

In terms of the provisions of Regulation 17(10) of the Listing Regulations, the Board has carried out an evaluation of the performance of the Independent Directors without the presence of the Director being evaluated and evaluation of the fulfillment of the independence criteria as specified in the Act and the Listing Regulations and their independence from the Management. The Independent Directors have also evaluated the performance of the Chairman and other Non-Independent Directors. The Directors express their satisfaction with the evaluation process. The manner in which the evaluation was carried out has been explained in the Corporate Governance Report, which is forming part of this Report.

**j) Pecuniary relationships or transactions of Non-executive Directors with the Company:**

None of the Non-executive Directors of the Company had any pecuniary relationships or transactions with the Company during the Financial Year under review which may have potential conflict with the interests of the Company at large.

**k) Key Managerial Personnel:**

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2021 are as under:

Shri Falgunbhai C. Patel	Chairman and Managing Director
Mr. Parthiv F. Patel	Managing Director
Mr. Sanjay Kumar Tandon	Whole-time Director & Chief Financial Officer
Mr. Dhaval Pandya	Company Secretary

**10. Subsidiary Company, joint ventures and associate companies:**

The Company has one wholly-owned subsidiary as on March 31, 2021. There were no joint venture Companies during the Financial Year under review. M/s. Applewoods Estate Private Limited ceased to be the Associate Company of the Company with effect from January 29, 2021.

There has been no material change in the nature of the business of the Subsidiary Company and further, pursuant to the provisions of Section 129(3) of the Act, read with applicable rules of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the Company's Subsidiary in Form AOC-1 is attached to the Board's Report of the Company as Annexure-A. Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company including consolidated financial statements along with relevant documents and separate audited accounts in respect of Subsidiary Company are available on the website of the Company. The Company Secretary will make these documents available for inspection, electronically up to the date of ensuing AGM, upon receipt of a request from any Member of the Company interested in obtaining the same.

The Company has also framed a policy for determining material subsidiaries, which has been posted on the Company's website at the following link: [http://sandeshe.com/ir/Policy\\_Material-Subsidiary.pdf](http://sandeshe.com/ir/Policy_Material-Subsidiary.pdf). The performance and business highlights of the Subsidiary Company of the Company during the Financial Year 2020-21 are as mentioned hereunder:

**Sandesh Digital Private Limited ('SDPL', Wholly-owned Subsidiary company):**

SDPL is into the digital media business and recorded a total income of ₹ 229.74 Lacs and EBIDTA Profit of ₹ 90.37 Lacs for the Financial Year under review. The subsidiary is engaged in aggregating and providing news, videos and advertisements on multiple digital platforms.

**11. Corporate Governance:**

A Report on Corporate Governance along with a certificate regarding the compliance of conditions of corporate governance, issued by M/s. Jignesh A. Maniar & Associates, Practicing Company Secretaries, as stipulated under Schedule V of the Listing Regulations, forms a part of this Annual Report.

**12. Audit Committee and its Recommendations:**

The Audit Committee has been constituted in accordance with the provisions of the Act and the Rules made thereunder and also in compliance with the provisions of Listing Regulations and more details on the Committee are provided in the Report on Corporate Governance. During the financial year under review, all the recommendations of the Audit Committee were accepted by the Board of Directors of the Company. The Composition of the Audit Committee is as described in the Report on Corporate Governance.

**13. Auditors and Audit Reports:**
**a) Statutory Auditors:**

At the 75<sup>th</sup> AGM held on September 28, 2018 the Members approved appointment of M/s. S G D G Associates & LLP, (Firm Registration No. W100188 LLPIN: AAI-3248), Chartered Accountants as Statutory Auditors of the Company, in place of retiring Auditors M/s. Manubhai Shah & LLP (Firm Registration No. 106041W / W100136 LLPIN: AAG-0878), Chartered Accountants, to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 80<sup>th</sup> AGM.

M/s. S G D G Associates & LLP, have consented to their appointment as Statutory Auditors and have confirmed that their appointment will be in accordance with provisions of Sections 139 and 141 of the Act read with the rules made thereunder.

The Members may note that the requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 07, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the AGM.

**b) Auditors' Report:**

The notes of the financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditors' Report for the Financial Year 2020-21 does not contain any qualification, reservation or adverse remarks. The Statutory Auditors, M/s. S G D G Associates & LLP, have not reported any incident of fraud to the Audit Committee of the Company in the Financial Year under review. Further, the Directors have reviewed the Auditor's Report.

**c) Secretarial Audit Report:**

Secretarial Audit Report in Form MR-3 pursuant to the provisions of Section 204 of the Act read with applicable rules of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Secretarial Audit and Secretarial Compliance Report pursuant to the provisions of Regulation 24A of the Listing Regulations for the Financial Year ended on March 31, 2021, issued by M/s. Jignesh A. Maniar & Associates, Practising Company Secretaries, Ahmedabad are annexed as **Annexure B** and **Annexure C**, respectively, to this Report.

With regard to the qualifications of the Secretarial Auditor, that the appointment of Independent Woman Director pursuant to the provisions of Regulation 17(1)(a) of the Listing Regulations, was done on September 15, 2020, the Board of Directors submits that the Company had approached various candidates for the appointment of Independent Woman Director. However, the Company wasn't able to find any interested candidate having requisite experience for the Company which is part of media industry and further due to lockdown imposed to contain Covid-19 Pandemic aggravated the delay.

**14. Cost Records:**

The Company is not required to comply with the requirements of maintaining the cost records, specified by the Central Government, under provisions of Section 148(1) of the Act and accordingly no such records are made or maintained by the Company.

**15. Human resource initiatives and industrial relations:**

The Company treats its employees as most valuable assets as it knows that without good employees the best of the business plans and ideas will fail. In today's dynamic and continuously changing business world, it is the human assets and not the fixed or tangible assets that differentiate an organization from its competitors. Improving employee efficiency and performance has always been the top most priority for the Company. The Company also aims to align human resource practices with its business goals. The performance management system enables a holistic approach to the issue of managing performance and does not limit to only an appraisal. The total number of employees on the rolls of the Company is 449 on March 31, 2021.

**16. Particulars of Employees:**

The information required pursuant to the provisions of Section 197(12) of the Act read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as **Annexure D** to this Report.

**17. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outflow:**

The particulars as prescribed under Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, are set out in **Annexure E** to this report.

**18. Management Discussion and Analysis Report & Cautionary Statement:**

A detailed chapter on 'Management Discussion and Analysis' pursuant to the Regulation 34 of Listing Regulations, is annexed and forms part of this Annual Report. The statements in this Annual Report, especially those with respect to Management Discussion and Analysis, describing the objectives of the Company, expectations, estimates and projections, may constitute 'forward looking statements' within the meaning of applicable law. Actual results might differ, though the expectations, estimates and projections are based on reasonable assumptions. The details and information used in the said report have been taken from publicly available sources. Any discrepancies in the details or information are incidental and unintentional. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of date. The discussion and analysis as provided in the said report should be read in conjunction with the Company's financial statements included herein and the notes thereto.

**19. Business Responsibility Report:**

A detailed Chapter on 'Business Responsibility Report' pursuant to Regulation 34 of Listing Regulation for the year ended March 31, 2021 is annexed and forming part of this Report.

**20. Corporate Social Responsibility Initiatives:**

The Company has constituted a Corporate Social Responsibility Committee. The Committee is constituted to manage and overview the Corporate Social Responsibility programs of the Company. The Corporate Social Responsibility Policy as approved and amended from time to time by the Board is available at the website of the Company at the link: <http://sandsesh.com/ir/CSR-Policy.pdf>. The Annual Report on Corporate Social Responsibility activities is annexed herewith as **Annexure F**.

**21. Insider Trading Regulations:**

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, and the amendments thereof, the Company has formulated and amended from time to time, a "Code of Conduct for Prevention of Insider Trading" and "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" for regulating, monitoring and reporting of trading in shares of the Company by the Promoters, Designated Persons, Key Managerial Personnel, Directors, Employees, Connected Persons and Insiders of the Company. The said codes are in accordance with the said Regulations and are also available on the website of the Company. The Company has also adopted the Policy for the determination of Legitimate Purposes as a part of "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" and "Policy for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information".

**22. Borrowing:**

Particulars of borrowing are given in the financial statements of the Company read with notes to financial statements which may be read in conjunction with this report.

**23. Credit Rating:**

For the Financial Year 2020-21 under review, the credit rating agency "Credit Analysis and Research Limited" has granted rating of CARE AA (Double A) assigned to the long term bank facilities. Further, it has granted the CARE A1+ (A one Plus) rating assigned to short term facilities.

**24. Insurance:**

All the significant properties and insurable interest of the Company, including buildings, plant and machineries and stocks are insured.

**25. Risk Management:**

The Board of Directors of the Company has framed and adopted a policy on Risk Management of the Company. The Company has identified various risks and also has mitigation plans for each risk identified and it has a comprehensive Risk Management system which ensures that all risks are timely defined and mitigated in accordance with the Risk Management Policy. Pursuant to the Regulation 21 of the Listing Regulations, the Company has constituted Risk Management Committee. Composition of the Committee is more particularly described in the Corporate Governance Report which forms a part of this Annual Report.

**26. Internal Control Systems and adequacy of Internal Financial Controls:**

The Company has an adequate system of the internal controls to ensure that all its assets are protected against loss from unauthorized use or disposition and further that those transactions are authorised, promptly recorded and reported correctly. The Company has implemented an effective framework for Internal Financial Controls in terms of the provisions stipulated under the explanation to Section 134(5)(e) of the Act for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. The Board is of the opinion that the Company has an effective Internal Financial Controls which is commensurate with the size and scale of the business operations of the Company for the Financial Year under review. Adequate internal financial controls with respect to financial statements are in place. The Company

has documented policies and guidelines for this purpose. Its Internal Control System has been designed to ensure that the financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets.

The internal audit and the management review supplement the process implementation of effective internal control. The Audit Committee of the Board deals with accounting matters, financial reporting and internal controls and regularly interacts with the Statutory Auditors, Internal Auditors and Management in dealing with matters within its terms of reference. No reportable material weakness in the design or implementation was observed during the financial year under review.

#### **27. Vigil Mechanism and Whistle Blower Policy:**

The Board has approved and established a Vigil Mechanism and Whistle Blower Policy for the Directors and employees of the Company to report their genuine concerns and its details are explained in the Corporate Governance Report. The Company's Vigil Mechanism and Whistle Blower Policy entitle its Directors and employees to also report the instances of leak or suspected leak of Unpublished Price Sensitive Information. The aforesaid Policy is also available on the website of the Company.

#### **28. Code of Conduct:**

The Directors have laid down the Code of Conduct for all Board Members and the members of the senior management of the Company. The said Code is also placed on the website of the Company. All Board Members and the members of the senior management of the Company have affirmed compliance with the said Code for the Financial Year under review. The Certificate from the Chairman & Managing Director affirming compliance of the said Code by all the Board Members and the members of senior management of the Company, to whom the Code is applicable, is attached to the Corporate Governance Report.

#### **29. Extract of Annual Return:**

Pursuant to the provisions of Section 92(3) of the Act, the annual return of the Company as on March 31, 2021 is available on the website of the Company at [http://images.sandesh.com/2021/09/Form\\_MGT-7.pdf](http://images.sandesh.com/2021/09/Form_MGT-7.pdf).

#### **30. Litigation:**

There was no material litigation outstanding as on March 31, 2021 and the details of pending litigation including tax matters are disclosed in the Financial Statements.

#### **31. Particulars of Loans, Guarantees and Investments under Section 186 of the Companies Act:**

The particulars of loans and guarantees given and the investments made under the provisions of Section 186 of the Act are given separately in the Financial Statements of the Company read with the Notes to Accounts which may be read in conjunction with this Report.

#### **32. Particulars of contracts or arrangements with related parties referred to in Section 188(1) in the prescribed form:**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and were placed before the Audit Committee and also before the Board for their review and approval. As there were no material related party transactions entered into by the Company with the related parties during the financial year under review, the requirement of disclosing the details of the related party transactions under Section 134(3)(h) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, in Form AOC-2 is not applicable to the Company.

In line with the provisions of the Act and Listing Regulations, the Company has formulated a Related Party Transactions Policy for determining materiality of Related Party Transactions and also the manner for dealing with Related Party Transactions. The Related Party Transactions Policy is uploaded on the Company's website and can be accessed at: <http://sandesh.com/ir/RPT-Policy.pdf>. The Company has maintained a register under Section 189 of the Act and particulars of Related Party Transactions are entered in the Register, whenever applicable. Further, pursuant to the Listing Regulations, Related Party disclosures in compliance with the applicable Accounting Standards have been given in the Notes to the Financial Statements. Disclosure of the transactions of the Company with the person or entity belonging to the promoter / promoter group which hold(s) 10% or more shareholding in the listed entity, in the format prescribed in the relevant accounting standards for annual results have also been given in the Notes to the Financial Statements.

#### **33. Listing Fees:**

The Company confirms that it has paid the annual listing fees for the Financial Year 2021-22 to BSE Limited and National Stock Exchange of India Limited.

#### **34. Other Statutory Disclosures:**

##### **a) Public Deposits (Deposit from the public falling within the ambit of Section 73 of the Act and the Rules made thereof):**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the financial statements.

**b) Issue of equity shares with differential rights as to dividend, voting or otherwise:**

The Authorised Share Capital of the Company is ₹ 15 Crores comprising of 1,50,00,000 equity shares of ₹ 10/- each. The paid up equity share capital of the Company as on March 31, 2021 was ₹ 7.57 Crores comprising of 75,69,421 equity shares of ₹ 10/- each. During the Financial Year under review, the Company has not issued shares with or without differential voting rights as to dividend, voting or otherwise.

**c) Issue of shares (including sweat equity shares) to employees of the Company under any scheme:**

The Company has not issued any shares including sweat equity shares to any of the employees of the Company under any scheme during the Financial Year under review.

**d) Receipt of Remuneration or Commission by Managing Director(s) / Whole Time Director from subsidiary of the Company:**

No Remuneration or Commission was paid to the Managing Director(s) / Whole Time Director from the subsidiary of the Company for the Financial Year under review. Hence, there is no disclosure required as to the receipt of the remuneration or commission by the Managing Director(s)/ Whole Time Director from the subsidiary of the Company.

**e) Transfer of Amounts to Investor Education and Protection Fund:**

During the year under review the Unpaid / Unclaimed Dividend for the Financial Year 2012-13 amounting to ₹ 2,79,780/-, became due and was transferred to the Investor Education and Protection Fund in compliance with the provisions of Section 124 and 125 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended. For further details kindly refer the relevant section of Corporate Governance Report.

**f) Details of significant and material orders passed by the Regulators / Courts / Tribunals impacting the going concern status and the Company's operations in future:**

During the year under review, there were no significant material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

**g) Disclosure under Section 67(3) of the Companies Act, 2013:**

The Company does not have any scheme of provision of money or the Company does not provide any loan or financial arrangement to its employees, for the purchase of its own shares. Accordingly, no disclosure is required under Section 67(3)(c) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

**h) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (SHWWA):**

The Company has in place a Policy for prevention of Sexual Harassment at the workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All the employees of the Company are covered under the said policy. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. For the summary of sexual harassment complaints received and disposed during the year under review, kindly refer the relevant section of Corporate Governance Report.

**35. Secretarial Standards:**

Company has complied with all the applicable Secretarial Standards issued by The Institute of Company Secretaries of India during the year under review.

**36. Acknowledgment:**

The Directors place on record their sincere appreciation for the valuable contribution and dedicated services by all the employees of the Company. The Directors express their sincere thanks to the esteemed readers, viewers and customers of the Company for their continued patronage. The Directors also immensely thank all the shareholders, bankers, investors, agents, business associates, service providers, vendors and all other stakeholders for their continued and consistent support to the Company during the Financial Year.

For and on behalf of the Board of Directors,

Date : August 13, 2021  
Place : Ahmedabad

**Falgunbhai C. Patel**  
Chairman & Managing Director  
(DIN 00050174)

**Encl.: Annexure A to Annexure F**

**ANNEXURE A TO THE BOARD'S REPORT**
**Form AOC-I**

(Pursuant to first proviso of section 129(3) read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

**Part "A": Subsidiaries**

(Information in respect of each Subsidiary to be presented with amount in ₹ in Lacs)

1	Sl. No.:	1
2	Name of the subsidiary:	Sandesh Digital Private Limited
3	The date since when subsidiary was acquired	September 22, 2015
4	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period:	N.A.
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.
6	Share capital:	1
7	Reserves & surplus:	418.66
8	Total assets:	440.64
9	Total Liabilities:	20.98
10	Investments:	390.92
11	Turnover:	210.83
12	Profit before taxation:	90.37
13	Provision for taxation:	22.77
14	Profit after taxation:	67.60
15	Proposed Dividend:	--
16	Extent of shareholding (In percentage):	100%

**Part "B"**
**Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Not Applicable

**Notes:**

1. There is/are no other subsidiary/ies or associate/s which is/are yet to commence operations.
2. Applewoods Estate Private Limited ceased to be Associate Company with effect from January 29, 2021.

**Falgunbhai C. Patel**  
Chairman & Managing Director  
(DIN 00050174)

**Parthiv F. Patel**  
Managing Director  
(DIN 00050211)

**Place :** Ahmedabad  
**Date :** August 13, 2021

**Sanjay Kumar Tandon**  
Whole Time Director &  
Chief Financial Officer

**Dhaval Pandya**  
Company Secretary

## ANNEXURE B TO THE BOARD'S REPORT

Form No. MR-3

## SECRETARIAL AUDIT REPORT

(For the Financial Year ended 31<sup>st</sup> March, 2021)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**THE SANDESH LIMITED**  
**(CIN: L22121GJ1943PLC000183)**  
'Sandesh Bhavan' Lad Society Road,  
B/h. Vastrapur Gam, P.O. Bodakdev,  
Ahmedabad – 380054  
(Gujarat – India)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **THE SANDESH LIMITED** (CIN: L22121GJ1943PLC000183) (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and considering, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2021 ('Audit Period') according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the Company during the Audit Period);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereof;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments thereof;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable as the Company has not issued any further share capital during the Audit Period);
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Audit Period);
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable as the Company did not issue and listed any debt securities and any other such securities during the Audit Period);
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review);
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);

- vi. The following laws are applicable specifically to the Company and we report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, and according to the information and explanations provided by the management of the Company, the Company has complied with:
- The Press & Registration of Books Act, 1867 and Rules made thereunder;
  - The Delivery of Books and Newspapers (Public Libraries) Act, 1954 and Rules made thereunder;
  - The Working Journalists and Other Newspaper Employees (Conditions of Service) and Miscellaneous Provisions Act, 1955 and Rules made thereunder;
  - Uplinking / downlinking policy / guidelines issued by Ministry of Information and Broadcasting;

We have also examined compliance with the applicable clauses of the following:

- Secretarial Standards with regard to Meeting of Board of Directors (SS-1), General Meetings (SS-2) and Dividend (SS-3) issued by The Institute of Company Secretaries of India.
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and amendments thereof.
- The Listing Agreements entered into by the Company with the BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the following observation:

- The appointment of Independent Women Director pursuant to provisions of Regulation 17(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 was done on 15<sup>th</sup> September, 2020.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were usually sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings of the Board are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period there was no event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**For, Jignesh A. Maniar & Associates**  
Company Secretaries

**Jignesh A. Maniar**  
Proprietor

F.C.S. No. 3468

C. P. No. 6996

UDIN: F003468C000758101

Place: Ahmedabad  
Date: 09/08/2021

**Note:** This report is to be read with our letter of even date which is annexed as 'Annexure - A' and forms an integral part of this report.

## 'ANNEXURE - A'

To  
The Members,  
**THE SANDESH LIMITED**  
(CIN: L22121GJ1943PLC000183)  
'Sandesh Bhavan' Lad Society Road,  
B/h. Vastrapur Gam, P.O. Bodakdev,  
Ahmedabad – 380054  
(Gujarat – India)

Our report of even date is to be read along with this letter.

1. The Management of the Company is responsible for maintenance of secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. Our responsibility is to express an opinion on these secretarial records and procedures followed by the Company with respect to secretarial Compliance.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For, Jignesh A. Maniar & Associates**  
Company Secretaries

**Jignesh A. Maniar**  
Proprietor  
F.C.S. No. 3468  
C. P. No. 6996

UDIN: F003468C000758101

Place: Ahmedabad  
Date: 09/08/2021

**ANNEXURE C TO THE BOARD'S REPORT**
**SECRETARIAL COMPLIANCE REPORT OF THE SANDESH LIMITED FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2021**

To,  
**The Sandesh Limited**  
 Sandesh Bhavan, Lad Society Road,  
 B/h. Vastrapur Gam, P.O. Bodakdev,  
 Ahmedabad - 380054

We, Jignesh A. Maniar & Associates, have examined:

- all the documents and records made available to us and explanation provided by **The Sandesh Limited** ("the listed entity"),
- the filings/ submissions made by the listed entity to the stock exchanges,
- website of the listed entity,
- any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended **31<sup>st</sup> March, 2021** ("Review Period") in respect of compliance with the provisions of:

- the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as LODR);
- Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable for the period under review)
- Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable for the period under review)
- Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not Applicable for the period under review)
- Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable for the period under review)
- Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not Applicable for the period under review)
- Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

and circulars/ guidelines issued thereunder;

and based on the above examination, I/We hereby report that, during the Review Period:

- The listed entity has complied with the provisions of the above applicable Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	Regulation 17(1)(a) of LODR for having at least one Independent Woman Director	Regulation 17(1)(a) of LODR provides for appointment of an Independent Woman Director for Top 1000 Listed Entities w.e.f. 1 <sup>st</sup> April, 2020. The Company has appointed Dr. Gauri Trivedi as an Independent Woman Director w.e.f. 15 <sup>th</sup> September, 2020.	We have been informed by the Company that it has made the compliance with the provisions of Regulation 17(1)(a) of LODR by appointing Dr. Gauri Trivedi with effect from 15 <sup>th</sup> September, 2020 and the delay in making appointment was due to COVID-19 situation.

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

**Details provided in Annexure A**

- (d) The reporting on the actions taken by the Listed Entity to comply with the Observations / Remarks made in the previous reports does not arise as there were no Observations / Remarks made in the previous reports.

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Not Applicable				

**For, Jignesh A. Maniar & Associates**  
Company Secretaries

**Jignesh A. Maniar**  
Proprietor  
F.C.S. No. 3468  
C. P. No. 6996  
UDIN: F003468C000551752

Place: Ahmedabad  
Date: 30/06/2021

**ANNEXURE – A**

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	(1) Bombay Stock Exchange Limited (BSE) vide Email dated 20 <sup>th</sup> August, 2020 (2) National Stock Exchange Limited (NSE) vide notice dated 20 <sup>th</sup> August, 2020 sent via Email dated 21 <sup>st</sup> August, 2020	Non-Compliance of Regulation 17(1) (a) of LODR – Delay in appointment of Independent Woman Director, which is applicable to top 1000 Listed Entities	Fine of ₹ 5,36,900/- was imposed by both BSE and NSE respectively for the quarter ended on 30 <sup>th</sup> June, 2020	We have been informed by the Company that it has made the compliance with the provisions of Regulation 17(1)(a) of LODR by appointing Dr. Gauri Trivedi (DIN: 06502788) with effect from 15 <sup>th</sup> September, 2020 and the delay in making appointment was due to COVID-19 situation. It was also informed to us that the Company had represented the facts and circumstances for the delay in appointment of independent woman director to the stock exchanges, with a prayer to condone the delay, in making the appointment, and also with a request to waive off the penalty imposed, as the delay in making the appointment was on account of Covid-19 situation.
2.	(1) Bombay Stock Exchange Limited (BSE) vide Email dated 17 <sup>th</sup> November, 2020 (2) National Stock Exchange Limited (NSE) vide notice dated 17 <sup>th</sup> November, 2020 sent via Email dated 18 <sup>th</sup> November, 2020	Non-Compliance of Regulation 17(1) (a) of LODR – Delay in appointment of Independent Woman Director, which is applicable to top 1000 Listed Entities	Fine of ₹ 4,48,400/- was imposed by both BSE and NSE respectively for the Quarter ended on 30 <sup>th</sup> September, 2020. Freezing of demat accounts of Promoters as per the Directions of BSE	We have been informed by the Company that it had represented the facts and circumstances for delay in appointment of independent woman director to the stock exchanges, with a prayer to condone the delay, in making the appointment, and also with a request to waive off the penalty imposed and unfreezing the demat accounts of the promoters as the delay in making the appointment was on account of Covid-19 situation.

## ANNEXURE D TO THE BOARD'S REPORT

## REMUNERATION DETAILS

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**1. The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year:**

Name of the Director	Ratio of each Director to the median remuneration of the employee
Shri Falgunbhai C. Patel	118.67
Mr. Parthiv F. Patel	119.46
Mr. Yogesh Jani*	2.31
Mr. Sanjay Kumar Tandon**	8.48

**2. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2020-21:**

Name of the Director, Chief Financial Officer and the Company Secretary	% increase in the remuneration in the financial year
Shri Falgunbhai C. Patel (Chairman and Managing Director)	21.86
Mr. Parthiv F. Patel (Managing Director)	15.14
Mr. Yogesh Jani (Whole Time Director)*	(17.42)
Mr. Sanjay Kumar Tandon (Whole-time Director & Chief Financial Officer)**	(11.17)
Mr. Dhaval Pandya (Company Secretary)	(6.86)

\* Mr. Yogesh Jani ceased to be the Whole Time Director of the Company with effect from 15<sup>th</sup> September, 2020

\*\* Mr. Sanjay Kumar Tandon has been appointed as Whole Time Director of the Company with effect from 15<sup>th</sup> September, 2020.

**3. The percentage increase in the median remuneration of employees in the financial year: (8.98%)**

**4. The number of permanent employees on the rolls of Company: 449**

**5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**

- Average increase in remuneration of employees excluding KMPs: (20.71%)
- Average increase in remuneration of KMPs: 16.01%
- Increase in salary of KMP is decided based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks

**6. Affirmation that the remuneration is as per the Remuneration Policy of the Company:** It is confirmed that the remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors,

**Falgunbhai C. Patel**  
Chairman & Managing Director  
(DIN 00050174)

Date : August 13, 2021  
Place : Ahmedabad

## ANNEXURE E TO THE BOARD'S REPORT

Information pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as provided under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014:

## A. CONSERVATION OF ENERGY

- 1) **Steps taken or impact on conservation of energy:** Though the operations of the Company are not energy intensive, efforts are made for conservation of energy on an on-going basis. The Company is not using DG set but uses alternate power lines if mains fail. The Company has installed capacitor banks and filters for improvement in power factor. Other energy conservation measures taken include using of LED type illuminants in majority and highly efficient screw compressor. Further, machineries are kept in power off mode during non-productive hours. The Company has also installed 278 KVP solar power plant which generates approx. 750 to 1100 units daily depending upon the weather condition.
- 2) **Steps taken for utilization of alternate sources of energy:** The Company has already commenced use of LED lights to reduce energy consumption. Further, the Company has installed high efficiency lighting fixtures and old high power consumption light fittings have been replaced by low power consumption light fittings.
- 3) **Capital Investment on energy conservation equipments:** The Company has installed Solar Power Plant for generating clean Energy in premises of Registered Office of the Company, which will help to produce 278 Kilowatt peak power, and thereby ensuring effective energy conservation. After installation of solar plant at Ahmedabad, there has been significant reduction in power consumption. The Company intends to install Solar Power Plant at other location if feasible to generate more clean energy.

## B. TECHNOLOGY ABSORPTION

- 1) Efforts made towards technology absorption : Not Applicable
- 2) Benefits derived : Not Applicable
- 3) Details of technology imported in last three years : Not Applicable
  - a. Details of technology imported : Not Applicable
  - b. Year of import : Not Applicable
  - c. Whether the technology been fully absorbed : Not Applicable
  - d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof : Not Applicable
- 4) Expenditure incurred on Research and Development : Not Applicable

## C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the Financial Year under review, the foreign exchange earnings were Nil and foreign exchange outgo were ₹ 3796.20 Lacs.

For and on behalf of the Board of Directors,

Date : August 13, 2021  
Place : Ahmedabad

**Falgunbhai C. Patel**  
Chairman & Managing Director  
(DIN 00050174)

**ANNEXURE F TO THE BOARD'S REPORT**  
**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

[Pursuant to Clause (o) of Sub-section (3) of Section 134 of the Companies Act, 2013  
read with the Companies (Corporate Social Responsibility Policy) Rules, 2014]

**1. A brief outline on CSR policy of the Company:**

The Board of Directors (the 'Board' for short) of the Company has adopted a CSR policy which lays down the guidelines and mechanism for undertaking various programs for the development of the Society. The Policy also indicates the activities to be undertaken by the Company within the broad framework of Schedule VII to the Act, as in force and as amended from time to time which includes promotion of education, providing preventive healthcare & sanitation, creating livelihoods for community, supporting the community in times of natural calamities, providing monetary support to the deserving students etc.

**2. The Composition of the CSR Committee:**

Sl. No.	Name	Designation/ Nature of Directorship	Number of meeting of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Falgunbhai C. Patel	Chairman	4	4
2	Smt. Pannaben Patel	Member	4	4
3	Mr. Mukeshbhai Patel	Member (Independent Director)	4	4
4	Mr. Shreyasbhai Pandya*	Member (Independent Director)	3	3

\* Mr. Shreyasbhai Pandya resigned as the Member of the Committee on account of his resignation as a Director of the Company w.e.f. 19<sup>th</sup> January, 2021.

**3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:**

- (a) Web-link for Composition of Committee: <http://images.sandesh.com/2017/11/Composition-of-the-Committees.pdf>  
(b) Web-link for CSR Policy: <https://sandesh.com/ir/CSR-Policy.pdf>  
(c) Web-link for CSR projects approved by the Board: <http://images.sandesh.com/2021/09/List-of-CSR-Projects.pdf>

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):** Not Applicable during the Financial Year under review.

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
		Not Applicable	

**6. Average net profit of the company as per section 135(5):** ₹ 8703.71 Lacs

**7. (a) Two percent of average net profit of the company as per section 135(5):** 174.07 Lacs

**(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** NIL

**(c) Amount required to be set off for the financial year, if any:** NIL

**(d) Total CSR obligation for the financial year (7a+7b-7c):** 174.07 Lacs

**8 (a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (₹ in Lacs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer.
174.10	NIL	-	-	NIL	-

**(b) Details of CSR amount spent against ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project Duration	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District						Name	CSR Registration No.
Not Applicable												

**(c) Details of CSR amount spent against other than ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing Agency	
				State.	District.			Name	CSR registration number
1	Eradicating hunger, poverty and malnutrition, promoting preventive health care	(i)	YES	Gujarat	Ahmedabad	19.80	Yes	-	-
2	Contribution to PM CARES Fund	(viii)	Yes	PAN India		154.30	No	PM CARES Fund	-

**(d) Amount spent in Administrative Overheads: NIL**
**(e) Amount spent on Impact Assessment, if applicable: Not Applicable**
**(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 174.10 Lacs**
**(g) Excess amount for set off, if any:**

Sr. No.	Particular	Amount (₹ in Lacs)
(i)	Two percent of average net profit of the company as per section 135(5)	174.07
(ii)	Total amount spent for the Financial Year	174.10
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.03
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.03

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.	Amount remaining to be spent in succeeding financial years (in ₹)
Not Applicable					

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project.	Financial Year in which the project was commenced	Project Duration	Total amount Allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing
Not applicable								

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)**

- (a) Date of creation or acquisition of the capital asset(s) : Not Applicable
- (b) Amount of CSR spent for creation or acquisition of capital asset: Not Applicable
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:  
Not Applicable
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):  
Not Applicable

**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):**  
Not Applicable

**Place :** Ahmedabad  
**Date :** August 13, 2021

**Falgunbhai C. Patel**  
Chairman of CSR Committee  
(DIN 00050174)

## MANAGEMENT DISCUSSION AND ANALYSIS

### 1. INDUSTRY STRUCTURE AND DEVELOPMENTS

The year 2020 has been etched in our memories for turning our lives upside down. It brought distraught changes wherein entire strata of the society were affected and one being Media & Entertainment Sector. Media & Entertainment (M & E) Sector in India fell 24% in the year 2020 to reach INR 1.38 trillion (taking revenues back to 2017 levels). Digital subscription and Online gaming were the only two segments which grew in 2020 out of all the segments under M & E Sector. Print Segment witnessed 36% decline and the revenue declines were led by a 41% fall in advertising and 24% fall in circulation revenues. Despite the country being into lockdown for the major part of the year 2020, the Television segment declined 13% in 2020.

While the M & E Sector will witness a rebound in 2021 and is predicted to reach around INR 2.68 trillion by 2025, however, the recovery will vary over different segments. The recovery period for Print segment is predicted beyond three years, to regain the pre-pandemic revenue numbers, provided no further setbacks.

English language newspapers were hit harder and struggled to get back their circulation post the relaxations of lockdown, compared to regional newspapers. Advertising in English publications fell by 52% while advertising in Hindi and regional language publications reduced around 35%. The regional news is considered to be prominent among audiences, because it helps to garner regional products more strongly (print + digital). Regional channels received 27% more ad volumes than national channels in 2020. Regional ad rates have also been rising over the last two years and the same is expected to continue, driven by increase in regional content consumption on TV to 60% of total TV consumption. Regional language comprised over 50% of TV viewership.

India's GDP contracted by 7.3% in 2020-21, as compared to 4% in 2019-20, however, Indian economy grew 1.6% in Quarter 4 of the Financial Year 2020-21. But the momentum of GDP growth has been affected by the second wave. While the M & E Sector usually grows faster than GDP, it also falls more than GDP degrowth, given the discretionary nature of advertising. In 2020, while the GDP fell by 8% advertising fell over 25% while the sector overall fell by 24%.

As per the Annual Report 2019-20 published by the Registrar of Newspapers for India, on 31<sup>st</sup> March, 2020 there were 1,43,423 registered publications as against 1,19,995 at the end of March, 2019. A total of 1498 new publications were registered during 2019-20.

The Company started its journey in 1923 and it belongs to the Regional Print Media Industry. Late Mr. Chimanbhai S. Patel acquired the entire business from the original promoter in the year 1958, and had put his efforts to strengthen the activities carried out by "SANDESH". The editorial policy of the Company has always been based on basic journalistic values of objectivity and has not been influenced by any external forces. Presently, Mr. Falgunbhai C. Patel, Chairman & Managing Director is running the entire business affairs of the Company, along with his son Mr. Parthiv F. Patel, Managing Director and a professional team of the Executives of the Company. The Company has a strong regional franchise, where it enjoys strong readership loyalty.

Currently, the Company is a publisher of "SANDESH" a premier Gujarati daily newspaper published from Ahmedabad, Vadodara, Surat, Rajkot, Bhuj and Bhavnagar in Gujarat, to carry on the business of editing, printing and publishing newspapers. The Company had started its printing facilities at Vadodara during 1985-86, at Surat during 1989-90, at Rajkot during 1990-91, at Bhavnagar during 1998-99 and at Bhuj during 2010-11 to cater to the semi-urban and rural areas. Besides the Company publishes the periodical "Sandesh Pratyaksha Panchang" which remained popular among the public.

Further, the Company's News TV channel 'Sandesh News' is very popular amongst Gujarati Viewers and it has also won several awards. Further, as a part of its out-of-home (OOH) advertising activity, the Company has advertisements sites at the major commercial areas in Ahmedabad.

(Source: EY FICCI Report 2021 – The era of Consumer A.R.T.)

### 2. OPPORTUNITIES AND THREATS

India has been the growth leader amongst major economies including Emerging Markets and Developing Economies over the last five years. It surpassed China in terms of real GDP growth in 2014 and has remained above it till 2016 but since 2017 India's growth has trended below that of China and the emergence of Covid-19 health crisis caused turbulence resulting into an economic crisis as countries undertook measures which severely constrained economic activity. India was projected to be one of the worst performing major economies partly due to stringent measures undertaken to contain the spread of Covid-19.

India is expected to regain its position as the global growth leader with an estimated growth of 11.5% and is projected to remain the fastest growing major economy in 2022. India is expected to become the fifth largest economy by 2022.

India shares 17.8% of the total world population and 2.5% of the world's surface area. According to International Monetary Fund World Economic Outlook (October-2019), India's nominal GDP is estimated at USD 3094 billion in 2020, making it the fifth largest economy in the world. It is projected to account for 3.2% of global GDP measured in nominal US \$ exchange rate basis. When measured on the basis of purchasing power parity (PPP), India is estimated to be the third largest economy at PPP USD 10611 billion in 2022.

India's per capita nominal GDP is estimated to contract by 4.8% in 2021 to INR 1,44,503 as compared to a growth of 2.7% in China's per capita nominal GDP in 2020. International Monetary Fund forecasts India's per capita nominal GDP at 10.9% in 2023 slowing marginally to 10.2% by 2025. Higher per capita income drives consumption growth including that in the media and entertainment sector.

India is one of the very few countries in the world where the newspaper is delivered to the doorstep everyday. This zero friction availability of newspapers is significant contributor to its continued growth. With the boom in the digitalization few readers may have shifted to digital media, but still majority of the readers prefer a physical copy because they believe that the information provided to them is credible and accurate. In addition several surveys also indicate that newspapers are better able to increase reader loyalty because the credibility of the print medium is unparalleled. Credibility and trust in print as a medium of information is always high. Print allows you to choose a publication that your target audience is most likely to read. This can be a trade magazine that caters to a specific industry or a local newspaper. This is why many say print is better at reaching local audiences.

The Company, with its six editions at different strategic locations, has strongly established its presence across the State of Gujarat. The Company also sees the opportunities in rural and semi-urban areas of Gujarat. The Company is planning to continuously improve the circulation of its newspaper in those areas also and will target higher readership amongst the young, educated and elite mass of the public. The publications of the Company are very popular in the urban areas of the State and it continuously improving the readership in smaller towns and villages of the State of Gujarat.

Advertising in English publications fell by 52%, while advertising in Hindi and regional language publications reduced around 35%. Share of advertising to total income stood at 64% down from 70% in 2019, and we expect it to further reduce to 62% by 2023. Advertising revenues fell 41% in 2020, but we expect them to grow 25% in 2021 to reach INR 152.1 billion. FMCG, Auto and education contributed the most of the print ad revenues. Gujarat contributed about 4% to overall Newspaper ad volumes.

Circulation supply chain is the most important aspect for the growth of the Indian print segment, providing newspapers and magazines at readers' doorsteps ensures reading habits continue. Subscription revenues fared better, falling 24% though metro and English language newspapers witnessed a more pronounced fall. Hindi and vernacular newspaper circulation revenue fell 20% in 2020 compared to 2019, while English circulation revenues fell 50%. Circulation revenue fell as doorstep delivery was barred by many societies, buildings and resident's welfare associations due to the fear of infection. However, by December, 2020 average circulation was back to around 80% of 2019 levels, unevenly distributed between languages (at 88%) and English (at 67%). It is also estimated that 5-10% of print circulation may have been lost permanently due to breakage in the daily habits, growth of digital news during the Pandemic or other pecuniary concerns.

It is estimated that by 2021 newspaper circulation will recover to 88% of 2019 levels and further grow to reach 94% by 2022.

At 4.6 hours per day, Indians came third in the world, for the most amount of time spent on phones in 2020 overtaking China, Mexico, Argentina and South Korea. Average mobile data consumption continued to witness robust growth, boosted by the rapid adoption of 4G and people working from home during Covid – 19, at an average of 15.7 GB per month. India also remained second largest market by app downloads in 2020. Indians downloaded 24.3 billion apps in 2020, a growth of over 20% over 2019. Online news and magazines app download contributed 3% to total app downloads in 2020 and increased 12% in 2020.

Online news audience grew between December 2019 and 2020 to reach around 450 million across mobile and desktop users of news sites, portals and aggregators; however daily regular users were much lower. This is approximately 57% of internet users. 9 out of 10 top online newspapers are in regional languages. Online news platform have increased their reach in 2020 as circulation of physical newspapers faltered. Most platforms have started putting some content behind a paywall in an effort to increase digital subscription revenues.

Ineffective IP Regulations, lack of enforcement and piracy are prevalent in the digital media and hence, fully monetization is still not possible. Advertising activity is the important source of revenue for a newspaper industry. Since last three to four years, GDP growth of the country is sliding to sub 5% and the Covid – 19 Crisis being the major contributor to contraction of economy. Weak economic performance affects the revenue of advertising.

Print Companies are also focusing on enhancing their digital footprint. Almost all the large print companies have established their news websites and/or apps. While most Indian publishers have created an online presence, digital content monetization is still significantly under penetrated for many players. The Company has also created its online presence through its website – www.sandesh.com and also provides for E-Newspaper indistinguishable to its Physical Newspaper. Digital Media, although it has a much wider reach and allows for greater flexibility, its results do not compare to the quality customer relationships one can gain from using a print media strategy.

The Company has News and Current Affair Television channel 'Sandesh News' which is very popular amongst Gujarati Viewers. Television advertising revenue declined by 21.5% in the year 2020, though ad volumes fell just 3%. While major events were postponed due to pandemic, but IPL Season 13 provided a much needed revival push. IPL Season 2020 surpassed the viewership of IPL Season 12 by 23% with a total of 400 billion viewing minutes as compared to 326 billion viewing minutes for the 2019 edition and generated 112 hours of commercial ad volumes. The news genre led with 31% share of ad volume and regional channels received 27% more ad volumes. Gujarati, Punjabi and Bangla were the top gainers in viewership share during 2020. The viewership of News genre increased to 10.4% in 2020. As per BARC, News genre viewership was up 43% during the first 26 weeks in 2020,

compared to the corresponding period in 2019, as viewers kept coming back to news channels for information related to Covid-19 Pandemic through the crisis. Regional ad rates have been rising over the last two years faster than Hindi Speaking Markets and it is expected the same to continue and it will be driven by increase in regional content consumption on TV to 60% of total TV consumption, improved quality and higher quantity of content on regional channels.

“Sandesh Spotlight” is the out of home (OOH) division of the Company which has a vision- ‘To make an impact in the OOH market by combining Marketing Strength and Futuristic Approach’. The Company had procured various prestigious tenders from the Statutory Authorities like Ahmedabad Janmarg Limited, Ahmedabad Municipal Corporation (AMC), Vadodara Municipal Corporation (VMC), Gujarat State Road Transport Corporation (GSRTC), Ahmedabad Municipal Transport Service (AMTS) and Defence Estates Office (DEO). Sandesh Spotlight has properties in the prime locations in the cities of Gujarat covering the most prominent junctions and some of the busiest cross roads and aims at strategically adding more so as to be able to provide its clients with best visibility for their brands; in line with its mission - ‘To work as a team with our clients to ensure better mileage and visibility for their brands’. The Company had the advertising rights on buses of AMTS, buses of GSRTC which provides a transport facility across the State of Gujarat, Bus Shelters of Vadodara Municipal Corporation, Unipoles of AMC and DEO. Better planning, focused approach for the implementation of strategy and professionalization of the management will help the Company to have a sustained development of its business.

OOH segment de-grew 60% in the year 2020 to reach INR 15.6 billion, the value of which includes traditional, transit and digital media, but excludes untracked OOH media such as wall paintings, ambient media, proxy advertising, etc. which could be around INR 3-5 billion in addition to this number. Real Estate, FMCG and Financial services were the largest advertisers on OOH. However sharp falls were seen in OOH spends from categories like hospitals, restaurants, education, organized retail and telecom. Government ads about the Covid – 19 pandemic were put up on most OOH sites across the nation in the April to June quarter while brands refrained from investing during this period. Traditional OOH comprised 60% of revenues and remained the largest segment, while digital media grew to 5% of the segment’s revenues as many advertisers experimented in 2020. The OOH segment is expected to reach 2019 levels not before 2024. Local Municipal Corporation has started inviting bids for advertising tenders as per media type to recover lost revenues. The OOH segment is expected to reach INR 31.8 billion by 2023. In order to overcome roadblocks caused by the Covid-19 Pandemic, government intervention pertaining to taxation relief, licensing and contracting will be required.

### 3. SEGMENT -WISE OR PRODUCT -WISE PERFORMANCE

During the year under review the Company has two reportable segments – Media and Finance. Media is the core business of the Company since its inception.

#### Media Segment:

The revenue from media segment was ₹ 22762.53 during the Financial Year under review as against ₹ 33637.69 Lacs in the previous Financial Year.

#### Revenue Segment:

The revenue from finance segment ₹ 2013.69 Lacs during the Financial Year under review as against ₹ 400.44 Lacs in the previous Financial Year.

### 4. OUTLOOK, RISKS AND CONCERNS

The increase in population, literacy rate and reach has led to increased circulation and readership of the newspapers in India. The Company plans steady increase its geographical presence, which helps improve its circulation and readership of its publications.

Year 2020 was a watershed year for advertising spends. Print and Radio, which had started to de-grow in single digits in 2019, continued to de-grow in 2020 as they lost some consumers due to reverse migration, cost cutting and changed habits, and though most of these will eventually return as the market continues to grow, some portion of the earlier base could be a permanent loss. The experiential industry – comprising events and cinemas – degrew due to social distancing norms, consumer and brand fear and lockdown guidelines. It is though expected that the advertising to grow 27% in 2021 and regain its earlier level by 2023.

There is a steady growth for print media industry. The print sector continues to be the 2<sup>nd</sup> largest contributor of advertising expenditure after Television. Unlike western countries, print media remains popular in India. Besides low cover price and the convenience of home delivery, it benefits from the ability to provide original and credible content, and people’s habit of reading physical newspapers.

However, the Covid-19 Pandemic has impacted the ad revenues, as it correlates strongly with economic activity. As for the subscription revenue, the sector is witnessing a structural change amid a shift in consumer preference towards digital news, from physical newspapers. This is more prominent for English newspapers, while regional language newspapers had relatively resilient subscription revenue because of their strong roots in hinterland.

As per the Union Budget 2021-22, Newsprint cost has jumped 20% in the 3<sup>rd</sup> Quarter of Financial Year 2020-21 due to demand supply imbalance post pandemic, prompting news publishers to petition the government for waiver of 5% import duty to help cut cost. The Industry has been hit hard due to Covid-19 led disruptions and the most newspapers have stopped sending newspapers

to rural areas where there is less than 50 copies to reduce the distribution cost, as reported by INS. In representation to the Finance Minister Nirmala Sitharaman, INS had suggested to take steps as to reduce the customs duty on import of newsprints, a stimulus package for the industry or atleast to help the publications by releasing advertisement with an increase tariff of 50%. Much to the disappointment of the newspaper publishers, Union Budget 2021-22 had no good news for the industry. The Company uses imported as well as domestic newsprint and by judicious mix of them, tries to mitigate the high cost impact on the business operations.

Most publications resorted to cost reductions measures in 2020, which reduced the costs by between 25-40%. Multiple strategies were adopted to optimize the costs, both temporary and permanent in nature. Shutdown of unprofitable editions, downsized employee base, curtailed rentals of leased properties etc., were some of the permanent measures and reducing pagination of publications to save on newsprint, ink, consumables and production costs, salary reductions, reducing the cost to run office operations etc., were some of the temporary measures adopted by the publication Companies to optimize cost. Some of the measures are reversible when the business environment improves, but some of the permanent strategies will eventually enable print Companies to get back to profitability in the medium term.

Margin pressures will continue due to manpower cost increases (on account of the proposed labour code) and the vagaries of newsprint costs. Hence the publishers will have to strategize and ensure cost efficiencies, thereby keeping print affordable for advertisers.

Newspaper industries will need to focus on recovering circulation in priority markets where advertising budgets are higher and for other markets, cover prices can be increased based on market dynamics. Print will need to focus on growing its reach in its existing markets through a combination of identifying new micro-markets which are underpenetrated as well as forging bundle deals with direct to consumer aggregators like television, e-commerce platforms, OTT platforms.

With the advent of digital media, there is a need to increase the utility of the newspaper. i.e. build the pull factor of the newspaper by incorporating strategies such as discount coupons, printing content with deeper analysis and info-graphics, giving point of view apart from factual reportage, interactivity on stocks, quizzes, polls, etc., print only editions for specific markets or reader's specific content needs.

As internet access expands, the digital media poses a highest threat to the newspaper industry. Digital Media allows for relatively more flexibility and control over exactly who sees them, than print media, so marketers can more easily target them toward specific demographics. However, print media are better able to increase reader loyalty because they are credible. Many people subscribe to newspapers because they understand and believe that the information provided to them is credible and accurate. Publishing an article in print takes a lot more effort than publishing something online. This is because you only have one chance to get every word and image right before it gets published. With digital media, you can go back in to change or tweak your article and send it back out. Since there is this pressure on accuracy and credibility media, readers are more likely to trust the print media platform. This works to the advantage by generating leads and sales much easier. As an added benefit, this trustworthiness leads to better reader loyalty.

India's print market is highly fragmented. There is stiff competition between publication houses for circulation, readership and advertising and this industry is very competitive. The Company is well established and it has better financial resources and it always strives hard to generate higher revenues every year and hence, the Company is able to quickly respond to market changes and consumer sentiments. The Company has competed successfully in the year under review and it believes to continuously compete effectively. The Company is continuously strengthening its market positions, reinforcing its relationships with Agents, Advertisers and providing high quality contents to its readers. The Company's website i.e. "www.sandesh.com" is a very popular website for the Gujarati community.

The Company is committed for giving credible news to the readers and viewers though the outbreak of Covid-19 has impact on the business. The Company is hopeful that the economic activities will recover soon and the Company will achieve better financial performance in future.

## 5. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company's internal control systems are adequate considering size and nature of operations of the Company, to meet regulatory and statutory requirements, assure recording of all transactions and report reliable and timely financial information. The Company has defined risk management framework and it is implemented as an integral part of business processes. The Company has installed Enterprise Resource Planning System (SAP) for accounting purposes. To counter the adverse fluctuation in the newsprint prices, the Company vigorously keeps watch on its price trends and accordingly plans the purchase of newsprint to ensure efficient operations and better profitability. The Company applies effective mitigation techniques to manage potential risks. Risk management system includes recording, monitoring and controlling internal enterprise business risks and addressing them through informed and objective strategies. Further, the Board of Directors of the Company has adopted a Risk Management Policy and it has identified various risks and also has mitigation plans for each risk identified. Its comprehensive risk management system ensures that all risks are timely defined and mitigated in accordance with the Risk Management Policy. The Audit Committee of the Board of Directors of the Company periodically reviews the internal control system and also internal audit reports issued by the Internal Auditors of the Company.

The Company has formulated a robust whistleblower policy for receiving and redressing complaints of employees. No employee has been denied access to the Audit Committee or its Chairman during the year under review.

## 6. DEVELOPMENTS ON HUMAN RESOURCE / INDUSTRIAL RELATIONS FRONT

A Company's assets fall in two categories Tangible Assets and Intangible Assets. At first glance it would seem that the employees are Tangible assets but in-fact they are the Intangible assets of the Company. The skill sets of the Company's employees are an asset to the organization and since abilities can't be touched, the employees are therefore intangible assets of any Company. The Company treats its employees as most valuable assets as it knows that without good employees the best of the business plans and ideas will fail. In today's dynamic and continuously changing business world, it is the human assets and not the fixed or tangible assets that differentiate an organization from its competitors. Improving employee efficiency and performance has always been the top most priority for the Company. The Company also aims to align human resource practices with its business goals. The performance management system enables a holistic approach to the issue of managing performance and does not limit to only an appraisal. The total number of permanent employees on the rolls of the Company is 449 as on March 31, 2021. The Company takes pride of its highly motivated and committed team of its employees. The employees performed to their full potential and contributed to the growth and development of the Company. Further, the Company has adopted various safety measures to ensure safe working environment for the employees of the Company. During the Financial Year, the industrial relations between the employees and management were calm and composed.

Further, the Company has complied with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has formed Internal Complaints Committee and also formulated a policy. No complaint was reported during the Financial Year 2020-21.

## 7. DISCUSSIONS ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

### SUMMARY FINANCIAL INFORMATION:

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Revenue from Operations	27184.37	34107.21	27372.07	34321.30
Other Income	4702.60	1151.09	4721.51	1168.39
<b>Total Revenue</b>	<b>31886.97</b>	<b>35258.30</b>	<b>32093.58</b>	<b>35489.69</b>
Expenditure	19666.91	27136.87	19783.15	27260.82
EBIDTA	12220.06	8121.43	12310.43	8228.87
EBIDTA Margin	38.32%	23.03%	38.36%	23.19%
Finance Cost	46.10	41.70	46.10	41.70
Depreciation & Amortization	693.61	785.92	693.61	785.92
<b>Total Expenditure</b>	<b>20406.62</b>	<b>27964.49</b>	<b>20522.86</b>	<b>28088.44</b>
Exceptional Item	152.80	94.23	152.80	94.23
<b>Profit Before Tax</b>	<b>11633.15</b>	<b>7388.04</b>	<b>11723.52</b>	<b>7692.38</b>
Provision for Current Tax, Deferred Tax & Other Tax Expenses	2702.46	1551.73	2725.23	1582.40
<b>Profit After Tax</b>	<b>8930.69</b>	<b>5836.31</b>	<b>8998.29</b>	<b>6109.98</b>
PAT Margin	28.02%	16.55%	28.04%	17.22%
Dividend as % of Paid –up share Capital	50%	50%	N.A.	N.A.

### Revenue from Operations

During the year under review on Standalone basis, the income from operations has decreased by 20.30% from ₹ 34107.21 Lacs in F.Y. 2019-20 to ₹ 27184.37 Lacs in F.Y. 2020-21 due to prolonged lockdown and its after effect.

### EBIDTA

The Company has managed to improve its EBIDTA from ₹ 8121.43 Lacs to ₹ 12220.06 Lacs by improving its return out of treasury operations.

### Depreciation and Amortization

Depreciation and amortization charge during the F.Y. 2020-21 was ₹ 693.61 Lacs as compared with ₹ 785.92 Lacs during the previous F.Y. 2019-20.

**Finance Cost**

Finance Cost amounted to ₹ 46.10 Lacs compared to ₹ 41.70 Lacs during the previous financial year.

**Income Tax**

The income tax charge for the F.Y. 2020-21 stood at ₹ 2702.46 Lacs compared to ₹ 1551.73 Lacs in the previous F.Y. 2019-20.

**Profit after Tax**

The profit after taxes for the F.Y. 2020-21 was ₹ 8930.69 Lacs compared to ₹ 5836.31 Lacs in the previous F.Y. 2019-20.

**Fixed Assets**

The investment in the fixed assets at the end of the F.Y. 2020-21 was ₹ 6503.42 Lacs as compared to ₹ 7336.98 Lacs as at the end of previous F.Y. 2019-20. The Company, as planned, is gradually moving upwards in its core business and also strives hard to improve its strengths to keep its dominance in the existing business and also explore opportunities available in new sectors.

**FINANCIAL RATIOS**

Summary				
Financial Ratio				
Particular	2020-21	2019-20	% change	Reasons for Change
Debtors Turnover	3.84	4.77	-19.35%	Due to Covid – 19 and after effect of Lock Down, realization of debtors have slowed down
Inventory Turnover	4.66	9.02	-48.36%	During the year prices of newsprint increased and anticipating further increase in the prices and shortage of supply, the Company has maintained higher inventory. This has led to decrease in the ratio.
Interest Coverage Ratio	253.34	178.16	42.20%	Due to increase in EBIT
Current Ratio	6.81	9.16	-25.74%	Standard Current ratio is 1:1. Thus current ratio is comfortable.
Debt Equity Ratio	-	-	-	The Company has no debt.
Operating Profit Margin %	25.10%	18.13%	38.44%	Tight control on expense and increase in income from financial activities has helped in improvement
Net Profit Margin %	36.48%	20.95%	74.11%	Tight control on expense and increase in income from financial activities has helped in improvement
Return on Networth	10.10%	7.51%	34.50%	Tight control on expense and increase in income from financial activities has helped in improvement

**8. CAUTIONARY STATEMENT**

Readers are cautioned that this discussion and analysis contains forward-looking statements that involve risks and uncertainties. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. The details and information used in this report have been taken from publicly available sources. Any discrepancies in the details or information are incidental and unintentional. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of date. The above discussion and analysis should be read in conjunction with the Company's financial statements included herein and the notes thereto.

## CORPORATE GOVERNANCE REPORT

### I. BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company firmly believes that Good Corporate Governance in any organization needs to be principle-based as well as simple, moral, accountable, responsive and transparent (SMART). The philosophy of the Company is to attain the highest standards of Corporate Governance by ensuring transparency in all its actions & operations and to maximize values of its stakeholders. The Company endeavors to comply with all the provisions and stipulations laid down in the guidelines on the corporate governance as provided in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations"). This philosophy of the Company would ensure that it follows highest standards of professionalism, integrity, accountability, fairness, transparency, social responsiveness and best business practices.

The corporate governance structure formed by the Company includes principles, processes and systems to help the Company to take informed decision making and performance based management and it also supports establishment of culture of integrity and fairness in all transactions. The Company also periodically disclosed compliance with these principles and processes in the transparent manner. The Board of Directors of the Company ("the Board") also supervises the management activities to ensure the effectiveness of the corporate governance which promotes the Board that functions independently and without any influence.

The Listing Regulations have incorporated the principles of corporate governance in line with the Organization for Economic Co-operation and Development (OECD) Principles and provide broad principles for periodic disclosures by listed entities in line with the International Organization of Securities Commissions (IOSCO) principles.

In terms of Regulation 34 read with Schedule V of the Listing Regulations, the details of compliance with regards to Corporate Governance for the year ended 31<sup>st</sup> March, 2021 are as follows:

### II. BOARD OF DIRECTORS:

#### 1. Composition, category of Directors, meetings and attendance:

The Board consists of the Directors having varied experience in different areas and acknowledged as leading professionals in their respective fields. The composition of the Board is in conformity with the provisions of the Companies Act, 2013 and the Rules made thereunder ("the Act") and also under the Regulation 17 of the Listing Regulations. Mr. Falgunbhai C. Patel, Managing Director, is the Chairman of the Board. The Board of the Company consisted of 2 (two) Promoter-Executive Directors, 1 (one) Woman, Promoter-Non-Executive Director, 1 (one) Whole-Time Executive Director and 3 (three) Independent-Non-Executive Directors and 1 (one) Woman Independent-Non-Executive Director as of 31<sup>st</sup> March 2021.

The Meetings of the Board is decided in consultation with the Board and the schedule of the Meetings is communicated to all Directors in advance. During the Financial Year under review, total 4 (Four) meetings of the Board were held on 24<sup>th</sup> June, 2020, 15<sup>th</sup> September, 2020, 12<sup>th</sup> November, 2020 and 9<sup>th</sup> February, 2021. The Company has observed the Corporate Governance provisions of the Act and also of the Listing Regulations for conducting the Board Meetings during the Financial Year under review.

The Board Meetings are held at the Registered Office of the Company and the agenda is circulated in advance and includes draft resolutions & detailed notes on the items to be discussed at the meeting to enable the Directors to take informed decisions. The necessary quorum was present at all the Board Meetings and at the previous Annual General Meeting (AGM) of the Company. The maximum interval between any two Board Meetings was within the maximum allowed gap of one hundred and twenty days. However, the first Board meeting dated 24<sup>th</sup> June, 2020 was held in accordance to the relaxations granted by the Ministry of Corporate Affairs vide Circular dated 24<sup>th</sup> March, 2020 and Securities and Exchange Board of India vide Circular dated 19<sup>th</sup> March, 2020, warranted due to spread of COVID-19 pandemic. All the relevant information about production, sales, financial results, loan & investments, capital expenditure proposals, share transfers, demat / remat compliance, status of statutory dues payment, etc., are regularly placed before the Board for their review and approval. The Board, on quarterly basis, reviews the compliance reports of the applicable laws to the Company submitted by the heads of the respective departments of the Company. After each Board Meeting, the Company has established system of follow up, review and reporting on actions taken by the Management on the decisions of the Board and Committees of the Board.

The details of composition of the Board, the categories of the Directors as well as their directorships / memberships in other companies / committees as on 31<sup>st</sup> March 2021 are given below:

Name of Director	Category	Board Meetings held during the tenure	Board Meetings attended	Attendance at the last AGM held on 30.12.2020	Other Directorships held	No. of Board Committees (Including The Sandesh Limited) of which Chairman / Member*		Directorship in other listed entity (category of directorship)
						Member	Chairman	
Mr. Falgunbhai Patel	Promoter, Executive	4	4	Yes	3	NIL	NIL	NIL
Mr. Parthiv Patel	Promoter, Executive	4	4	Yes	3	NIL	NIL	NIL
Mrs. Pannaben Patel	Promoter, Non-Executive	4	4	Yes	1	NIL	NIL	NIL
Mr. Sudhirbhai Nanavati	Independent, Non-Executive	4	4	Yes	3	2	1	NIL
Mr. Mukeshbhai Patel	Independent, Non-Executive	4	4	Yes	7	6	3	1. Cadila Healthcare Limited (Non-Executive Director) 2. Johnson Controls-Hitachi Air Conditioning India Limited (Independent, Non-Executive Director)
Mr. Sandeepbhai Singhi	Independent, Non-Executive	4	4	Yes	2	5	1	1. Gujarat Ambuja Exports Limited (Independent, Non-Executive Director) 2. Adani Green Energy Limited (Independent, Non-Executive Director)
Mr. Shreyasbhai Pandya (resigned w.e.f. 19 <sup>th</sup> January, 2021)	Independent, Non-Executive	3	3	Yes	N.A.	2	NIL	NIL
Mr. Yogesh Jani (resigned w.e.f. 15 <sup>th</sup> September, 2020)	Whole Time Director, Executive,	2	2	N.A.	N.A.	NIL	NIL	NIL
Mr. Sanjay Kumar Tandon (appointed w.e.f. 15 <sup>th</sup> September, 2020)	Whole-Time-Director, Executive	2	2	Yes	1	NIL	NIL	NIL
Dr. Gauri Trivedi (appointed w.e.f. 15 <sup>th</sup> September, 2020)	Independent, Non-Executive	2	2	Yes	6	4	1	1. Adani Power Limited (Independent, Non-Executive Director) 2. Adani Total Gas Limited (Independent, Non-Executive Director) 3. Denis Chem Lab Limited (Independent, Non-Executive Director)

Yes – Attended, No – Not Attended, N.A. – Not Applicable

\* In accordance with Regulation 26 of the Listing Regulations, Memberships / Chairmanships of only Audit Committee and Stakeholders' Relationship Committees in all public limited companies have been considered.

Number of Directorship held in other Companies includes all Companies excluding 'The Sandesh Limited', whether listed, unlisted, private Company or Section 8 Company and excludes other bodies corporate and professional bodies. The Composition

of the Board is in conformity with Regulation 17 of Listing Regulations read with Section 149 of the Act. None of the Director is a Member of more than ten Committees or Chairman of more than five Committees across all companies in terms of Regulation 26 of the Listing Regulations. The maximum tenure of Independent Directors is in accordance with the Act.

**2. Core skills, expertise and competencies identified by the Board of Directors as required in context of its business(es) and sector(s) for it to function effectively and those actually available with the Board:**

- i) Knowledge – The Board of Directors understand the Company’s business, policies, and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates.
- ii) Behavioral Skills – The Board of Directors have attributes and competencies to use their knowledge and skills, to function well as team members and to interact with key stakeholders.
- iii) Strategic thinking and decision making – The Board of Directors have strategic thinking and decision making skills in guiding and leading management teams to make decisions in uncertain environments.
- iv) Financial Skills- The Board of directors has eminent business leaders with deep knowledge of finance and business.
- v) Technical/Professional skills and specialized knowledge – The Board of Director’s possess technical/professional skills and specialized knowledge to assist the ongoing aspects of the business.

A matrix setting out the skills/expertise/competencies of the Individual Directors is given below:

Sr. No.	Area of skill / expertise	Board of Directors as on 31 <sup>st</sup> March, 2021							
		Mr. Falgunbhai C. Patel	Mr. Parthiv F. Patel	Mrs. Pannaben F. Patel	Mr. Sudhirbhai Nanavati	Mr. Mukeshbhai Patel	Dr. Gauri Trivedi	Mr. Sandeepbhai Singhi	Mr. Sanjay Kumar Tandon
1.	Knowledge	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
2.	Behavioral Skills	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
3.	Strategic thinking and decision making	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.	Financial Skills	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
5.	Technical/Professional skills and specialized knowledge	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

**3. The following Directors of the Company are related to each other in the manner mentioned below:**

Sr. No	Name of Directors	Relationship Inter-se
1.	Mr. Falgunbhai C. Patel	Father of Mr. Parthiv F. Patel and husband of Mrs. Pannaben F. Patel
2.	Mr. Parthiv F. Patel	Son of Mr. Falgunbhai C. Patel and Mrs. Pannaben C. Patel
3.	Mrs. Pannaben F. Patel	Wife of Mr. Falgunbhai C. Patel and mother of Mr. Parthiv F. Patel

**4. The details of Equity Shares of the Company held by Non-Executive Directors as on 31<sup>st</sup> March, 2021 are as below:**

Sr. No.	Name of the Director	No. of Equity shares
1.	Mr. Sudhirbhai Nanavati	250
2.	Mr. Mukeshbhai Patel	250
3.	Mrs. Pannaben Patel	2,45,500
4.	Mr. Sandeepbhai Singhi	Nil
5.	Dr. Gauri Trivedi	Nil

**5. Independent Directors:**

Mr. Mukeshbhai Patel, Mr. Sandeepbhai Singhi and Mr. Sudhirbhai Nanavati, the Independent Directors of the Company were initially appointed for a tenure of 5 (five) years from 1<sup>st</sup> April, 2014 upto 31<sup>st</sup> March, 2019. The terms and conditions for appointment of Independent Directors and a sample letter of appointment have been placed on the website of the Company. Further, based upon the recommendation of the Nomination and Remuneration Committee to the Board of Directors and further upon recommendation of Board of Directors of the Company, they were re-appointed by the members of the Company by way of passing of Special Resolution at the 75<sup>th</sup> AGM of the Company held on 28<sup>th</sup> September, 2018 for the second term of 5 (five) years from 1<sup>st</sup> April, 2019 till 31<sup>st</sup> March, 2024.

Upon recommendation of the Nomination and Remuneration Committee to the Board of Directors and further upon recommendation of Board of Directors, resolution for appointment of Dr. Gauri Trivedi as Independent Director of the Company, not liable to retire by rotation, for the term of five (5) years from 15<sup>th</sup> September, 2020 upto 14<sup>th</sup> September, 2025 was passed

at the 77<sup>th</sup> Annual General Meeting of the Company held on 30<sup>th</sup> December, 2020. The Shareholders at the 77<sup>th</sup> Annual General Meeting duly approved the appointment of Dr. Gauri Trivedi as Independent Director for the aforesaid tenure.

Mr. Shreyasbhai Pandya had tendered his resignation as an Independent Director of the Company with effect from 19<sup>th</sup> January, 2021 on account of his health issues. Mr. Shreyasbhai Pandya had also confirmed in his resignation letter, that there were no material reasons for his resignation other than his health issues.

Pursuant to Regulation 17(1A) of the Listing Regulations, no Listed Company shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 years unless a special resolution is passed to that effect. Mr. Sudhirbhai Nanavati is attaining the age of 75 years on 29<sup>th</sup> September, 2022. Accordingly, based on the recommendations of the Nomination and Remuneration Committee and the approval of the Board of Directors, the resolution for continuing the Directorship of Mr. Sudhirbhai Nanavati is placed before the members for their approval by way of special resolution.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 ("Act") and Regulation 16(1)(b) of the Listing Regulations.

In terms of Regulation 25(8) of Listing Regulations, the Independent Directors have also confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that the Independent Directors meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

#### **6. Familiarization Program for Independent Directors:**

The Familiarization Program for the Independent Directors of the Company has been adopted by the Board pursuant to the Regulation 25(7) of the Listing Regulations. The aim of the Familiarization Program is to enable the Independent Directors to perceive the business of the Company and give them opportunity to contribute significantly to the Company by providing the insights into the affairs of the Company.

The Familiarization Program for the Independent Directors is administered and monitored by the Nomination and Remuneration Committee of the Board. A letter of appointment is provided at the time of appointment of an Independent Director which, inter alia, shall explain the role, functions, duties and responsibilities expected of him as a Director of the Company. Further, the Company conducts an introductory familiarization program which inter alia includes roles, rights and responsibilities and also strategies, operations and functions of the Company. The Managing Director and the functional heads of various departments of the Company frequently conduct programs and give presentations to familiarize the Independent Directors on the vision and mission of the Company, its operations, administration and management, business plans, strategies, technologies and also future outlook of the entire industry, on an ongoing basis and such programs and presentations are made regularly to the Board / Independent Directors. In accordance to Regulation 46 of the Listing Regulations, the details of the familiarization programs extended to the Independent Directors are also disclosed on the Company website from time to time at: <http://sandsesh.com/ir/Details-of-familiarization-programmes.pdf>

### **III. COMMITTEES OF THE BOARD:**

The Board of the Company has constituted the following Committees and each Committee has its own terms of reference:

- i. Audit Committee;
- ii. Nomination and Remuneration Committee;
- iii. Stakeholders Relationship Committee;
- iv. Corporate Social Responsibility Committee;
- v. Executive Committee; and
- vi. Risk Management Committee

#### **A. AUDIT COMMITTEE:**

The composition and terms of reference of the Audit Committee are in compliance with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations. The composition of Committee is given in this Report.

Terms of Reference of the Committee inter alia include the following:

- a) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

- c) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - i. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - ii. changes, if any, in accounting policies and practices and reasons for the same;
  - iii. major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. significant adjustments made in the financial statements arising out of audit findings;
  - v. compliance with listing regulations and other legal requirements relating to financial statements;
  - vi. disclosure of any related party transactions;
  - vii. modified opinion(s) in the draft audit report;
- e) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- f) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- g) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- h) approval or any subsequent modification of transactions of the Company with related parties;
- i) scrutiny of inter-corporate loans and investments;
- j) valuation of undertakings or assets of the Company, wherever it is necessary;
- k) evaluation of internal financial controls and risk management systems;
- l) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n) discussion with internal auditors of any significant findings and follow up there on;
- o) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- p) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r) to review the functioning of the whistle blower mechanism;
- s) approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- t) Carrying out any other function as is mentioned in terms of reference of the Committee.
- u) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on date.

Further, the Audit Committee mandatorily reviews the following information:

- a) management discussion and analysis of financial condition and results of operations;
- b) statement of significant related party transactions (as defined by the Committee), submitted by management;
- c) management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) internal audit reports relating to internal control weaknesses; and
- e) the appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Committee.

- f) statement of deviations:
  - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of Listing Regulations
  - ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of Listing Regulations

Further, in terms of the provisions of Section 177 of the Act and applicable Rules made thereunder, the terms of reference for the Audit Committee also include:

- a) the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- b) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- c) examination of the financial statement and the auditors' report thereon;
- d) approval or any subsequent modification of transactions of the company with related parties;
- e) scrutiny of inter-corporate loans and investments;
- f) valuation of undertakings or assets of the company, wherever it is necessary;
- g) evaluation of internal financial controls and risk management systems;
- h) monitoring the end use of funds raised through public offers and related matters.

#### Composition, meetings and attendance:

The Audit Committee consists of Mr. Mukeshbhai Patel, as the Chairman of the Committee, Mr. Sudhirbhai Nanavati and Mr. Sandeepbhai Singhi, as the Committee Members. The Company Secretary of the Company acts as the Secretary to the Audit Committee. Mr. Shreyasbhai Pandya resigned as the Member of the Committee on account of his resignation as a Director of the Company w.e.f. 19<sup>th</sup> January, 2021.

During the year under review total 4 (Four) meetings of the Audit Committee were held on 24<sup>th</sup> June, 2020, 15<sup>th</sup> September, 2020, 12<sup>th</sup> November, 2020, and 9<sup>th</sup> February, 2021. The attendance of the Members of the Audit Committee is as under:

Sr. No.	Name of the Members	Date-wise attendance of Audit Committee Meeting during the F.Y. 2020-21			
		24.06.2020	15.09.2020	12.11.2020	09.02.2021
1.	Mr. Mukeshbhai Patel (Chairman)	Yes	Yes	Yes	Yes
2.	Mr. Sudhirbhai Nanavati	Yes	Yes	Yes	Yes
3.	Mr. Sandeepbhai Singhi	Yes	Yes	Yes	Yes
4.	Mr. Shreyasbhai Pandya	Yes	Yes	Yes	N.A.

Yes – Attended, No – Not Attended, N.A. – Not Applicable

Committee invites such of the executives, particularly the head of the Finance Function, representatives of the Statutory Auditors and Internal Auditors and any such other executives, as it considers appropriate, to be present at the meetings.

All Committee Members are financially literate and have accounting and financial management expertise.

Mr. Mukeshbhai Patel, the Chairman of the Audit Committee and the Independent Director of the Company was present at the previous Annual General Meeting held on 30<sup>th</sup> December, 2020, to answer the queries of the shareholders of the Company.

#### B. NOMINATION AND REMUNERATION COMMITTEE:

The composition and terms of reference of the Nomination and Remuneration Committee are in compliance with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations. The composition of Committee is given in this Report. Terms of reference of the Committee inter alia include the following:

- a) identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- b) shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance
- c) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- d) formulation of criteria for evaluation of performance of independent directors and the board of directors;

- e) devising a policy on diversity of board of directors;
- f) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- g) recommend to the Board, all remuneration, in whatever form, payable to Senior Management

**Composition, Meetings and Attendance:**

Nomination and Remuneration Committee of the Board presently consists of 3 (Three) Independent Directors viz. Mr. Sudhirbhai Nanavati, as the Chairman of the Committee, Mr. Mukeshbhai Patel and Mr. Sandeepbhai Singhi, as the Members of the Committee. The Company Secretary of the Company acts as the Secretary to the Committee. Mr. Shreyasbhai Pandya resigned as the Member of the Committee on account of his resignation as a Director of the Company w.e.f. 19<sup>th</sup> January, 2021.

During the year under review total 4 (Four) meetings of the Nomination and Remuneration Committee were held on 24<sup>th</sup> June, 2020, 15<sup>th</sup> September, 2020, 12<sup>th</sup> November, 2020, and 9<sup>th</sup> February, 2021. The attendance of the Members of the Nomination and Remuneration Committee is as under:

Sr. No.	Name of the Members	Date-wise attendance of Nomination and Remuneration Committee Meeting during the F.Y. 2020 -21			
		24.06.2020	15.09.2020	12.11.2020	09.02.2021
1.	Mr. Sudhirbhai Nanavati (Chairman)	Yes	Yes	Yes	Yes
2.	Mr. Mukeshbhai Patel	Yes	Yes	Yes	Yes
3.	Mr. Sandeepbhai Singhi	Yes	Yes	Yes	Yes
4.	Mr. Shreyasbhai Pandya	Yes	Yes	Yes	N.A.

Yes – Attended, No – Not Attended, N.A. – Not Applicable

Mr. Sudhirbhai Nanavati, the Chairman of the Nomination and Remuneration Committee and the Independent Director of the Company was present at the previous Annual General Meeting held on December 30, 2020, to answer the queries of the shareholders of the Company.

**Nomination and Remuneration Policy:**

In terms of the provisions of Section 178(4) of the Act and Listing Regulations, the Board of the Company has, on recommendation of NRC, framed and adopted a policy relating to the remuneration for the directors, key managerial personnel and other employees.

The Company has formulated and adopted the Policy with an aim to create an effective performance work culture in the Company which enables it to attract, retain and motivate the employees to achieve the targets of the Company.

The remuneration is paid by the Company by way of salary, benefits, perquisites, allowances and commission to the Managing Directors and Whole Time Director of the Company. The Committee decides annual increments within the stipulated pay scale and the commission payable out of the profits for the financial year within the ceilings prescribed under the Act based on the performance of the Managing Directors and Whole Time Director and further based on the performance of the Company.

During the financial year under review, the Company paid sitting fees to its Independent Directors for attending meetings of the Board as mentioned in this Report. The Company has not paid any commission to the Independent / non-executive Directors.

**Applicability of the policy:**

- a) Directors (Executive, Non-Executive and Independent)
- b) Key Managerial Personnel
- c) Senior Management Personnel
- d) Other employees as may be decided by the Nomination and Remuneration Committee

Further in accordance to the Nomination and Remuneration Policy adopted by the Company, the evaluation of the Board, its Committees and Individual Directors will be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance, as applicable, in following manner:

**A. Evaluation of performance and Independence Review Procedures:**

The Committee shall determine a process for evaluating the performance of every Board Member, the Committees of the Board and the Board on an annual basis and shall carry out the performance evaluation in terms of the process determined. The Committee may also authorise the Board or appoint an independent external agency for carrying out the performance evaluation in terms of the process determined and shall further review its implementation and compliance. The Committee shall also review its own performance on an annual basis.

1. Annual Evaluation: The Board will determine the independence for the independent director on an annual basis upon the declaration made by such independent director.
2. Determination of Director's Independence: The Board shall determine independence of candidate to the position of independent director prior to appointment in case his/her appointment is considered between two Annual General Meetings of the Company.
3. Change of Independent Status: Each director shall inform the Board with respect to any change in his / her independent status.

**B. Evaluation of performance of executive directors and determination of remuneration:**

The Committee shall evaluate the performance of the managing director(s) by setting key result areas and performance parameters at the beginning of each financial year and it shall ensure that the said performance objectives are aligned with the present and future goals of the Company. The Committee shall consider and recommend the remuneration of the managing director(s) or whole time director for approval of the Board and Members of the Company. The remuneration may include basic salary, benefits, allowances, perquisites, commission, etc. The Committee shall also ensure that the remuneration is in accordance with applicable law and has an adequate balance between fixed and variable component.

**C. Evaluation Criteria for the Independent Directors:**

1. The performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.
2. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

During the Financial Year under review, in terms of the provisions of the Act and the Listing Regulations, the Nomination and Remuneration Committee and the Board has carried out an annual evaluation of its performance, the Directors individually as well as the evaluation of the working of its Committees and individual Directors and the findings were shared with them as well as the Chairman of the Company. A structured questionnaire was prepared covering the various criteria of competencies and the responses were evaluated by the Nomination and Remuneration Committee as well as by the Board. The results reflected high satisfactory performance of Board and Committee Members.

Further, the Board has carried out an annual performance evaluation of its Independent Directors. Evaluation of Independent Directors was based on defined parameters which include level of engagement and participation in business decisions, functional knowledge and skill-set, awareness of the risk profile of the industry, quality of feedback and suggestions, etc.

The Independent Directors have also evaluated the performance of the Chairman and other non-independent Directors. The evaluation of the performance was on the basis of the criteria like culture and dynamics of the Board, quality of Board Members, key responsibilities of the Board Members, contribution of the Board Members, effectiveness of the process and functioning of the Board / its Committees.

**REMUNERATION OF DIRECTORS**

**Remuneration to Executive Directors:**

Nomination and Remuneration Committee shall, inter-alia, evaluate the performance of the Executive Directors and the remuneration payable to the Executive Directors and Senior Management employees of the Company. Mr. Falgunbhai C. Patel is the Chairman & Managing Director, Mr. Parthiv F. Patel is the Managing Director and Mr. Sanjay Kumar Tandon is the Chief Financial Officer & Whole-time Director on the Board of the Company. Based on the recommendation of Nomination and Remuneration Committee, the Board had approved the remuneration payable to the aforesaid Directors within the ceiling fixed by the shareholders as per the respective resolutions passed at the AGMs.

The Company has entered into agreements with Mr. Falgunbhai C. Patel (the term of appointment is from 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2022), Mr. Parthiv F. Patel (the term of appointment is from 1<sup>st</sup> August, 2018 to 31<sup>st</sup> July, 2023) and Mr. Sanjay Kumar Tandon (the term of appointment is from 15<sup>th</sup> September, 2020 to 14<sup>th</sup> September, 2025) for their respective employment.

The term of Mr. Falgunbhai C. Patel will expire on 31<sup>st</sup> March, 2022 and the members of the Nomination and Remuneration Committee has evaluated the performance of Mr. Falgunbhai C. Patel and recommended to the Board of Directors the re-appointment of Mr. Falgunbhai C. Patel for the further period of 5 years commencing from 1<sup>st</sup> April, 2022. Further, the Board of Directors taking into consideration the expertise, long lasting experience and exposure in the field of media and the responsibilities being shouldered on him as well as his association with the Company and also taking in view the recommendations of Nomination and Remuneration Committee, proposed the re-appointment of Mr. Falgunbhai C. Patel as a Chairman and Managing Director of the Company for the period of 5 years commencing from 1<sup>st</sup> April, 2022 for the approval of the members at the 78<sup>th</sup> Annual General Meeting of the Company. Further, the remuneration payable to Mr. Falgunbhai C. Patel may exceed 5% of the net profit of the Company as approved by the Nomination and Remuneration

Committee and Board of Directors. Accordingly, the special resolution under the provisions of Regulation 17(6)(e) of the Listing Regulations is also proposed for the approval of the shareholders at the 78<sup>th</sup> Annual General Meeting.

The Members had approved the appointment of Mr. Sanjay Kumar Tandon as a Whole Time Director by means of an ordinary resolution, for the period of 5 years commencing from 15<sup>th</sup> September, 2020 to 14<sup>th</sup> September, 2025 at the 77<sup>th</sup> Annual General Meeting of the Company held on 30<sup>th</sup> December, 2020.

Details of remuneration paid/payable to the Executive Directors of the Company during the year ended 31<sup>st</sup> March, 2021 are given below:

(₹ In Lacs)

Name of the Directors	Salary	Commission*	Perquisites & Allowances	Sitting Fee	Total Remuneration
Mr. Falgunbhai C. Patel	13.22	381.37	0	0	394.59
Mr. Parthiv F. Patel	8.96	385.63	0	0	394.59
Mr. Yogesh Jani#	3.56	0	0	0	3.56
Mr. Sanjay Kumar Tandon <sup>§</sup>	27.77	0	0	0	27.77

\* Payable in Financial Year 2021-22

# Mr. Yogesh Jani has resigned from the post of Whole-time Director w.e.f. 15<sup>th</sup> September, 2020

§ Mr. Sanjay Kumar Tandon was appointed as Whole-time Director w.e.f. 15<sup>th</sup> September, 2020. He is also the Chief Financial Officer of the Company.

#### Stock Option:

The Company has no stock option scheme relating to its shares for its directors or employees and no severance fees are paid to any Director of the Company during the financial year under review.

#### Remuneration to the Non-Executive Directors:

The remuneration, commission if payable to the Non-Executive / Independent Directors, shall be in accordance with the provisions of the Act for the time being in force and as may be recommended by the Nomination and Remuneration Committee and approved by the Board and further by the members of the Company.

The Members had approved the appointment of Dr. Gauri Trivedi as an Independent Director by means of an ordinary resolution, for the period of 5 years commencing from 15<sup>th</sup> September, 2020 to 14<sup>th</sup> September, 2025 at the 77<sup>th</sup> Annual General Meeting of the Company held on 30<sup>th</sup> December, 2020.

The Company has no pecuniary relationship or transactions with its Non-executive Directors other than payment of sitting fees for attending Board meetings. Details of the sitting fees paid to the Non-Executive Directors during the financial year 2020-21 are as under:

Name of the Directors	Sitting Fee Paid (₹ in Lacs)
Mr. Sudhirbhai Nanavati	0.80
Mr. Mukeshbhai Patel	0.70
Mr. Sandeepbhai Singhi	0.88
Dr. Gauri Trivedi#	0.70

#Dr. Gauri Trivedi was appointed as Non-executive Independent Director w.e.f. 15<sup>th</sup> September, 2020

#### C. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The composition and terms of reference of the Stakeholders Relationship Committee are in compliance with the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations. The composition of Committee is given in this Report. The Committee looks into redressing the stakeholders' grievances / complaints.

Compliance Officer: Mr. Dhaval Pandya, the Company Secretary of the Company, is designated as a Compliance Officer pursuant to Regulation 6 of the Listing Regulations.

The Company has a designated E-mail ID i.e. investorsgrievance@sandesh.com for the redressal of complaints / grievances of the stakeholders which is also displayed on the website of the Company.

#### Terms of Reference:

The functions of Stakeholders Relationship Committee, inter alia, include the following:

- To resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate share certificates, general meetings, etc.

- b) To review the measures taken for effective exercise of voting rights by shareholders.
- c) To review of adherence of service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent.
- d) To review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

#### Composition, meetings and attendance:

Stakeholders Relationship Committee of the Board presently consists of 3 (Three) Independent Non-Executive Directors viz. Mr. Sudhirbhai Nanavati, as the Chairman of the Committee, Mr. Mukeshbhai Patel and Mr. Sandeepbhai Singhi, as the Members of the Committee. Mr. Shreyasbhai Pandya resigned as the Member of the Committee on account of his resignation as a Director of the Company w.e.f. 19<sup>th</sup> January, 2021. The Company Secretary of the Company acts as the Secretary to the Committee.

During the year under review total 4 (Four) meetings of the Stakeholders Relationship Committee were held on 24<sup>th</sup> June, 2020, 15<sup>th</sup> September, 2020, 12<sup>th</sup> November, 2020, and 9<sup>th</sup> February, 2021. The attendance of the Members of the Stakeholders Relationship Committee is as under:

Sr. No.	Name of the Members	Date-wise attendance of Stakeholder Relationship Committee Meeting during the F.Y. 2020 -21			
		24.06.2020	15.09.2020	12.11.2020	09.02.2021
1.	Mr. Sudhirbhai Nanavati (Chairman)	Yes	Yes	Yes	Yes
2.	Mr. Mukeshbhai Patel	Yes	Yes	Yes	Yes
3.	Mr. Sandeepbhai Singhi	Yes	Yes	Yes	Yes
4.	Mr. Shreyasbhai Pandya	Yes	Yes	Yes	N.A.

Yes – Attended, No – Not Attended, N.A. – Not Applicable

#### The number of the complaints / grievances received and resolved to the satisfaction of the stakeholders during the Financial Year under review is as under:

Sr. No.	Investor Complaints	Complaints
1.	Pending at the beginning of the year (As on 01.04.2020)	NIL
2.	Received during the Year from 01.04.2020 to 31.03.2021	NIL
3.	Disposed of during the Year from 01.04.2020 to 31.03.2021	NIL
4.	Unresolved at the end of the Year (As on 31.03.2021)	NIL

#### D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The composition and terms of reference of the Corporate Social Responsibility (CSR) Committee are in compliance with the provisions of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 made thereunder. The composition of Committee is given in this Report.

##### Terms of Reference:

The functions of CSR Committee, inter alia, include the following:

1. To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII;
2. To recommend the amount of expenditure to be incurred on the activities mentioned in CSR Policy;
3. To monitor CSR Policy of the Company from time to time;
4. To formulate and recommend to the Board, an annual action plan, which shall include the following:
  - a. The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in the Schedule VII of the Act;
  - b. The manner of execution of such projects or programmes as specified in Rule 4(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014;
  - c. The modalities of utilization of funds and implementation schedules for the projects and programmes;
  - d. Monitoring and reporting mechanism for the projects and programmes;
  - e. Details of need and impact assessment, if any, for the projects undertaken by the Company;
5. Such other functions / roles as may be delegated or assigned to the Committee from time to time.

**Composition, meetings and attendance:**

CSR Committee of the Board presently consists of 3 (Three) Members comprising of 1 (One) Non-Executive and Independent Directors, 1 (one) Promoter and Non-Executive Director and 1 (one) Promoter and Executive Director.

Mr. Falgunbhai C. Patel, is the Chairman of the Committee, Mr. Mukeshbhai Patel and Mrs. Pannaben F. Patel, are the Members of the Committee. The Company Secretary of the Company acts as the Secretary to the Committee. Mr. Shreyasbhai Pandya resigned as the Member of the Committee on account of his resignation as a Director of the Company w.e.f. 19<sup>th</sup> January, 2021.

During the year under review total 4 (Four) meetings of the CSR Committee were held on 24<sup>th</sup> June, 2020, 15<sup>th</sup> September, 2020, 12<sup>th</sup> November, 2020, and 9<sup>th</sup> February, 2021. The attendance of the Members of the CSR Committee is as under:

Sr. No.	Name of the Members	Date-wise attendance of CSR Committee Meeting during the F.Y. 2020-21			
		24.06.2020	15.09.2020	12.11.2020	09.02.2021
1.	Mr. Falgunbhai C. Patel (Chairman)	Yes	Yes	Yes	Yes
2.	Mrs. Pannaben F. Patel	Yes	Yes	Yes	Yes
3.	Mr. Mukeshbhai Patel	Yes	Yes	Yes	Yes
4.	Mr. Shreyasbhai Pandya	Yes	Yes	Yes	N.A.

Yes – Attended, No – Not Attended, N.A. – Not Applicable

**E. RISK MANAGEMENT COMMITTEE**

The constitution of the Risk Management Committee has been mandated for the top 1000 listed entities vide SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 dated 5<sup>th</sup> May, 2021. The Company falls in the top 1000 listed entities as per the list of market capitalization as on 31<sup>st</sup> March, 2021, published by NSE. Accordingly, the Board of Directors of the Company has duly constituted the Risk Management Committee.

The composition and terms of reference of the Risk Management Committee are in compliance with the provisions of Regulation 21 of the Listing Regulations. The composition of Committee is given in this Report.

**Terms of Reference:**

The functions of the Risk Management Committee, inter alia, include the following:

1. The Board of Directors shall define role and responsibility of the Committee and may delegate monitoring and reviewing of the risk management plan to the Committee and such other functions as it may deem fit and such function shall specifically cover cyber security;
2. formulate a detailed risk management policy which shall include:
  - a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
  - b. Measures for risk mitigation including systems and processes for internal control of identified risks;
  - c. Business continuity plan.
3. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
4. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
5. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
6. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
7. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
8. The Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;
9. To monitor and review the risk management plan.
10. The Committee shall report to the Board of Directors on all matters arising at the Committee meetings and, where applicable shall present the Committee's recommendations to the Board for its approval.

11. The Committee shall have the powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary. It shall have the authority to retain and terminate consultants or advisors to assist it in fulfilling its responsibilities and to set and pay the compensation of these advisors without consulting or obtaining approval from any officer of the Company. The Company shall provide appropriate funding, as determined by Committee, for the services of these advisors.

**Composition, meetings and attendance:**

Risk Management Committee of the Board consists of 4 (Four) Members comprising of 3 (Three) Executive and 1 (One) Non-Executive Independent Directors.

Mr. Falgunbhai C. Patel, is the Chairman of the Committee, Mr. Parthiv F. Patel, Mr. Sanjay Kumar Tandon and Mr. Mukeshbhai Patel are the Members of the Committee. The Company Secretary of the Company acts as the Secretary to the Committee.

The applicability of the constitution of the Risk Management Committee has been mandated from the Financial Year 2021-22 for the Company, the details related to the meeting and attendance during the year under review will not be applicable.

**F. EXECUTIVE COMMITTEE:**

The Board has constituted this Committee with an objective to aid the Board in handling and dealing with the routine administrative matters which requires approval of the Board and which in the opinion of the Board cannot be postponed until the next scheduled meeting of the Board or its other Committee. The Committee, having delegated authority, performs all those functions which the Board of Directors of the Company assigns to it. The Committee has overall responsibility for review and follow-up on the action taken on the Board decisions and also attend to any other responsibility as may be entrusted by the Board to investigate any activity within terms of reference.

**Composition, meetings and attendance:**

Executive Committee presently consists of 3 (three) Executive Directors viz. Mr. Falgunbhai C. Patel, as the Chairman of the Committee, Mr. Parthiv F. Patel and Mr. Sanjay Kumar Tandon, as the Members of the Committee. The Company Secretary of the Company acts as the Secretary to the Committee. During the year under review no meeting was held.

**IV. INDEPENDENT DIRECTORS' MEETING:**

Pursuant to Regulation 25 of Listing Regulations the meeting of the Independent Directors was held on 9<sup>th</sup> February, 2021 during the financial year under review, inter alia, to:

- a) review the performance of non-independent directors and the Board as a whole;
- b) review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors; and
- c) assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the said Meeting.

**V. OTHER DISCLOSURES:**

**a) Related Party Transactions:**

In line with the provisions of the Act and under Regulation 23 of the Listing Regulations, the Company has formulated a Policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business.

During the Financial Year under review, there were no material related party transactions. All related party transactions are placed before the Audit Committee and also the Board for review and approval; and the interested Directors neither participate in the discussions, nor did they vote on such matters, when such matters came up for approval. Further, suitable disclosure as required by the Accounting Standards has been given in the Notes to the Financial Statements. The Board of the Company has approved a Related Party Transactions Policy which has been uploaded on the Company's website at the following link: <http://www.sandesh.com/ir/RPT-Policy.pdf>.

The Company within 30 days from the date of publication of its standalone and consolidated financial results for the half year, discloses the related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock exchanges and also publishes the same on the website of the Company ([www.sandesh.com](http://www.sandesh.com))

**b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:-**

No penalties, or strictures were imposed by the Stock Exchanges or SEBI or any other Statutory Authority, on any matter related to capital markets, during the Financial Years 2018-19, 2019-20 and 2020-21.

**c) Vigil Mechanism & Whistle Blower Policy:**

The Company has adopted a Vigil Mechanism & Whistle Blower Policy and has established the necessary mechanism in line with the requirements under the Act and the Listing Regulations. The policy entitles its stakeholders, directors, employees and their representative bodies to report their genuine concerns about illegal or unethical practices or violations of laws, rules, regulations or unethical conduct to the Supervisor or to the Management. Through this mechanism and Policy, the stakeholders, directors, employees and their representative bodies will be able to raise genuine concerns or grievances or violation or potential violations, free of any fear of retaliation or victimisation. The Policy also ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern and no person has been denied access to the Audit Committee. On a quarterly basis, the Audit Committee review the concerns raised, if any, under the policy and track them for closure as per the policy.

During the financial year under review no complaint was received to be referred to the Audit Committee and no person was denied access to the Audit Committee.

**e) Compliance with the Mandatory Requirements and adoption of Discretionary Requirements of the Listing Regulations:**

The Company has complied with the mandatory requirements as applicable under the Listing Regulations except the appointment of Independent Woman Director pursuant to the provisions of Regulation 17(1)(a) of the Listing Regulations was done on 15<sup>th</sup> September, 2020. The Company has also obtained a certificate from M/s. Jignesh A. Maniar & Associates, Practising Company Secretaries, Ahmedabad to that effect and the same is also attached to this Report.

**Discretionary Requirements:**

The Company has duly fulfilled the following discretionary requirements as prescribed in Schedule II under the Part E of the Listing Regulations:

- i. **The Board:** As per para A of Part E of Schedule II of the Listing Regulations, a non-executive Chairman of the Board may be entitled to maintain a Chairman's Office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties. The Chairman of the Company is an Executive Director and hence, this provision is not applicable.
- ii. **Shareholders Rights:** The Company displays the quarterly and half yearly results on its web site and also publishes the results in widely circulated newspapers. The Company also makes available the voting results of the shareholders' meetings on its website, and reports the same to Stock Exchanges. The quarterly and half yearly results are not sent to each household of the shareholders.
- iii. **Modified opinion(s) in audit report:** The Company's financial statements for the Financial Year 2020-21 do not contain any modified audit opinion.
- iv. **Reporting of Internal Auditor:** In its internal audit structure, the Company has engaged experienced Chartered Accountants' firm. There is a system of monthly internal audit reporting, reviewing and monitoring. Surprise audits are also conducted to ensure effective adherence to the established processes, internal controls and internal audit mechanism on real-time basis. The Internal Auditors of the Company reports to the Audit Committee of the Board of Directors of the Company.

**f) Subsidiary companies:**

In compliance with the Regulation 16(1)(c) of the Listing Regulations, the Company has framed a 'Policy for determining Material Subsidiary' in order to determine the materiality of its subsidiaries. The said policy is placed on the Company's website and can be accessed at: [http://sandesht.com/ir/Policy\\_Material-Subsidiary.pdf](http://sandesht.com/ir/Policy_Material-Subsidiary.pdf). As per the Listing Regulations and the said Policy, the Company did not have any material subsidiary during the Financial Year under review.

The Audit Committee of the Board periodically reviews the financial statements and general working of subsidiary company and in particular, the investments made by the subsidiary company. The Management of the Company also periodically brings to the attention of the Board of the Company, a statement of all significant transactions and arrangements, if any, entered into by the subsidiary company. Further, the minutes of the board meetings of the subsidiary company are noted at the Board Meetings of the Company.

**g) Website**

The Company ensures dissemination of applicable information under Regulation 46 of the Listing Regulations on the Company's website (www.sandesht.com).

The section on 'Investor Relations' on the website serves to inform the members by giving complete financial details, annual reports, shareholding patterns and such other statutory details.

**h) Code of Conduct:**

The Board has laid down the Code of Conduct for all Board of Directors and Senior Management of the Company. The said Code is also placed on the website of the Company. The Certificate from the Chairman & Managing Director affirming compliance of the said Code by all the Board of Directors and Senior Management of the Company, to whom the Code is applicable, is separately attached to this Report.

**i) Material, financial and commercial transactions:**

No material, financial and commercial transactions that may have a potential conflict with the interest of the Company at large were reported to the Company during the Financial Year under review. Senior Management of the Company has made disclosures under Regulation 26(5) of the Listing Regulations to the Board confirming that there are no material, financial and/or commercial transactions between them and the Company, which could have potential conflict of interest with the Company at large.

**j) To monitor, regulate and report trading in shares by insiders:**

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has formulated a "Code of Conduct for Prevention of Insider Trading" and "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" for regulating, monitoring and reporting of trading in shares of the Company by the Promoters, Designated Persons, Key Managerial Personnel, Directors, Employees, Connected Persons and Insiders of the Company. The said codes are in accordance with the said Regulations and are also available on the website of the Company.

**VI. MEANS OF COMMUNICATION:**

a) Quarterly results	:	The quarterly, half-yearly and annual financial results are published in daily English and daily Gujarati newspapers within the prescribed timelines. The Company also complies with the Listing Regulation by filing its financial results with BSE & NSE within the prescribed timelines. The Company's results are also displayed on the website of the Company.
b) Newspapers wherein results normally published	:	In daily English Newspaper – The Financial Express / Indian Express / Business Standard & in daily Regional (Gujarati) Newspaper - Sandesh
c) Any website, where displayed	:	BSE Limited (www.bseindia.com), National Stock Exchange of India Ltd. (www.nseindia.com) and The Sandesh Limited (www.sandesh.com )
d) Whether it also displays official news release	:	Not Applicable for the Financial Year under review
e) Presentations made to institutional investors or to the analysts	:	Not Applicable for the Financial Year under review

**VII. GENERAL SHAREHOLDER INFORMATION:****A. Annual General Meeting**

- i. Date : 29<sup>th</sup> September, 2021
- ii. Time : 2:00 P.M.
- iii. Venue : Virtual Annual General Meeting in accordance to the details mentioned in the notice forming part of the Annual Report for Financial Year 2020-21.

The details of last three Annual General Meetings of the Company are as under:

No. of AGM	Financial Year	Date of AGM	Time	Venue at	Special Resolution passed
77 <sup>th</sup>	2019-20	30.12.2020	02:00 p.m.	Meeting conducted through VC / OAVM	Special resolutions were passed to approve remuneration of following Directors in accordance with the Regulation 17(6)(e) of the SEBI (LODR) Regulations, 2015: 1. Mr. Falgunbhai C. Patel (DIN: 00050174) 2. Mr. Parthiv F. Patel (DIN: 00050211)
76 <sup>th</sup>	2018-19	30.09.2019	10:00 a.m.	Gujarat Law Society Auditorium, G.L.S. College Campus, Opp. Law Garden, Ellisbridge, Ahmedabad-380006	Special resolution was passed for re-appointment of Mr. Yogesh Jani (DIN:06495782) as Whole Time Director of the Company, for a period of five years with effect from 11 <sup>th</sup> August, 2020, liable to retire by rotation
75 <sup>th</sup>	2017-18	28.09.2018	10:00 a.m.	Gujarat Law Society Auditorium, G.L.S. College Campus, Opp. Law Garden, Ellisbridge, Ahmedabad-380006	Special resolutions were passed for re-appointment of the following Director(s) as the Independent Director(s) of the Company to hold office for five consecutive years from 1 <sup>st</sup> April, 2019 up to 31 <sup>st</sup> March, 2024: 1. Mr. Mukeshbhai Patel (DIN 00053892) 2. Mr. Sudhirbhai Nanavati (DIN 00050236) 3. Mr. Shreyasbhai Pandya (DIN 00050244) 4. Mr. Sandeepbhai Singhi (DIN 01211070)

No Extra Ordinary General Meeting was held during the Financial Year 2020-21. During the Financial Year under review, no resolution has been passed through the exercise of postal ballot.

**B. Financial Year: Financial Year of the Company is for a period of twelve (12) months from 1<sup>st</sup> April to 31<sup>st</sup> March. Following is key financial reporting dates for the financial year 2021-22 (tentative):**

I.	First quarter Results	:	on or before August 14, 2021
II.	Second quarter Results	:	on or before November 14, 2021
III.	Third quarter Results	:	on or before February 14, 2022
IV.	Audited Results for FY 2021-22	:	on or before May 30, 2022

**C. Date of Book Closure:** 17<sup>th</sup> September, 2021 to 29<sup>th</sup> September, 2021 (both days inclusive)

**D. Dividend Payment Date:** The Board has not recommended Final Dividend for Financial Year 2020-21 and the proposal for confirmation of the Interim Dividend declared on 9<sup>th</sup> February, 2021 and paid thereby, as Final Dividend for Financial Year 2020-21, will be placed at the ensuing 78<sup>th</sup> Annual General Meeting, as mentioned in Item No. 2 of the Notice of the AGM.

**E. The name and address of each stock exchanges at which the Company's securities are listed and confirmation about payment of annual listing fee to each of such Stock Exchanges:**

- i. BSE Limited (BSE) : Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001
- ii. National Stock Exchange of India Limited (NSE) : "Exchange Plaza", Block-G, C-1, Bandra-Kurla Complex, Bandra (E), Mumbai-400051

The Company has paid annual listing fees for the Financial Year 2021-22 to the above stock exchanges.

**F. Stock Code:**

- i. BSE Limited: Scrip No. : 526725
- ii. National Stock Exchange of India Limited: Symbol : SANDESH (EQ.)
- iii. ISIN Number: INE583B01015

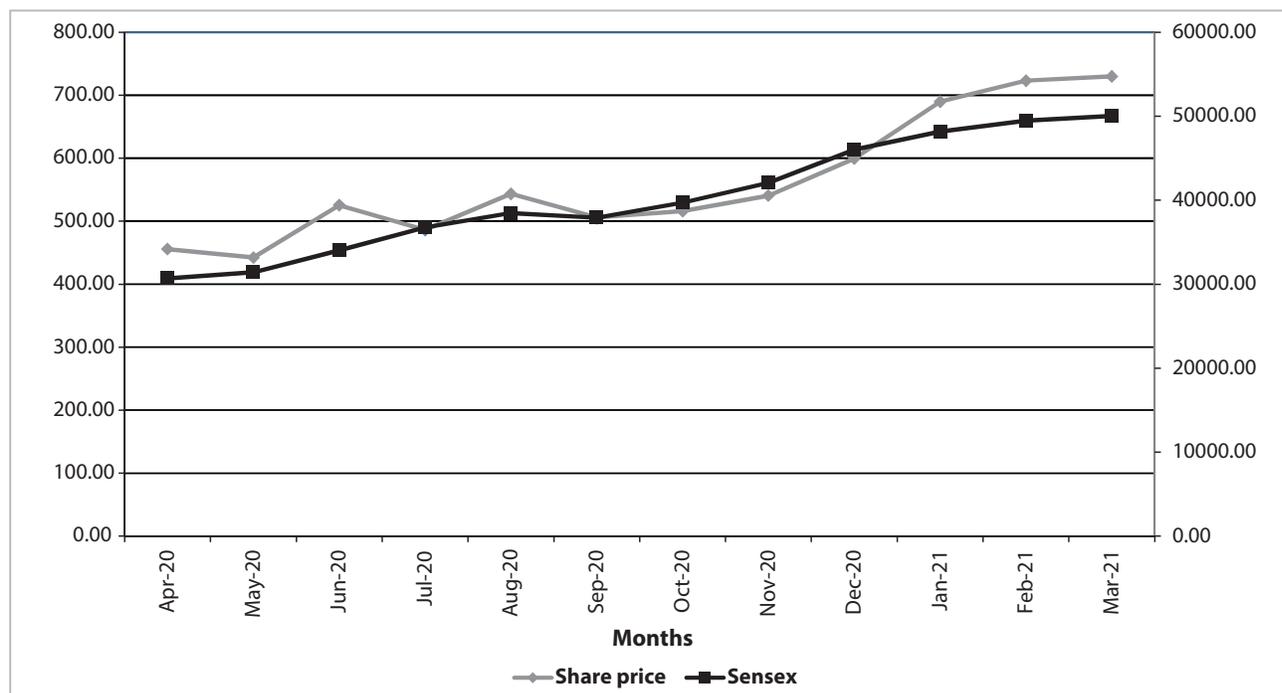
**G. Market Price Data:**

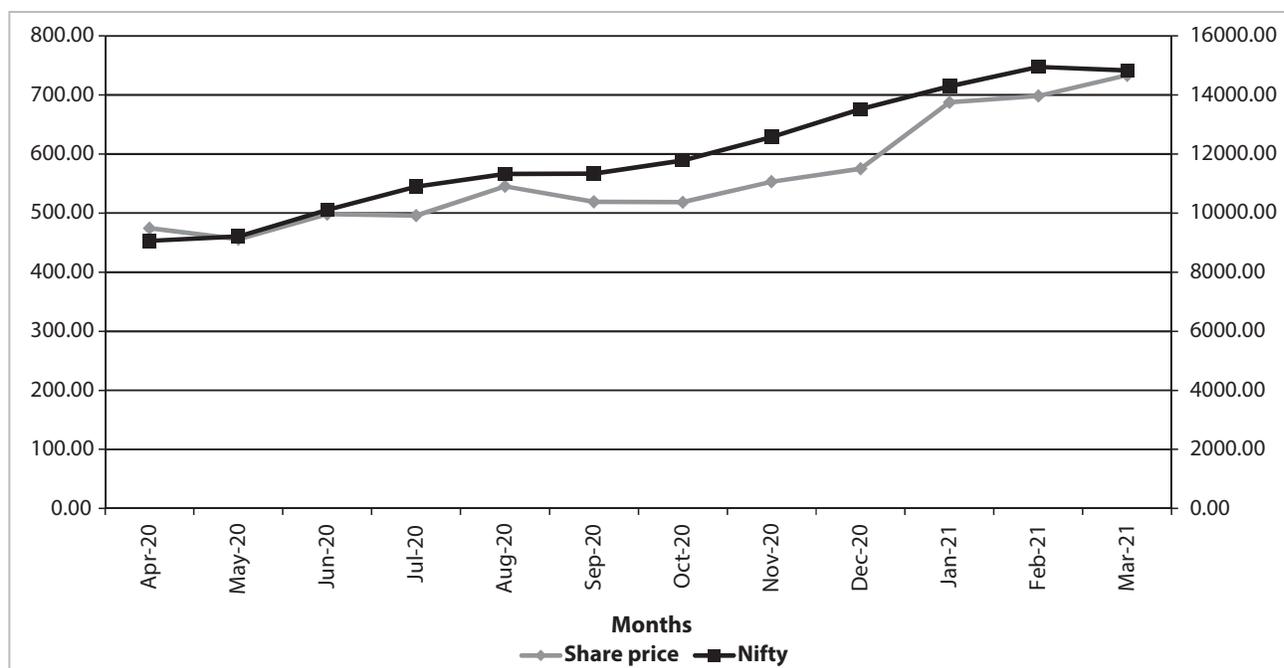
Market price data and volume of the shares of the Company traded in BSE Limited and NSE during the Financial Year 2020-21 are as under:

Month	Share price of The Sandesh Limited at Listed Stock Exchanges						BSE S&P SENSEX		NSE NIFTY 50	
	BSE (Scrip Code: 526725)			NSE (Symbol: SANDESH)			Highest	Lowest	Highest	Lowest
	Highest (₹)	Lowest (₹)	No. of shares traded	Highest (₹)	Lowest (₹)	No. of shares traded				
Apr-20	486.50	425.00	827	528.00	421.15	9,853	33887.25	27500.79	9185.05	8939.18
May-20	470.00	415.00	1828	485.00	426.50	5,616	32845.48	29968.45	9312.46	9107.86
Jun-20	599.00	452.00	2021	556.00	441.15	15,621	35706.55	32348.10	10209.11	10010.18
Jul-20	510.20	462.00	1536	528.00	463.60	6,769	38617.03	34927.20	10966.39	10822.33
Aug-20	636.45	450.65	12043	633.00	457.65	89,092	40010.17	36911.23	11392.13	11260.97
Sep-20	551.75	460.50	18471	557.95	480.10	36,908	39359.51	36495.98	11415.40	11264.02
Oct-20	549.25	482.75	11555	548.00	489.00	22,909	41048.05	38410.20	11864.84	11710.66
Nov-20	605.00	476.05	35662	620.00	486.25	58,675	44825.37	39334.92	12654.10	12501.34
Dec-20	644.85	554.00	29959	645.00	505.15	55,520	47896.97	44118.10	13597.66	13442.10
Jan-21	768.90	611.00	8895	766.95	608.00	51,823	50184.01	46160.46	14394.89	14194.15
Feb-21	798.00	648.45	25476	746.65	650.00	45,657	52516.76	46433.65	15066.64	14834.46
Mar-21	818.00	641.95	24715	827.00	640.00	51,947	51821.84	48236.35	14956.19	14719.28

(The above information is compiled from the data available from the websites of BSE and NSE)

**H. Performance in comparison to broad-based indices such as BSE S&P Sensex and NSE Nifty 50: -**





Cautionary statement: Historical stock price performance shown in the above graphs should not be considered as indicative of potential future stock price performance of the Company.

- I. Registrar & Share Transfer Agents:** MCS Share Transfer Agent Limited, having its regional office at 201, Shatdal Complex, 2<sup>nd</sup> Floor, Ashram Road, Ahmedabad-380009 (Gujarat). Telephone No. (079) 26580461/62/63, Fax No. (079) 26581296, Email ID: mcssta@rediffmail.com & mcsahmd@gmail.com
- J. Share Transfer System:** MCS Share Transfer Agent Limited is the Registrar & Share Transfer Agent of the Company for the entire functions of the share registry including physical transfers, issue of duplicate share certificates, dematerialization, rematerialization, consolidation, split, transmission, name addition or deletion, etc. relating to the shares of the Company.

Further as per the requirements of Regulation 40(9) & (10) of the Listing Regulations, a Company Secretary in practice has certified due compliance of share transfer formalities on half yearly basis.

**I. Distribution of Shareholding as on March 31, 2021:**

No. of Shares (Range)		Total No. of holders & No. of Shares			
From	To	No. of Shares	% of Shares	No of Folios	% of Holders
1	500	336427	4.44	4723	95.57
501	1000	72664	0.96	95	1.92
1001	2000	66870	0.88	49	0.99
2001	3000	48155	0.64	19	0.39
3001	4000	33871	0.45	10	0.20
4001	5000	37277	0.49	8	0.16
5001	10000	74445	0.98	10	0.20
10001	50000	332721	4.40	14	0.28
50001	100000	203022	2.68	3	0.06
100001	AND ABOVE	6363969	84.08	11	0.23
<b>TOTAL</b>		<b>7569421</b>	<b>100</b>	<b>4942</b>	<b>100.00</b>

**L. Dematerialization of shares and liquidity:**

As on 31<sup>st</sup> March, 2021, total 7504359 equity shares out of total 7569421 equity shares were held in dematerialized form, which constitute 99.14% of the total Share Capital of the Company. Promoters of the Company hold 100% of their shareholding in dematerialized form. The Shares of the Company are regularly traded on BSE and NSE.

**M. Categories of Shareholding as on 31<sup>st</sup> March, 2021:**

Sr. No.	Category	No. of shares in Demat form	No. of shares in Physical form	Total No. of Shares held	% of Total share holding	Total No. of share holders
1	Promoters	5663017	---	5663017	74.81	8
2	Mutual Fund /UTI	---	---	---	---	---
3	Banks, Financial Institutions, Insurance Companies (Central/ State Govt. Institution, Non-Government Institutions)	---	---	---	---	---
4	Foreign Institutional Investors	---	----	---	----	---
5	Foreign Portfolio Investors	50	----	50	0.00	1
6	Private Corporate Bodies	920800	11700	932500	12.32	100
7	Indian Public (Individual/ HUF)	860648	53212	913860	12.07	4651
8	NRIs/ OCBs	7328	150	7478	0.10	72
9	GDR	----	----	----	----	----
10	Investor Education and Protection Fund	49066	----	49066	0.65	1
11	Unclaimed or Suspense or Escrow Account	3450	----	3450	0.05	1
	<b>GRAND TOTAL</b>	<b>7504359</b>	<b>65062</b>	<b>7569421</b>	<b>100.00</b>	<b>4834</b>

**O. Commodity price risk / Foreign Exchange risk / Hedging Activities:**

The Company does not trade in commodity market and is not exposed to high foreign exchange risk. The Company does not enter into any long term hedging.

**N. Fees paid to Statutory Auditors**

The Company's current Statutory Auditors are M/s. S G D G Associates & LLP (Firm Registration No W100188, LLPIN: AAI-3248), who have been appointed to hold the office from the conclusion of the 75<sup>th</sup> Annual General Meeting till the conclusion of 80<sup>th</sup> Annual General Meeting.

During the year ended on 31<sup>st</sup> March, 2021, fees paid to the Statutory Auditors (M/s. S G D G Associates & LLP) and its network firms are as follows:

Payment made by the Company and its Subsidiary on a consolidated basis.					
Statutory Auditors			Network firms of which Statutory Auditors are part		
Period	Fees for	Amount (in ₹)	Period	Fees for	Amount (in ₹)
FY 2019-20	Annual fees	395000	-	-	-
Q1-2020-21	Limited Review Report	60000	-	-	-
Q2-2020-21	Limited Review Report	60000	-	-	-
Q3-2020-21	Limited Review Report	60000	-	-	-
<b>TOTAL</b>		<b>5,75,000</b>	-	-	-

**Q. Directors not debarred**

A certificate has been received from our Company Secretary in Practice, Mr. Jignesh A. Maniar proprietor of M/s. Jignesh A. Maniar & Associates, certifying that for the Financial Year ended 31<sup>st</sup> March, 2021, none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by Securities and Exchange Board of India, Ministry of Corporate Affairs or such statutory authority and the same forms part of this report.

**R. Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, for the Financial Year 2020-21:**

Particulars	Numbers
Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

**N. Plant / Press Locations:**

The Company has following press units:

- i. "Sandesh Bhavan", Lad Society Road, B/h. Vastrapur Gam, P.O. Bodakdev, AHMEDABAD - 380054 (Gujarat)
- ii. "Satyesh Bhavan", B/h. Jalaram Temple, Bahucharaji Road, Karelibaug, BARODA - 390018 (Gujarat)
- iii. "Satyesh Bhavan", Dakoriya Mill Compound, Near Gurudev Petrol Pump, Khatodara GIDC, Bamroli Road, SURAT -395002 (Gujarat)
- iv. "Sandesh Bhavan", Opp. Sat Hanuman, Navagam, Rajkot-Ahmedabad Highway, RAJKOT - 360006 (Gujarat)
- v. Sandesh Karyalay, "Satyesh Bhavan", Ruvapari Road, BHAVANAGAR - 364001 (Gujarat)
- vi. Godown No. 3, Gujarat State Warehousing Corporation, Near Atmaram Circle & Bajaj Showroom, Bhuj Madhapar Road, BHUJ - 370001 (Gujarat)

**O. Address for correspondence:**

Stakeholders are requested to correspond with the Company at the following address:

- i. The Sandesh Limited, "Sandesh Bhavan", Lad Society Road, B/h. Vastrapur Gam, P.O. Bodakdev, Ahmedabad-380054 (Gujarat). Phone Nos.: 079-40004175 / 319, Email: investorsgrievance@sandesh.com and cs@sandesh.com
- ii. Registrar & Share Transfer Agent: MCS Share Transfer Agent Limited, having its regional office at 201, Shatdal Complex, 2<sup>nd</sup> Floor, Ashram Road, Ahmedabad-380009 (Gujarat). Telephone No. (079) 26580461/ 462 / 463, Fax No. (079) 26581296, Email ID: mcssta@rediffmail.com & mcsahmd@gmail.com

**VIII. Disclosures with respect to Demat Suspense Account /Unclaimed Suspense Account:**

Pursuant to Regulation 39 and provisions of Schedule VI of the Listing Regulations, during the financial year 2020-21, unclaimed shares were transferred to "unclaimed suspense account". The voting rights on the below shares shall remain frozen till the rightful owner of such shares claims the shares.

The information of unclaimed shares for the Financial Year 2020-21 is hereby given as below:

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding shares at the beginning of the year	20	3450
Number of shareholders who approached the Company during the year	0	0
Number of shareholders to whom shares were released during the year	0	0
Number of shares transferred to IEPF Authority during the year	0	0
Aggregate number of shareholders and the outstanding shares at the end of the year	20	3450

**IX. TRANSFER OF SHARES AND UNPAID/UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to the provisions of Sections 124 and 125 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended (IEPF Rules), the unpaid/unclaimed dividends lying unpaid/unclaimed for the period of the seven (7) years from the date of transfer to the unpaid/unclaimed dividend Account of the Company are liable to be transferred to the Investor Education Protection Fund (IEPF) established by the Central Government, after completion of seven (7) years.

Further pursuant to the aforesaid provisions the shares in respect of which dividend has not been paid/claimed for the consecutive period of seven (7) years or more are also required to be transferred to the demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of shares.

The details of the shares and unpaid/ unclaimed dividend transferred to IEPF by the Company in the Financial Year 2020-21 are as below:

For Financial Year	Transfer of unpaid/unclaimed dividend (Amount in ₹)	Transfer of Shares (in Nos.)
2012-13	2,79,780	2460

The shareholders who have a claim on above transferred unpaid/unclaimed dividend and/or shares may claim the same from IEPF Authority by submitting an online application in the prescribed IEPF Form-5, available on the website <http://www.iepf.gov.in> and sending the physical copy of the same duly signed, alongwith the requisite documents enumerated in the form IEPF Form-5, to the Company. No claims shall lie against the Company in respect of the dividend/shares so transferred.

Following is the information relating to various unclaimed /unpaid dividends and the dates by which they can be claimed by the shareholders:

Financial Year	Date of Declaration	Last date for claiming the unpaid/unclaimed dividend
2013-14	26-Sep-2014	26-Oct-2021
2014-15	30-Sep-2015	29-Oct-2022
2015-16	09-Mar-2016	10-Apr-2023
2016-17	16-Mar-2017	04-May-2024
2017-18	12-Feb-2018	18-Mar-2025
2018-19	13-Feb-2019	17-Mar-2026
2019-20	14-Feb-2020	17-Mar-2027
2020-21	09-Feb-2021	14-Mar-2028

For and on behalf of the Board of Directors

Place: Ahmedabad  
Date: 13.08.2021

Falgunbhai C. Patel  
Chairman & Managing Director  
(DIN: 00050174)

## DECLARATION STATING THE COMPLIANCE WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT:

(In terms of Regulations 26(3) and 34(3) read with Schedule V of the Listing Regulations)

This is to confirm that the Company has adopted a Code of Conduct of Board of Directors and Senior Management, which is available on the Company's website.

I confirm that the Company has in respect of the Financial Year ended 31<sup>st</sup> March, 2021, received from the Members of the Board and Senior Management Personnel, a declaration of compliance with the Code of Conduct of Board of Directors and Senior Management as applicable to them.

Place: Ahmedabad  
Date: 13.08.2021

Falgunbhai C. Patel  
Chairman & Managing Director  
(DIN: 00050174)

**PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of  
**THE SANDESH LIMITED**  
(CIN: L22121GJ1943PLC000183)  
'Sandesh Bhavan' Lad Society Road,  
B/h. Vastrapur Gam, P.O. Bodakdev,  
Ahmedabad – 380054  
(Gujarat – India)

We have examined the compliance of conditions of Corporate Governance by THE SANDESH LIMITED ('the Company') for the year ended March 31, 2021, as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility also includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance as per Listing Regulations.

Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

In our opinion, and to the best of our information and according to the explanations given to us and representation provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations for the year ended March 31, 2021, subject to the following observation:

- (1) The appointment of Independent Women Director pursuant to provisions of Regulation 17(1)(a) of the Listing Regulations was done on 15<sup>th</sup> September, 2020.

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

The Certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirements of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For, Jignesh A. Maniar & Associates**  
Company Secretaries  
(C. P. No. : 6996)

**Jignesh A. Maniar**  
(FCS No. : 3468)

UDIN: F003468C000758134

Date : 09/08/2021  
Place : Ahmedabad

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**The Sandesh Limited**  
Sandesh Bhavan, Lad Society Road,  
B/h. Vastrapur Gam, P.O. Bodakdev,  
Ahmedabad - 380054

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of “**The Sandesh Limited**” having **CIN: L22121GJ1943PLC000183** and having registered office at **Sandesh Bhavan, Lad Society Road, B/h Vastrapur Gam, P.O. Bodakdev, Ahmedabad - 380054, Gujarat, India** (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with the Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that **none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2021, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:**

Sr. No	Name of Director	DIN	Date of appointment in Company
1	Mr. Falgunbhai Chimanbhai Patel	00050174	27 <sup>th</sup> November, 1974
2	Mr. Parthiv Falgunbhai Patel	00050211	14 <sup>th</sup> March, 2002
3	Ms. Pannaben Falgunbhai Patel	00050222	29 <sup>th</sup> October, 2010
4	Mr. Sudhir Nanavati	00050236	31 <sup>st</sup> January, 2001
5	Dr. Gauri Surendra Trivedi	06502788	15 <sup>th</sup> September, 2020
6	Mr. Mukesh Mangalbhai Patel	00053892	30 <sup>th</sup> March, 2005
7	Mr. Sandeep Mohanraj Singhi	01211070	09 <sup>th</sup> November, 2012
8	Mr. Sanjay Kumar Tandon	00055918	15 <sup>th</sup> September, 2020

Ensuring the eligibility, for the appointment / continuity, of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For, Jignesh A. Maniar & Associates**  
Company Secretaries

**Jignesh A. Maniar**  
Proprietor  
F.C.S. No. 3468  
C. P. No. 6996  
UDIN: F003468C000758167

Place: Ahmedabad  
Date: 09/08/2021

## BUSINESS RESPONSIBILITY REPORT

(As per Regulation 34(2)(f) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015)

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company: L22121GJ1943PLC000183
2. Name of the Company: The Sandesh Limited
3. Registered Office Address: Sandesh Bhavan, Lad Society Road, B/h. Vastrapur Gam, P.O. Bodakdev, Ahmedabad - 380054, Gujarat
4. Website: www.sandesh.com
5. Email Id: cs@sandesh.com
6. Financial Year reported: 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March 2021
7. Sector(s) that Company is engaged in (industrial activity code-wise): (1) Publication of Newspaper (NIC Code : 58131), (2) Advertisement (NIC Code : 73100)
8. List of three product/services that Company manufactures/provides (as in Balance sheet): (1) Printing and publishing of newspapers and magazines (2) Out of Home (3) Digital media (Mobile Application and website) (4) News and Current Affairs TV Channel
9. Total number of location where business activity is undertaken by the company:
  - a) Number of International Locations (Provide Details of major 5): Nil
  - b) Number of National Location: 6 (Six)
10. Market served by the company – Local/state/National/International: Local, State, National

### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR): 756.94 Lacs
2. Total Turnover (INR): 27,184.37 Lacs
3. Total profit after tax (INR): 8,930.69 Lacs
4. Total spending on Corporate social Responsibility (CSR) as percentage of profit after tax (%): ₹ 174.10 Lacs (Amount required to be spent i.e. 2% of average profit after taxes – 174.07 Lacs)
5. List of activity in which expenditure in above 4 has been incurred: Please refer to 'Annual Report on CSR activities' (an annexure to the Board's Report forming a part of this Annual Report)

### SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies? : Yes, as on 31<sup>st</sup> March, 2021, the Company has one wholly-own subsidiary company namely 'Sandesh Digital Private Limited'.
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s): No, the Company's Subsidiary did not participate in BR initiatives of the Company.
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]: No, no other entities having business with the Company participate in the BR initiatives of the Company.

### SECTION D: BR INFORMATION

#### 1. Details of Director/Directors responsible for BR

- a. Details of the Director/Director responsible for implementation of the BR policy/policies
  - a. DIN Number: 00055918
  - b. Name: Mr. Sanjay Kumar Tandon
  - c. Designation: Whole-time Director and CFO

- b. Details of the BR head
  - a. DIN Number (If Applicable): 00055918
  - b. Name: Mr. Sanjay Kumar Tandon
  - c. Designation: Whole-time Director and CFO
  - d. Telephone Number: 079-40004000
  - e. E-mail Id: cs@sandesh.com

**2. Principle-wise (as per National Voluntary Guidelines (NVGs) ) BR Policy/policies**

The National Voluntary Guidelines provide the following nine principles:

Principle 1: Ethics, Transparency and Accountability [P1]

Principle 2: Products Lifecycle Sustainability [P2]

Principle 3: Employees' Well-being [P3]

Principle 4: Stakeholder Engagement [P4]

Principle 5: Human Rights [P5]

Principle 6: Environment [P6]

Principle 7: Policy Advocacy [P7]

Principle 8: Inclusive Growth and Equitable development [P8]

Principle 9: Customer Value [P9]

**a. Details of compliance (Reply in Yes/No)**

	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for each of the 9 Principles?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)*3	Yes. The policies are in compliance with the national standards and the same are reviewed and amended from time to time based on the amendments in the respective regulations.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes								
6	Indicate the link for the policy to be viewed online?	All the relevant policies can be viewed online at <a href="http://www.sandesh.com">www.sandesh.com</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes								
8	Does the company have in-house structure to implement the policy/ policies.	Yes								
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes								
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Implementation of vigil mechanism is reviewed from time to time as a part of internal audit. Other policies are evaluated for implementation by respective functional heads.								

b. If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

Not applicable

### 3. Governance related to BR

a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year :

Assessment of BR performance and review of relevant issues is done at regular interval by the functional heads as part of business reviews for the various segments in the Company.

b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company has started publishing its Business Responsibility Report from financial year 2019-20. BRR can be accessed on the website of the Company and forms part of Annual Report of the Company.

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

Yes. The Company is committed to do business with ethical business practices. It acts with integrity in all aspects of its business. Code of Conduct adopted by the Board of Directors is applicable to the Board of Directors and Senior Management. Company's goal is to ensure that its employees, Directors, senior Management and the third parties with whom we work reflect the same high ethical standards and demonstrate a commitment to compliance with all applicable laws. The HR policies framed and circulated are applicable to all employees and deal with ethics, bribery and corruption. These policies are applicable to employees at all levels. Further, the Company has also adopted Whistle Blower Policy which enables Directors and employees to report genuine concern about unethical behavior, actual or suspected fraud or violation of the code of conduct.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so. –

As mentioned in the Report on Corporate Governance, nil complaints were received during the past financial year. Complaints from all other stakeholders are addressed and dealt with by the respective functional head of the Company. No complaints were received under Vigil Mechanism during the past financial year.

### Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company is primarily into the business of printing and publishing of newspapers which focuses on the social concerns, risks and opportunities. The publications of the Company are very popular in the Gujarat State and it is continuously improving the readership in smaller towns and villages of the State of Gujarat.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

a. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

The Company has commenced using of LED lights to reduce energy consumption. It has installed high efficiency lighting fixture and old high power consumption light fitting have been replaced by low power consumption light fitting. The Company has installed Solar Power Plant for generating clean Energy in premises of Registered Office of the Company, which will help to produce 278 Kilowatt peak power, and thereby ensuring effective energy conservation. After installation of solar plant,

there has been significant reduction in power consumption. We update our technology and machines to make best use of the material and minimize the wastage. Further, the machineries are kept in power off mode during the non-productive hours.

- b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The products of the Company do not consume energy or water at the consumers' end.

- 3. Does the company have procedures in place for sustainable sourcing (including transportation)?

- a. If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company deploys sustainable procurement practices and thereby tries to reduce environmental impact. There are established procedures for sustainable sourcing for raw materials. Evaluation of the suppliers and service providers are on the basis of ethics, safe conditions for work, housekeeping, safe working conditions and prevention of child labour.

- b. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company deals with both local and small producers and suppliers and global suppliers. The Company engages the local vendors and service providers. The Company engages small and local service providers and suppliers for transportation, distribution, security, housekeeping, etc. Raw materials, machineries and other consumables are mainly procured from local and national vendors.

- 4. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The Company is aware of the fact that natural resources are not infinite. Hence, the natural resources should be conserved and if possible, they should be recycled.

Newspapers are the most recycled material in the world. There is a mechanism for disposing of waste newspapers to traders for the purpose of recycling. The Company upgrades the processes and systems, wherever possible. The Company takes steps for green initiative, usage of solar energy, saving of electricity, water conservation, reduction of wastage, etc. It is a continuous process with an intention to minimize waste and recycle products. Plant wise actual wastage is closely monitored to ensure that wastage is within permissible limits.

**Principle 3: Businesses should promote the wellbeing of all employees**

- 1. Please indicate the Total number of employees: 449
- 2. Please indicate the Total number of employees hired on temporary/contractual/casual basis: NIL
- 3. Please indicate the Number of permanent women employees: 45
- 4. Please indicate the Number of permanent employees with disabilities: Nil
- 5. Do you have an employee association that is recognized by management: No
- 6. What percentage of your permanent employees is members of this recognized employee association? : Not applicable
- 7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year:

No.	Category	Number of complaints filled during the financial year	Number of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

- 8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

The Company organizes various trainings for all levels of the employees from time to time. Fire and safety training, mock drills, etc. are regularly conducted to train the employees. Various other training programs are also undertaken to upgrade the skills of the employees of all levels.

**Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.**

1. Has the company mapped its internal and external stakeholders? Yes/No  
Yes, the processes have been defined to identify and engage various internal and external stakeholders. The stakeholders include readers, viewers, agencies, bankers, advertisers, authorities, employees, suppliers, etc.
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?  
Yes. The Company has identified disadvantaged, vulnerable and marginalized stakeholders.
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.  
The Company as part of regular functioning encourages talents amongst the disadvantaged, vulnerable and marginalized stakeholders and gives them opportunity to engage in various activities undertaken by the Company.

**Principle 5: Businesses should respect and promote human rights**

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?  
The Company recognizes the value of human rights. The Company adheres to the laws which are related to human rights. The Company has framed the whistle blower policy to enable the stakeholders to raise their concerns about abuse of human rights. The Company is taking steps to ensure compliance of laws regarding equal, treatment, women empowerment, prevention of child labor, human exploitation, etc.
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?  
The Company has not received any complaint on human rights violation during the year under review.

**Principle 6: Business should respect, protect, and make efforts to restore the environment**

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.  
The Company recognizes the importance of the need to protect the environment. Further, there is very limited impact on the environment due to the nature of the business of the Company. This principle for protection of the environment extends to other group entities and the Company has undertaken various green initiatives for the financial year under review.
2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.  
The business operations have very limited adverse impact on the environment. The Company takes the steps whenever possible to reduce the consumption of the energy. The Company is also using solar energy for captive consumption.
3. Does the company identify and assess potential environmental risks? Y/N  
Yes. The Company reviews the environmental risks and also takes appropriate initiatives to mitigate them whenever needed.
4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?  
No.
5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.  
Yes. The Company has installed solar roof panels at its registered office as green energy initiative. This helps the Company to conserve the energy. The Company is replacing conventional lights with the LED Lights which helps to optimize the energy consumption. The Board's Report for Financial Year 2020-21 may be referred which is also uploaded on the website of the Company at [www.sandesh.com](http://www.sandesh.com).
6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?  
Not Applicable
7. Number of show cause/ legal notices received from CPCB/SPCB which is pending (i.e. not resolved to satisfaction) as on end of Financial Year.  
Nil

**Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.**

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company is a member of Indian Newspaper Society, it is registered with the Registrar of Newspapers for India and also empaneled with the Bureau of Outreach and Communication.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas ( drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes, the Company supports the advancement of public good. The Company takes initiatives to create awareness and for inclusive development. The Company makes representations in the interest of industry and its stakeholders whenever needed.

**Principle 8: Businesses should support inclusive growth and equitable development**

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company has specified programs and projects in pursuit of the policies which support the inclusive growth and equitable development. The Company has a Corporate Social Responsibility (CSR) Policy for inclusive growth and development.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

The programs and projects like CSR Projects of the Company are generally undertaken through in-house team.

3. Have you done any impact assessment of your initiative?

The Company has not conducted impact assessment of its CSR Projects.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

CSR projects undertaken are in the areas of eradicating hunger, poverty and malnutrition and contribution to the PM CARES Fund. The details of CSR activities are mentioned as an annexure to the Board's Report forming a part of this Annual Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The Company takes into consideration the view of the community to understand its requirements and then plan for various initiatives, which can address the expectations and requirements of the community.

**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner**

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

There is no material consumer or customer complaint outstanding as at the end of the Financial Year 2020-21.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/N.A. /Remarks (additional information) :

Not applicable.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No such case is filed or pending as at the end of Financial Year 2020-21.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

The Company regularly carries out the consumer surveys of readers, viewers, advertisers, distribution agents, etc. in order to determine the satisfaction trends for its products.

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF  
**THE SANDESH LIMITED**

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of **The Sandesh Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (hereinafter referred to as "Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (hereinafter referred to as "SAs"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (hereinafter referred to as "ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Accuracy of recognition, measurement, presentation and disclosures of advertisement revenue.</b></p> <p>For advertisement revenue, there is a risk of material misstatement of the standalone financial statements due to error considering following aspects:</p> <ul style="list-style-type: none"> <li>- Advertisement revenue from print media                             <ul style="list-style-type: none"> <li>• Pricing terms of the advertisement revenue in the newspaper are complex and prices, generally, are changed on a periodic basis</li> <li>• Number of parties involved and number of transactions are huge</li> </ul> </li> <li>- Advertisement revenue from other platforms                             <ul style="list-style-type: none"> <li>• pricing terms are non-standardized and are different on customer to customer basis.</li> </ul> </li> </ul>	<p><b>Principal audit procedure:</b></p> <ul style="list-style-type: none"> <li>- Our approach was a combination of test of internal controls and substantive procedures which included the following:                             <ul style="list-style-type: none"> <li>• Evaluated the design of internal control</li> <li>• For evaluation of operative effectiveness of internal control, tested the advertisement considering the accuracy of pricing, invoice amount and tax thereon, place, edition and customer.</li> <li>• Tested the relevant information technology system in respect of recording and disclosing of advertisement revenue</li> <li>• In case of advertisement in newspaper and on hoardings, tested the location, date and content of actual advertisement published in the newspaper and site respectively.</li> <li>• Verification of invoices on sample basis.</li> <li>• Performed analytical procedures to verify the discount given on advertisement</li> </ul> </li> <li>- Evaluated the appropriateness of accounting policies, related disclosure made and overall presentation in the standalone financial statements in terms of Ind AS 115</li> </ul>

Sr. No.	Key Audit Matter	Auditor's Response
2	<p><b>Valuation of Investments (other than investment in subsidiary company) and recognition of (1) realized gain on derecognition of investments and (2) unrealized gain on fair valuation of investments.</b></p> <p>The Company has investments of ₹ 50,818.59 lakhs (other than investment in subsidiary company) which constitute 53% of total assets as at March 31, 2021. The investments are measured at fair value at each reporting date and fair value measurements of such investments have significant impact on the Company's results.</p> <p>As value of investments is substantial and realized / unrealized gain on such investments have significant impact on profitability of the company during the year, these are considered as key audit matters.</p>	<p><b>Principal audit procedure:</b></p> <ul style="list-style-type: none"> <li>- Performed test of control on the company's process to compute the fair value of investments of equity shares of listed companies and mutual fund and also recognition of realized and unrealized gain from investments.</li> <li>- For investment in equity shares of private limited company: Evaluated the independent valuer's report considering how the valuation is done, and significant judgement made in his report.</li> </ul>
3	<p><b>Assessment of impairment test in investment properties</b></p> <p>The company has material investment in investment properties. For impairment test, the company obtains the valuation report of independent valuer which involves judgement of possible fair value of the investment properties</p>	<p><b>Principal Audit Procedure</b></p> <ul style="list-style-type: none"> <li>- Evaluated the independent valuer considering his competence and independence</li> <li>- Evaluated the valuation report considering how the valuation is done, and significant judgement made in his report.</li> </ul>

#### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the standalone financial statements and our auditor's report there on. The Board's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Board's report, if we conclude that there is a material misstatement of this other information, we are required to communicate to those charged with governance and necessary action in accordance with SAs will be taken.

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure – A", a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure – B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note38 to the standalone financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For, S G D G & Associates LLP**  
Chartered Accountants  
ICAI Firm Reg No. –W100188

**(Devansh Gandhi)**  
Partner  
Membership No. 129255  
UDIN:21129255AAAAEU5330

Place: Ahmedabad  
Date: June 29, 2021

## ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

**Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of The Sandesh Limited ('the Company')**

### 1. In respect of fixed assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of two years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

### 2. In respect of Inventories:

The inventories have been physically verified by the management at reasonable intervals and no material discrepancies noticed.

### 3. In respect of loans granted to parties covered in the register maintained u/s 189 of the Act:

The Company has not granted any loans, secured or unsecured, to companies, firms, limited liabilities partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3 (iii) [(a) to (c)] of the said Order are not applicable to the Company.

### 4. In respect of compliance of section 185 and 186 of the Act:

In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

### 5. In respect of deposits:

The Company has not accepted any deposits.

### 6. In respect of maintenance of cost records:

The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

### 7. In respect of statutory dues:

- a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and service tax, duty of customs, cess and other material statutory dues, as applicable, with appropriate authorities.
- b) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, no undisputed amounts payable as applicable were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

- c) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of goods and service tax, duty of customs and cess which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2021 which have not been deposited on account of dispute, are as follows:

Name of statute	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Amount (₹ In lacs)
Income Tax Act, 1961	Income Tax	ITAT	F.Y. 2005 – 06	688.75
Income Tax Act, 1961	Income Tax	CIT	F.Y. 2011 – 12	0.82
Income Tax Act, 1961	Income Tax	CIT	F.Y. 2015 – 16	10.10
Income Tax Act, 1961	Income Tax	CIT	F.Y. 2016 – 17	6.36

**8. In respect of dues to financial institutions / banks / debentures:**

Based on our audit procedures and according to the information and explanation given to us, the Company has neither taken any loan from financial institution / banks nor issued debentures. Thus, paragraph 3(viii) of the Order is not applicable to the Company.

**9. In respect of money raised by way of public offer and application of term loan:**

The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and no term loans raised during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

**10. In respect of fraud:**

According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

**11. In respect of managerial remuneration in accordance with Section 197 of the Act:**

According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

**12. In respect of Nidhi company:**

In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

**13. In respect of transactions with related parties in compliance of section 177 and 188 of the Act and its disclosures:**

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

**14. In respect of preferential allotment or private placement of shares or debentures:**

According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

**15. In respect of non-cash transactions with directors or persons:**

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

**16. In respect of company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934:**

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For, S G D G & Associates LLP**  
Chartered Accountants  
ICAI Firm Reg No. –W100188

**(Devansh Gandhi)**  
Partner  
Membership No. 129255  
UDIN:21129255AAAAEU5330

Place: Ahmedabad  
Date: June 29, 2021

**ANNEXURE – B TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of The Sandesh Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the period ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

**For, S G D G & Associates LLP**  
Chartered Accountants  
ICAI Firm Reg No. –W100188

**(Devansh Gandhi)**  
Partner  
Membership No. 129255  
UDIN:21129255AAAAEU5330

Place: Ahmedabad  
Date: June 29, 2021

**BALANCE SHEET AS AT MARCH 31, 2021**

(₹ in Lacs)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>A ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	5	6 363.37	7 100.61
(b) Capital work-in-progress	5.2	5.66	32.66
(c) Investment property	6	5 495.66	5 495.66
(d) Intangible assets	7	134.39	203.71
(e) Financial assets			
(i) Investments	8A	22 818.44	23 263.97
(ii) Loans	9A	2 874.50	-
(iii) Other financial assets	10A	11 180.20	1 826.86
		<b>48 872.22</b>	<b>37 923.47</b>
<b>(2) Current assets</b>			
(a) Inventories	11	3 176.92	2 328.72
(b) Financial assets			
(i) Investments	8B	28 001.15	18 599.61
(ii) Loans	9B	6 040.01	14 555.40
(iii) Other financial assets	10B	315.73	-
(iv) Trade receivables	12	5 079.74	6 765.12
(v) Cash and cash equivalents	13	1 854.56	1 445.39
(vi) Bank balances other than (v) above	14	18.74	19.92
(c) Current tax asset (net)	34	537.65	459.19
(d) Other current assets	15	2 061.20	1 102.31
		<b>47 085.70</b>	<b>45 275.66</b>
<b>Total assets</b>		<b>95 957.92</b>	<b>83 199.13</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>I EQUITY</b>			
(a) Equity share capital	16	756.94	756.94
(b) Other equity	17	87 674.37	76 972.66
		<b>88 431.31</b>	<b>77 729.60</b>
<b>II LIABILITIES</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities		-	-
(b) Provisions	20A	-	315.58
(c) Deferred tax liabilities (net)	34	608.68	213.82
		<b>608.68</b>	<b>529.40</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21	10.00	10.00
(ii) Trade payables			
(a) total outstanding dues of creditors other than micro enterprises and small enterprises	19A	2 216.32	624.14
(iii) Other financial liabilities	22	3 302.01	2 759.67
(b) Other current liabilities	23	1 365.79	1 510.87
(c) Provisions	20B	23.81	35.45
		<b>6 917.93</b>	<b>4 940.13</b>
<b>Total equity and liabilities</b>		<b>95 957.92</b>	<b>83 199.13</b>

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached.

**For and on behalf of the Board**
**For, S G D G & Associates LLP**

 Chartered Accountants  
 ICAI Firm Registration No. : W100188

**Falgunbhai Patel**

 (DIN: 00050174)  
 Chairman & Managing Director

**Parthiv Patel**

 (DIN: 00050211)  
 Managing Director

**Devansh Gandhi**

 Partner  
 Membership No. 129255  
 Place : Ahmedabad  
 Date : June 29, 2021

**Sanjay Kumar Tandon**

Whole Time Director &amp; CFO

**Dhaval Pandya**

Company Secretary

Place : Ahmedabad

Date : June 29, 2021

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(₹ in Lacs)

Particulars	Note No.	For the year ended	
		March 31, 2021	March 31, 2020
I Revenue from operations	24	27 184.37	34 107.21
II Other income	25	4 702.60	1 151.09
<b>III Total revenue (I + II)</b>		<b>31 886.97</b>	<b>35 258.30</b>
<b>IV Expenses :</b>			
a Cost of material consumed	26	6 935.15	12 912.74
b Changes in inventories / Cost of goods sold	27	2 362.72	28.48
c Employee benefits expense	28	2 808.78	3 263.64
d Finance cost	29	46.10	41.70
e Depreciation and amortisation expenses	5,6	693.61	785.92
f Other expenses	30	7 560.26	10 932.01
<b>Total expenses (IV)</b>		<b>20 406.62</b>	<b>27 964.49</b>
<b>V Profit before exceptional item and tax (III - IV)</b>		<b>11 480.35</b>	<b>7 293.81</b>
VI Exceptional items	31	152.80	94.23
<b>VII Profit before tax (V + VI)</b>		<b>11 633.15</b>	<b>7 388.04</b>
<b>VIII Tax Expenses :</b>			
a Current tax	34	2 307.68	2 263.01
b Deferred tax	34	394.78	( 711.28)
<b>Total tax expense</b>		<b>2 702.46</b>	<b>1 551.73</b>
<b>IX Profit for the Year (VII - VIII)</b>		<b>8 930.69</b>	<b>5 836.31</b>
<b>X Other comprehensive income</b>			
a (i) Items that will not be reclassified to profit or loss			
a) Remeasurement of defined benefit obligations	28	29.65	5.09
b) Equity Instrument through Other Comprehensive Income		2 119.85	
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
b (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>XI Total Comprehensive Income (IX + X)</b>		<b>11 080.19</b>	<b>5 841.40</b>
<b>XII Earnings per Equity Share:</b>			
Basic and Diluted	32	117.98	77.10

The accompanying notes form an integral part of the standalone financial statements.  
As per our report of even date attached.

**For and on behalf of the Board**

**For, S G D G & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration No. : W100188

**Falgunbhai Patel**  
(DIN: 00050174)  
Chairman & Managing Director

**Parthiv Patel**  
(DIN: 00050211)  
Managing Director

**Devansh Gandhi**  
Partner  
Membership No. 129255  
Place : Ahmedabad  
Date : June 29, 2021

**Sanjay Kumar Tandon**  
Whole Time Director & CFO

**Dhaval Pandya**  
Company Secretary

Place : Ahmedabad  
Date : June 29, 2021

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021**
**A Equity Share Capital** (₹ in Lacs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Balance at the beginning of the reporting period	756.94	756.94
Changes during the year	-	-
Balance at the reporting period	756.94	756.94

**B Other Equity** (₹ in Lacs)

Particulars	Reserves and Surplus				Other comprehensive income	Total
	Capital Reserve	Securities Premium	General Reserves	Retained Earnings	Equity Instrument through Other Comprehensive Income	
<b>Balance as at April 01, 2020</b>	.44	1 316.63	49 584.79	26 070.79	-	76 972.66
<b>Profit for the period</b>	-	-	-	8 930.69	-	8 930.69
<b>Items of the OCI for the year, net of tax</b>						
Remeasurement benefit of defined benefit plans	-	-	-	29.65	-	29.65
Fair Value Gain on investment in equity instrument through OCI	-	-	-	-	2 119.85	2 119.85
Dividends	-	-	-	( 378.47)	-	( 378.47)
<b>Balance as at March 31, 2021</b>	<b>.44</b>	<b>1 316.63</b>	<b>49 584.79</b>	<b>34 652.66</b>	<b>2 119.85</b>	<b>87 674.37</b>
<b>Balance as at April 01, 2019</b>	.44	1 316.63	49 584.79	20 685.66	-	71 587.52
<b>Profit for the period</b>	-	-	-	5 836.31	-	5 836.31
<b>Items of the OCI for the year, net of tax</b>						
Remeasurement benefit of defined benefit plans	-	-	-	5.09	-	5.09
Dividends (including tax on dividend)	-	-	-	( 456.27)	-	( 456.27)
<b>Balance as at March 31, 2020</b>	<b>.44</b>	<b>1 316.63</b>	<b>49 584.79</b>	<b>26 070.79</b>	<b>-</b>	<b>76 972.66</b>

**Nature and purpose of reserves**
**a Capital reserve**

The Company recognises capital reserves on cancellation of partly paid up own equity shares.

**b Securities premium**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

**c General reserve**

The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes.

**d Equity Instrument through Other Comprehensive Income**

The Company has elected to recognise changes in the fair value of investments in equity shares of the company, wherein KMP having control, in other comprehensive income. These changes are accumulated within the Equity Instrument Through Other Comprehensive reserve within the equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached.

**For and on behalf of the Board**

**For, S G D G & Associates LLP**

Chartered Accountants  
ICAI Firm Registration No. : W100188

**Falgunbhai Patel**

(DIN: 00050174)  
Chairman & Managing Director

**Parthiv Patel**

(DIN: 00050211)  
Managing Director

**Devansh Gandhi**

Partner  
Membership No. 129255  
Place : Ahmedabad  
Date : June 29, 2021

**Sanjay Kumar Tandon**

Whole Time Director & CFO  
Place : Ahmedabad  
Date : June 29, 2021

**Dhaval Pandya**

Company Secretary

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

(₹ In Lacs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX	11 633.15	7 388.04
<b>Adjustments for</b>		
Depreciation and amortisation	693.61	785.92
(Profit) on sale of property plant and equipments	( 152.80)	( 94.23)
Changes in fair value of financial assets at fair value through profit or loss	( 4 265.73)	( 979.22)
Finance Cost	-	2.97
Dividend income	( 54.97)	( .20)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>7 853.26</b>	<b>7 103.28</b>
<b>Adjustments for</b>		
Trade and other receivables	1 686.57	586.98
Inventories	( 848.20)	136.57
Loan, Other financial assets and other current assets	( 4 987.07)	( 13 632.19)
Payables, provisions, other financial liabilities and other current liabilities	3 811.78	( 770.11)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>7 516.34</b>	<b>( 6 575.47)</b>
Direct Taxes Paid	( 2 386.13)	( 2 472.91)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>5 130.21</b>	<b>( 9 048.38)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipments	( 51.81)	( 186.68)
Sale of property, plant and equipment	344.55	128.62
Sale of Investment (net)	( 4 690.28)	8 847.73
Purchase of Investment property	-	( 219.46)
Dividend Income	54.97	.20
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>( 4 342.57)</b>	<b>8 570.41</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance Cost	-	( 2.97)
Repayment of borrowing	-	( 27.09)
Dividend paid (including Dividend Distribution Tax)	( 378.47)	( 456.27)
<b>NET CASH FLOW IN FINANCING ACTIVITIES</b>	<b>( 378.47)</b>	<b>( 486.33)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>409.17</b>	<b>( 964.30)</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>1 445.39</b>	<b>2 409.69</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>1 854.56</b>	<b>1 445.39</b>

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached.

For and on behalf of the Board

**For, S G D G & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration No. : W100188

**Falgunbhai Patel**  
(DIN: 00050174)  
Chairman & Managing Director

**Parthiv Patel**  
(DIN: 00050211)  
Managing Director

**Devansh Gandhi**  
Partner  
Membership No. 129255  
Place : Ahmedabad  
Date : June 29, 2021

**Sanjay Kumar Tandon**  
Whole Time Director & CFO  
Place : Ahmedabad  
Date : June 29, 2021

**Dhaval Pandya**  
Company Secretary

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021****1 COMPANY OVERVIEW**

The Sandesh Limited (the 'Company') is a public limited Company domiciled in India and is incorporated under the provisions of the Companies Act, 1956 with its registered office located at "Sandesh Bhavan", Lad Society Road, B/h. Vastrapur Gam, P.O. Bodakdev, Ahmedabad – 380054. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company belongs to the Regional Print Media Industry and is a publisher of "SANDESH" a premier Gujarati daily newspaper in Gujarat Region, to carry on the business of editing, printing and publishing newspapers and periodicals.

The financial statements are approved for issue by the Company's Board of Directors on June 29, 2021.

**2 BASIS OF PREPARATION****2.1 Statement of compliance**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

**2.2 Basis of measurement**

The Financial Statements have been prepared on the historical cost basis except for the following items which are measured at fair values:

- certain financial assets and liabilities
- defined benefit plan assets

**2.3 Functional and presentation currency**

Indian rupee is the functional and presentation currency.

**2.4 Use of estimates**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions.

These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements are:

- Revenue recognition of construction services based on percentage of completion method
- Amortization of advertisement rights
- Useful life of Property, plant and equipment
- Valuation of financial instruments
- Provisions and contingencies
- Income tax and deferred tax
- Measurement of defined employee benefit obligations

**Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):**

The Company has considered the possible effects that may result from the pandemic relating to COVID – 19 on the carrying amounts of receivables, investment in mutual fund, equity share and inter corporate deposits based on the internal and external source of information up to the date of approval of the financial statements. The Company expects that the carrying amount of these assets will be recovered. The Company will however continue to monitor any material changes to future economic conditions.

### 3 SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Revenue Recognition

##### 3.1.1 Revenue from operations

The Company earns revenue from circulation of newspaper, display of advertisement on TV and print media and out of home platforms. The company also earns revenue from sale of constructed properties.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services.

In case of sale of news paper (including scrap sales) and rendering of advertisement services on TV and print media, the performance obligation is satisfied at a point in time. Rendering of advertisement services on out of home platform, the performance obligation is satisfied over time. In case sale of constructed properties, the performance obligation is satisfied at a point in time when conveyance deed of goods with customer is executed

Revenue is measured based on the transaction price which is the consideration, as specified contract with the customer. Revenue excludes taxes collected from the customers.

The obligation to transfer goods to a customer, for which part consideration is received, is classified as contract liability.

##### 3.1.2 Revenue from other operating income

The other operating revenue includes sale of trading goods, interest income from financing and construction income.

In case of sale of trading goods, the performance obligation is satisfied at a point in time and for construction income, performance obligation is satisfied over time.

Interest income is recognised using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

##### 3.1.3 Other revenue

Gain or Loss on derecognition of financial asset is determined as the difference between the sale price (net of selling costs) and carrying value of financial asset.

Dividend income is recognised when the right to receive the dividend is established.

Interest income is recognised as mentioned in para no. 3.1.2 above in respect of revenue from other operating income.

All other incomes are recognised and accounted for on accrual basis.

#### 3.2 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost comprises the purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

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.

Property, Plant and Equipment not ready for the intended use on the date of the Balance Sheet are disclosed as "Capital work-in-progress".

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset at the time of disposal and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation on Property, Plant and Equipment is calculated on written down value method basis using the ratio arrived as per the useful life prescribed under Schedule II to the Companies Act, 2013.

In respect of Property, Plant and Equipment purchased during the year, depreciation is provided on a pro-rata basis from the date on which such asset is ready to use.

The residual value, useful life and method of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### 3.3 Intangible assets

An intangible asset is recognised, only where it is probable that future economic benefits attributable to the asset will accrue to the enterprise and the cost can be measured reliably.

#### a Advertisement right

Intangible assets are stated at cost, less accumulated amortization and impairment losses, if any.

Advertisement rights granted by Vadodara Municipal Corporation (VMC) are against construction service rendered by the Company on BOT basis.

Advertisement right cost comprises of direct and indirect expenses on construction of bus shelters in terms of Concession Agreement.

Subsequent expenditure related to an item of intangible assets 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 intangible assets are charged to the statement of profit and loss for the period during which such expenses are incurred.

Intangible assets are amortized on straight line basis over concession period.

#### b Other intangible assets

Intangible assets are stated at cost, less accumulated amortization and impairment losses, if any.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as intangible assets under development.

Separately purchased intangible assets are initially measured at cost. Subsequently, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

The useful life of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortized on a straight-line basis over the period of their expected useful life. Intangible assets are amortized over a period of six years on straight line basis as per the useful life prescribed under Schedule II to the Companies Act, 2013. Intangible assets acquired / purchased during the year are amortised on a pro-rata basis from the date on which such assets are ready to use.

Intangible assets with an indefinite useful life are not amortised. Such intangible assets are tested for impairment.

The residual value, useful life and method of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

### 3.4 Investment Property

Investment Property is measured initially at cost including related transaction costs.

The cost comprises the purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use.

Subsequent expenditures are capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

All day-to-day repair and maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of investment property are measured as the difference between the net disposal proceeds and the carrying amount of the asset at the time of disposal and are recognized in the statement of profit and loss when the asset is derecognized.

### 3.5 Financial Instruments

#### 3.5.1 Initial recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are recognized at fair value on initial recognition.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to or deducted from the fair value of financial assets or financial liabilities on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Regular way purchase and sale of financial assets are accounted for at trade date.

### 3.5.2 Subsequent measurement

#### a Derivatives financial instruments

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each Balance Sheet date. Fair value changes and Gain/Loss on de-recognition of derivative Financial Instrument are recognised in the Statement of Profit and Loss.

#### b Non-derivative financial instruments

##### i Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### ii Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. For such equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

##### iii Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit or loss. Fair value changes are recognised as other income in the Statement of Profit or Loss.

##### iv Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

##### v Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are carried at cost in the separate financial statements.

#### c Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of equity instruments are recognised as a deduction from equity instrument net of any tax effects.

### 3.5.3 Derecognition

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized when obligation specified in the contract is discharged or cancelled or expires.

### 3.5.4 Off-setting

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when the company currently has a legally enforceable right to offset the recognised amount and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

## 3.6 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 – inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – inputs are other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived prices)

Level 3 – inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

### 3.7 Income tax

Income tax expense comprises current tax and deferred tax.

#### 3.7.1 Current Tax

Current tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Current tax assets and current tax liabilities are offset, where company has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### 3.7.2 Deferred Tax

Deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the deferred tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax liabilities are recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from initial recognition of goodwill; or initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax losses and carry forward of unused tax credits to the extent that it is probable that taxable profit will be available against which those temporary differences, losses and tax credit can be utilized, except when deferred tax asset on deductible temporary differences arise from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rules and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, where company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

### 3.8 Impairment

#### 3.8.1 Financial assets other than investments in subsidiaries and associates

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The impairment loss allowance (or reversal) recognised during the period is recognised as income / expense in the statement of profit and loss.

### 3.8.2 Financial assets – investments in subsidiaries and associates

The company assesses at each reporting date whether there is an indication that an asset may be impaired. Such indication include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

If any indication exists, the company estimates the asset's recoverable amount based on value in use.

To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset

Where the carrying amount of an asset exceeds its value in use amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognised in statement of profit and loss."

### 3.8.3 Non-financial assets

#### Tangible and intangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists the company estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an assets net selling price and its 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 exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognised in the statement of profit and loss.

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.

## 3.9 Lease

### Company as lessee

The Company's lease asset classes primarily consist of leases for Office building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Advance lease payment made for the entire life of the lease is amortised over a lease period.

### 3.10 Borrowing costs

Borrowing cost includes interest and other costs that company has incurred in connection with the borrowing of funds.

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 year they occur.

Investment income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

### 3.11 Employee Benefits

Short term employee benefits for salary and wages including accumulated leave that are expected to be settled wholly within 12 months after the end of the reporting period in which employees render the related service are recognized as an expense in the statement of profit and loss.

The company measures the expected cost of absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. As per Company's policy, no leave is expected to be carried forward beyond 12 months from the reporting date.

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

The company operates one defined benefit plan for its employees, viz., gratuity plan. The costs of providing benefits under the plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out using the projected unit credit method made at the end of each reporting date. Re-measurement of the net defined benefit liability (asset) comprise of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability / (asset)). Re-measurement are recognised in other comprehensive income and will not be reclassified to profit or loss in a subsequent period.

### 3.12 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 embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

### 3.13 Contingent Liability

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.

### 3.14 Contingent Asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. The company does not recognize a contingent asset but discloses its existence in the financial statements.

### 3.15 Foreign Currency

#### a Initial recognition

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

#### b Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

#### c Exchange difference

All exchange differences are recognized as income or as expense in the year in which they arise.

### 3.16 Cash and cash equivalent

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank (including demand deposits) and in hand and short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdraft is shown within cash and cash equivalents.

### 3.17 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

### 3.18 Inventories

Inventories are valued at lower of cost and net realizable value. Cost of materials is determined on weighted average basis. Net realizable value is the estimated selling price less estimated cost necessary to make the sale.

### 3.19 Segment Reporting

An operating segment is component of the company that engages in the business activity from which the company earns revenues and incurs expenses, for which discrete financial information is available and whose operating results are regularly reviewed by the chief operating decision maker, in deciding about resources to be allocated to the segment and assess its performance. The company's chief operating decision maker is the Managing Director.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as un-allocable.

Revenue and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses.

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

### 3.20 Cash Flow Statement

Cash flows are reported using indirect method whereby profit for the period is adjusted for the effects of the transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts and payments and items of income or expense associated with investing and financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### 3.21 Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

## 4 Recent accounting pronouncements issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

**5 PROPERTY, PLANT AND EQUIPMENT**
**5.1 Property, Plant and Equipments consist of:**

No.	Particulars	Land		Buildings		Plant & Equipment	Electric Fittings	Furniture & Fixtures	Office Equipment	Vehicles	Total
		Freehold	Leasehold	Freehold	Leasehold						
<b>a</b>	<b>Gross Block</b>										
	Balance as at March 31, 2019	1 359.45	26.68	1 933.43		5 485.50	57.24	136.28	116.39	704.92	9 819.89
	Additions	-	-	-	-	155.20	-	2.41	6.89	.70	165.20
	Deductions	-	-	20.65	-	137.05	-	5.87	8.25	25.57	197.39
	Balance as at March 31, 2020	1 359.45	26.68	1 912.78		5 503.65	57.24	132.82	115.03	680.05	9 787.70
	Additions	-	-	-	-	73.34	-	-	5.46	-	78.80
	Deductions	158.98	-	20.64	-	78.36	-	-	8.31	278.84	545.13
	Balance as at March 31, 2021	1 200.47	26.68	1 892.14		5 498.63	57.24	132.82	112.18	401.21	9 321.37
<b>b</b>	<b>Accumulated Depreciation</b>										
	Balance as at March 31, 2019	-	2.82	328.22		1 189.04	33.83	83.90	76.76	419.86	2 134.43
	Additions	-	1.17	74.16		521.27	4.96	13.88	16.44	83.77	715.65
	Deductions	-	-	9.24		116.27	-	5.65	7.80	24.03	162.99
	Balance as at March 31, 2020	-	3.99	393.14		1 594.04	38.79	92.13	85.40	479.60	2 687.09
	Additions	-	1.11	70.14		472.48	3.01	9.69	11.61	56.25	624.29
	Deductions	-	-	9.98		72.25	-	-	7.71	263.44	353.38
	Balance as at March 31, 2021	-	5.10	453.30		1 994.27	41.80	101.82	89.30	272.41	2 958.00
<b>c</b>	<b>Net Block</b>										
	Balance as at March 31, 2020	1 359.45	22.69	1 519.64		3 909.61	18.45	40.69	29.63	200.45	7 100.61
	Balance as at March 31, 2021	1 200.47	21.58	1 438.84		3 504.36	15.44	31.00	22.88	128.80	6 363.37

Company has elected to measure all its property, plant and equipments at the previous GAAP carrying amount i.e. March 31, 2015 as its deemed cost on the date of transition i.e. April 01, 2015.

**5.2 Capital Work in Progress**

Particulars	As on April 01, 2019		As on March 31, 2020		As on March 31, 2021	
	As on April 01, 2019	Transferred to PPE	As on March 31, 2020	Transferred to PPE	As on March 31, 2021	As on March 31, 2021
Capital Work in Progress	25.22	.56	32.66	353.93	5.66	5.66
<b>TOTAL</b>	<b>25.22</b>	<b>.56</b>	<b>32.66</b>	<b>353.93</b>	<b>5.66</b>	<b>5.66</b>

5.3 During the year, the Company has transferred land at vadodara from property, plant and equipment to inventory as the company has decided to develop the real estate project on such land for commercial exploitation.

## 6 INVESTMENT PROPERTIES

## 6.1 Investment properties consist of :

(₹ in lacs)

No.	Particulars	Land	Buildings	Total
<b>a</b>	<b>Gross Block</b>			
	Balance as at March 31, 2019	4 364.82	911.38	5 276.20
	Additions	-	219.46	219.46
	Deductions	-	-	-
	Balance as at March 31, 2020	4 364.82	1 130.84	5 495.66
	Additions	-	-	-
	Deductions	-	-	-
	<b>Balance as at March 31, 2021</b>	<b>4 364.82</b>	<b>1 130.84</b>	<b>5 495.66</b>
<b>b</b>	<b>Accumulated Depreciation</b>			
	Balance as at March 31, 2019	-	-	-
	Additions	-	-	-
	Deductions	-	-	-
	Balance as at March 31, 2020	-	-	-
	Additions	-	-	-
	Deductions	-	-	-
	<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>c</b>	<b>Net Block</b>			
	Balance as at March 31, 2020	4 364.82	1 130.84	5 495.66
	<b>Balance as at March 31, 2021</b>	<b>4 364.82</b>	<b>1 130.84</b>	<b>5 495.66</b>

6.2 Company has elected to measure all its investment properties at the previous GAAP carrying amount i.e. March 31, 2015 as its deemed cost on the date of transition i.e. April 01, 2015.

## 6.3 Fair value of investment properties

(₹ in lacs)

Sr. No.	Particulars	As on March 31, 2021	As on March 31, 2020
1	Investment properties	7 770.24	5 778.42

Refer note no. 36 for disclosure on fair value.

**Estimation of fair value**

Company obtains independent valuation report for its investment property annually. The best evidence of fair value is current price in active market for similar properties.

6.4 The company does not provide depreciation on buildings under investment properties, as fair value of such properties are more than the carrying amount.

## 6.5 Amount recognised in Profit or Loss for Investment Properties

(₹ in lacs)

Particulars	2020-21	2019-20
a Rental Income	9.12	10.25
b Direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income during the period;	2.80	-
c Direct operating expenses (including repairs and maintenance) arising from investment property that did not generate rental income during the period.	6.44	13.67
<b>Total</b>	<b>18.36</b>	<b>23.92</b>

**7 INTANGIBLE ASSETS**
**7.1 Intangible assets consist of :**

(₹ in Lacs)

No.	Particulars	Tenancy Rights	Software	Advertisement Rights	Total
<b>a</b>	<b>Gross Block</b>				
	Balance as at March 31, 2019	56.00	9.70	339.00	404.70
	Additions	-	-	14.07	14.07
	Deductions	-	-	-	-
	Balance as at March 31, 2020	56.00	9.70	353.07	418.77
	Additions	-	-	-	-
	Deductions	-	-	-	-
	<b>Balance as at March 31, 2021</b>	<b>56.00</b>	<b>9.70</b>	<b>353.07</b>	<b>418.77</b>
<b>b</b>	<b>Accumulated Depreciation</b>				
	Balance as at March 31, 2019	-	9.11	135.68	144.79
	Additions	-	-	70.27	70.27
	Deductions	-	-	-	-
	Balance as at March 31, 2020	-	9.11	205.95	215.06
	Additions	-	-	69.32	69.32
	Deductions	-	-	-	-
	<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>9.11</b>	<b>275.27</b>	<b>284.38</b>
<b>c</b>	<b>Net Block</b>				
	Balance as at March 31, 2020	56.00	.59	147.12	203.71
	<b>Balance as at March 31, 2021</b>	<b>56.00</b>	<b>.59</b>	<b>77.80</b>	<b>134.39</b>

**7.2** Company has elected to measure all its investment properties at the previous GAAP carrying amount i.e. March 31, 2015 as its deemed cost on the date of transition i.e. April 01, 2015.

## 8 INVESTMENTS

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
<b>8A</b>	<b>Non Current Investments</b>		
<b>a</b>	<b>Investments carried at cost</b>		
i	In wholly owned subsidiary company Equity shares - Unquoted Sandesh Digital Private Limited (10,000 shares of ₹ 10/- each)	1.00	1.00
ii	In associate Equity shares - Unquoted Applewood Estate Private Limited (4,51,726 shares of ₹ 10/- each)	-	23 262.52
		<b>1.00</b>	<b>23 263.52</b>
<b>b</b>	<b>Investments carried at fair value through other comprehensive income</b>		
	<b>Equity Share -Unquoted</b>		
	Applewood Estate Private Limited (4,13,726 shares of ₹ 10/- each)	22 816.99	-
	Hindustan Samachar Co-Op Society Limited	.01	.01
	Press Trust of India Limited	.02	.02
	Manekchowk Co-Op Bank Ltd	.41	.41
		<b>22 817.43</b>	<b>.44</b>
<b>c</b>	<b>Investments carried at amortised cost</b>		
	National Saving Certificates	.01	.01
		<b>.01</b>	<b>.01</b>
	<b>Total Non - Current Investments (A)</b>	<b>22 818.44</b>	<b>23 263.97</b>
<b>8B</b>	<b>Current Investments</b>		
<b>a</b>	<b>Investments carried at fair value through profit or loss</b>		
i	Equity shares - Quoted	2 959.98	2 972.11
ii	Mutual Fund - Unquoted	25 041.17	15 627.50
	<b>Total Current Investments (B)</b>	<b>28 001.15</b>	<b>18 599.61</b>
	<b>Total of ( A+B )</b>	<b>50 819.59</b>	<b>41 863.58</b>
	Aggregate amount of quoted investments	2 959.98	2 972.11
	Aggregate amount of market value of quoted investments	2 959.98	2 972.11
	Aggregate amount of unquoted investments	47 859.61	38 891.47
	Aggregate amount of impairment in value of investments	-	-

## 9 LOAN

(₹ in Lacs)

## 9A Non Current Financial Assets

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Secured, considered good</b>		
Inter - corporate deposits More than 12 months	2 874.50	-

## 9B CURRENT FINANCIAL ASSETS

(₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
	<b>Secured, considered good</b>		
	Inter - corporate deposits	6 000.00	14 500.00
	<b>Unsecured, considered good</b>		
a	Employees	39.12	49.69
b	Others	.89	5.71
		<b>6 040.01</b>	<b>14 555.40</b>

**10 OTHER FINANCIAL ASSETS** (₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
<b>10A</b>	<b>Non-current Other Financial Assets</b>		
a	Security deposits (Unsecured, Considered good)	331.52	375.04
b	Bank Fixed Deposits having maturity more than 12 Months	10 848.68	1 451.82
		<b>11 180.20</b>	<b>1 826.86</b>
	Held as margin money	560.83	1 451.82
<b>10B</b>	<b>Current Other Financial Assets</b>		
a)	Security Deposit (Margin Money)	315.73	-

**11 INVENTORIES** (₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
a	Raw Materials	2 229.73	1 535.08
b	Stock-in-trade	639.80	145.74
c	Stores and Spares	307.39	647.88
d	Others - Scrap	-	.02
		<b>3 176.92</b>	<b>2 328.72</b>

**12 TRADE RECEIVABLES** (₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
	Unsecured, considered good	5 079.74	6 765.12
		<b>5 079.74</b>	<b>6 765.12</b>
12.1	Dues from company where directors are interested (included above)	-	-

**13 CASH AND CASH EQUIVALENTS** (₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
<b>a</b>	<b>Balances with Banks</b>		
	In current accounts	1 249.81	788.49
	In fixed deposits	403.94	541.24
<b>b</b>	<b>Cash on Hand</b>	200.81	115.66
		<b>1 854.56</b>	<b>1 445.39</b>

**14 BANK BALANCES OTHER THAN ABOVE** (₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
a	Earmarked bank balances - unpaid dividend accounts	18.74	19.92
		<b>18.74</b>	<b>19.92</b>

## 15 OTHER CURRENT ASSETS

(₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
a	Advances - For Supply of Goods and Services	1 738.03	528.55
b	Prepaid Expenses	323.17	573.76
		<b>2 061.20</b>	<b>1 102.31</b>

## 16 EQUITY SHARE CAPITAL

(₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
<b>a</b>	<b>Authorized :</b>		
	1,50,00,000 (P.Y. 1,50,00,000) Equity Shares of ₹ 10/- each	1 500.00	1 500.00
<b>b</b>	<b>Issued &amp; Subscribed :</b>		
	75,69,421 (P.Y. 75,69,421) Equity shares of ₹ 10/- each	756.94	756.94
<b>c</b>	<b>Paid up :</b>		
	75,69,421 (P.Y. 75,69,421) Equity Shares of ₹ 10/- each	756.94	756.94

**d Rights, preferences and restrictions :**

- The Company has only one class of equity shares referred to as equity shares having a par value of ₹ 10. Each holder of equity share is entitled to one vote per share.
- Dividend, if any, is declared and paid in Indian Rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

**e Details of shareholders holding more than 5 per cent shares :**

Name of the Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	%	No. of Shares	%
Parthiv Falgunbhai Patel	9 95 400	13.15%	9 95 400	13.15%
Satyesh Prochem LLP	31 65 929	41.83%	31 65 929	41.83%
Scabious Enterprise LLP	4 20 831	5.56%	4 20 831	5.56%

**f Reconciliation of number of shares outstanding:**

(In Nos.)

Particulars	As at March 31, 2021	As at March 31, 2020
Equity Shares at the beginning of the year	75 69 421	75 69 421
Add: Issued during the Period	-	-
Equity Shares at the end of the period	75 69 421	75 69 421

## 17 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders of the Company. The Company's objective for capital management is to maximize shareholder value and safeguard business continuity. The Company determines the capital requirement based on annual operating plans and other strategic plans. The funding requirements are met through equity and operating cash flows.

**Summary of Quantitative Data is given hereunder:**

(₹ in Lacs)

Particulars	As at	
	March 31, 2021	March 31, 2020
Equity	756.94	756.94
Other Equity	87 674.37	76 972.66
<b>Total</b>	<b>88 431.31</b>	<b>77 729.60</b>

The company does not have any externally imposed capital requirement.

**18 DIVIDENDS**

The Company has paid interim dividend at the rate of ₹ 5/- per equity share for the year ended March 31, 2021 (Previous year at the rate of ₹ 5/- Per share)

**19 TRADE PAYABLES**

(₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
<b>19A</b>	<b>Current</b>		
	(a) total outstanding dues of micro enterprises and small enterprises		
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises	2 216.32	624.14
	Disclosure in respect of Micro and Small Enterprises :		
i	the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	-	-
ii	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
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 year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
iv	the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
	The above information has been compiled in respect of parties to the extent to which they could be identified as Micro and Small Enterprise on the basis of information available with the Company.	-	-

**20 PROVISIONS**

(₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
<b>20A</b>	<b>Non Current</b>		
	Employee Benefits - Gratuity	-	315.58
		-	<b>315.58</b>
<b>20B</b>	<b>Current</b>		
	Employee Benefits - Gratuity	23.81	35.45
		<b>23.81</b>	<b>35.45</b>
	<b>Total (A+B)</b>	<b>23.81</b>	<b>351.03</b>

## 21 BORROWINGS

(₹ in Lacs)

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Loans from related parties (unsecured)</b>		
From Directors	10.00	10.00
	<b>10.00</b>	<b>10.00</b>

## 22 OTHER FINANCIAL LIABILITIES

(₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
a	Unpaid Dividend	18.42	19.61
b	Deposits from Agents and Others	1 415.54	1 285.57
c	Others	1 868.05	1 454.49
		<b>3 302.01</b>	<b>2 759.67</b>

## 23 OTHER CURRENT LIABILITIES

(₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
a	Advance From Customer	1 285.46	1 361.77
b	Statutory Dues	80.33	149.10
		<b>1 365.79</b>	<b>1 510.87</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**
**24 REVENUE FROM OPERATIONS**

(₹ in Lacs)

No. Particulars	For the year ended	
	March 31, 2021	March 31, 2020
<b>a Operating revenues</b>		
i Sale of Publications	6 953.83	9 302.13
ii Revenue from Advertisements	14 955.58	23 542.23
iii Other Income	555.26	633.68
iv Bad Debt Recovery	134.63	87.58
v Provision / Liability No Longer Required	163.23	72.07
	<b>22 762.53</b>	<b>33 637.69</b>
<b>24.1 Disaggregation of revenue</b>		
Publication	6 953.83	9 302.13
Advertisement	14 955.58	23 542.23
<b>24.2 Revenue recognised during the year that was included in contract liability at the beginning of the period</b>	1 318.49	1 396.67
<b>b Other operating revenues</b>		
i Interest from financial asset measured at amortised cost	2 013.69	400.44
ii Sale of Trading Goods	2 408.15	53.61
iii Construction Revenue	-	15.47
	<b>4 421.84</b>	<b>469.52</b>
<b>Total (a + b)</b>	<b>27 184.37</b>	<b>34 107.21</b>

**25 OTHER INCOME**

(₹ in Lacs)

No. Particulars	For the year ended	
	March 31, 2021	March 31, 2020
i Interest from financial asset measured at amortised cost	333.52	142.66
ii Interest on income tax refund	-	5.46
iii Dividend income from investment measured at FVTPL	54.97	.20
iv Profit on Sale of Conversion of Land	2.15	-
v Net gain on investments carried at FVTPL	4 265.73	979.22
vi Miscellaneous Income	46.23	23.55
	<b>4 702.60</b>	<b>1 151.09</b>

**26 COST OF MATERIAL CONSUMED**

(₹ in Lacs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Newsprint Consumed	6 935.15	12 912.74
	<b>6 935.15</b>	<b>12 912.74</b>

**27 CHANGES IN INVENTORIES / COST OF GOODS SOLD**

(₹ in Lacs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Cost of goods sold - real estate	5.15	-
COGS_BULLION	2 355.33	-
Changes in inventory	2.24	28.48
	<b>2 362.72</b>	<b>28.48</b>

## 28 EMPLOYEE BENEFITS EXPENSE

No.	Particulars	For the year ended	
		March 31, 2021	March 31, 2020
a	Salaries and wages	2 744.16	3 142.66
b	Contribution	63.55	104.42
c	Staff Welfare Expenses	1.07	16.56
		<b>2 808.78</b>	<b>3 263.64</b>

## 28.1 Employee Benefits Note

## 28.2 Defined Contribution Plans

Details of amount recognized as expenses during the year for the defined contribution plans. (₹ in Lacs)

Particulars	2020-21	2019-20
Employer's Contribution to Superannuation Fund	.85	10.14
Employer's Contribution to Employee State Insurance Corporation Fund	5.72	10.38
Employer's Contribution to Pension Fund	40.00	45.64
Employer's Contribution to Provident Fund	16.99	38.26
<b>Total</b>	<b>63.56</b>	<b>104.42</b>

## 28.3 Defined Benefit Plan - Gratuity

Information about the characteristics of defined benefit plan

The benefit is governed by the Payment of Gratuity Act, 1972. The Key features are as under:

Features of the defined benefit plan	Remarks
Benefit offered	15 / 26 × Salary × Duration of Service
Salary definition	Basic Salary including Dearness Allowance (if any)
Benefit ceiling	Benefit ceiling of ₹ 20,00,000 was not applied
Vesting conditions	5 years of continuous service ( Not applicable in case of death / disability)
Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
Retirement age	58 years

28.4 The trust is responsible for the governance of the plan.

## 28.5 Risk to the Plan

Following are the risk to which the plan exposes the entity :

**A Actuarial Risk:**

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

**Adverse Salary Growth Experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

**Variability in mortality rates:** If actual mortality rates are higher than assumed mortality rate assumption then the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

**Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate assumption then the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

**B Investment Risk:**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**C Liquidity Risk:**

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cashflows.

**D Market Risk:**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**E Legislative Risk:**

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

**28.6 Reconciliation of defined benefit obligations**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Defined benefit obligations as at beginning of the year	420.77	385.63
Current service cost	35.45	32.30
Interest cost	18.01	19.88
Actuarial Loss/(Gain) due to change in financial assumptions	2.47	17.82
Actuarial Loss/(Gain) due to change in demographic assumptions	-	(.11)
Actuarial Loss/(Gain) due to experience	( 28.95)	( 17.18)
Benefits Paid	( 37.13)	( 17.57)
Defined benefit obligations as at end of the year	410.62	420.77

**28.7 Reconciliation of Plan Asset**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Plan Asset as at beginning of the year	69.72	81.67
Interest Income	-	-
Return on plan assets excluding amounts included in interest income	3.17	5.62
Contribution paid by employer	351.03	-
Benefits paid	( 37.13)	( 17.57)
Plan Asset as at end of the year	386.79	69.72

**28.8 Funded Status**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Present Value of Benefit Obligation at the end of the Period	410.62	420.77
Fair Value of Plan Assets at the end of the Period	386.79	69.72
Funded Status / Deficit	23.83	351.05

**28.9 Net amount Charged to Statement of Profit or Loss for the period**

(₹ in Lacs)

Particulars	2020-21	2019-20
Current service cost	35.45	32.30
Net Interest cost	18.01	19.88
Net amount recognized	53.46	52.18

## 28.10 Other Comprehensive income for the period

(₹ in Lacs)

Particulars	2020-21	2019-20
Components of actuarial gain/losses on obligations:		
Due to Change in financial assumptions	2.47	17.82
Due to change in demographic assumption	-	(.11)
Due to experience adjustments	(28.95)	(17.18)
Return on plan assets excluding amounts included in interest income	(3.17)	(5.62)
Amounts recognized in Other Comprehensive Income	(29.65)	(5.09)

## 28.11 Break up of Plan Assets

Particulars	31.03.2021	31.03.2020
Policy of Insurance /Bonds of PSU/Equity Share of listed companies	46.00%	2.00%
Others (Including bank balance)	54.00%	98.00%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

## 28.12 Actuarial Assumptions

Particulars	As at March 31, 2021	As at March 31, 2020
Discount Rate	5.60%	5.75%
Salary Growth Rate	4.00%	4.00%
Withdrawal Rate	20% at younger ages reducing to 0% at older ages	20% at younger ages reducing to 0% at older ages
Rate of Return on Plan Assets	5.6% p.a	5.75% p.a

## 28.13 Sensitivity Analysis for Actuarial Assumption

As at 31.03.2021	Change in Assumptions		Impact on Defined Benefit Obligation			
	Increase %	Decrease %	Increase in Assumptions		Decrease in Assumptions	
			₹ in Lacs	%	₹ in Lacs	%
Discount Rate	0.50%	0.50%	(8.06)	-1.96%	8.56	2.09%
Salary Growth Rate	0.50%	0.50%	8.63	2.11%	(8.20)	-1.99%
Withdrawal rate	10.00%	10.00%	.46	0.12%	(.58)	-0.14%

As at 31.03.2020	Change in Assumptions		Impact on Defined Benefit Obligation			
	Increase %	Decrease %	Increase in Assumptions		Decrease in Assumptions	
			₹ in Lacs	%	₹ in Lacs	%
Discount Rate	0.50%	0.50%	(7.77)	-1.84%	8.25	1.96%
Salary Growth Rate	0.50%	0.50%	8.29	1.98%	(7.88)	-1.87%
Withdrawal rate	10.00%	10.00%	.40	0.10%	(.53)	-0.12%

**Limitation of method used for sensitivity analysis :**

Sensitivity analysis produces the results by varying a single parameter & keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed. There are no changes from the previous period in the methods and assumptions used in preparing the sensitivity analysis.

## 28.14 Details of Asset- Liability Matching Strategy

There are no minimum funding requirements for a Gratuity benefits plan in India and there is no compulsion on the part of the Company to fully or partially pre-fund the liabilities under the Plan.

**28.15 Maturity Profile of the Defined Benefit Obligation**

<b>As at March 31, 2021</b>	<b>₹ in Lacs</b>	<b>%</b>
2022	202.51	37.10%
2023	27.83	5.10%
2024	24.97	4.60%
2025	25.07	4.60%
2026	21.49	4.00%
2027 - 2031	81.51	15.00%

<b>As at March 31, 2020</b>	<b>₹ in Lacs</b>	<b>%</b>
2021	35.45	6.51%
2022	199.87	36.69%
2023	26.53	4.90%
2024	23.84	4.40%
2025	22.93	4.20%
2026 - 2030	83.14	15.30%

**29 FINANCE COST**

(₹ in Lacs)

<b>No. Particulars</b>	<b>For the year ended</b>	
	<b>March 31, 2021</b>	<b>March 31, 2020</b>
a Interest Expenses on Financial liabilities carried at Amortized Cost		
i To Directors	-	2.97
ii To Other	36.37	38.54
b Interest expense - Other	9.73	.19
	<b>46.10</b>	<b>41.70</b>

**30 OTHER EXPENSES**

(₹ in Lacs)

<b>No. Particulars</b>	<b>For the year ended</b>	
	<b>March 31, 2021</b>	<b>March 31, 2020</b>
a Power and fuel	318.04	473.90
b Stores and spares consumed	975.35	1 626.00
c Feature, Newsgathering and purashkar expenses	532.26	542.93
d Audit Fees*	6.85	6.85
e License fees	1 255.20	2 576.55
f Distribution Expenses	411.45	439.22
g Taxi Expenses	408.73	447.71
h Selling Expenses	2 016.83	2 639.89
i Donation	-	2.51
j CSR Expenses	174.10	11.24
k Miscellaneous Expenses	1 461.45	2 165.21
	<b>7 560.26</b>	<b>10 932.01</b>
* Payment to the Auditors		
a For Statutory Audit	5.75	5.75
b For Certification and other matters	1.10	1.10
	<b>6.85</b>	<b>6.85</b>

**31 EXCEPTIONAL ITEMS**

(₹ in Lacs)

<b>No. Particulars</b>	<b>For the year ended</b>	
	<b>March 31, 2021</b>	<b>March 31, 2020</b>
a (Loss) / Profit on discard / sale of assets	-	94.23
b Profit/Loss on sale of Property, Plant and Equipments	152.80	
	<b>152.80</b>	<b>94.23</b>

**32 EARNING PER SHARE**

No. Particulars	For the year ended	
	March 31, 2021	March 31, 2020
a Net Profit after Tax	8 930.69	5 836.31
b Weighted Average Shares	75.69	75.69
c Basic and Diluted Earning per Share (in Rupees)	117.98	77.10

**33 DISCLOSURE PURSUANT TO APPENDIX - D TO IND AS 115 - "SERVICE CONCESSION ARRANGEMENTS"****33.1 Description and classification of the arrangement**

The Company has entered into Service Concession Agreement with Vadodara Municipal Coporation (VMC) for the purpose of providing, fixing and operating 120 modern bus shelters at various locations in Vadodara on Build, Operate and Transfer ("BOT") basis. The Concession Period is of five years.

**33.2 Significant Terms of the arrangements****i Rights of the company**

The company gets the advertisement right for a period of five years on construction of bus shelter as per the terms.

**ii Obligation of the Company**

The company is required to pay premium for a period of five years from the date of completion of project.

**iii Details of any assets to be given at the end of concession period**

At the end of the Concession period the company shall transfer all rights of the bus shelter to VMC. No additional payment shall be given to the company in this regard. At the time of hand over of bus shelters, they shall be in good working condition.

**iv Details of Termination**

VMC can foreclose contract as specified in the terms of arrangements.

**33.3** The advertisement right received due to service concession arrangement has been classified as intangible assets.

**33.4** There has been no change in the concession arrangement during the year.

**33.5 Disclosure in respect of Construction Contracts**

(₹ in lacs)

No.	Particulars	2020-21	2019-20
a	Amount of Contract Revenue recognised as revenue during the year	-	15.47
b	Disclosure in respect of Contract in Progress at the reporting date		
i	Contract cost incurred and recognised profit less recognised losses upto the reporting date	-	15.47
ii	Advances Received	-	-
iii	Retention Amount	-	-
c	Amount due from Customers for Contract in Progress	-	-
d	Amount due to Customers for Contract in Progress	-	-

**34 INCOME TAX EXPENSE****34.1 Income tax expense in the statement of profit and loss comprises of:**

(₹ in Lacs)

Particulars	2020 - 21	2019 - 20
Current income tax	2 340.00	2 290.00
Adjustments in respect of current tax of earlier years	( 32.32)	( 26.99)
<b>Total current income tax</b>	<b>2 307.68</b>	<b>2 263.01</b>
<b>Deferred tax</b>		
Relating to origination and reversal of temporary difference	394.78	( 711.28)
<b>Total deferred tax expense / (income)</b>	<b>394.78</b>	<b>( 711.28)</b>
<b>Total tax expense</b>	<b>2 702.46</b>	<b>1 551.73</b>

**34.2 The details of income tax assets and liabilities and Deferred tax liabilities :** (₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Income tax assets - Current	537.65	459.19
Deferred tax liabilities	608.68	213.82

**34.3 A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:**

(₹ in Lacs)

Particulars	2020 - 21	2019 - 20
<b>Accounting profit before tax</b>	11 633.15	7 388.04
Normal tax rate	25%	25%
Tax liability on accounting profit	2 927.83	1 859.42
Exempted Income / Other adjustment	( 140.00)	( 40.34)
Expenses Disallowed	69.68	16.00
Tax effect of differential tax rates	( 78.56)	( 17.05)
Tax Effect on Ind AS impact	( 438.95)	471.97
Adjustments in respect of current tax of earlier years	( 32.32)	( 26.99)
Deferred tax expense / (income)	394.78	( 711.28)
<b>Income tax expenses as per normal tax rate</b>	<b>2 702.46</b>	<b>1 551.73</b>

**34.4 Details of each type of recognized temporary differences, unused tax losses and unused tax credits** (₹ in Lacs)

Particulars	Recognized DTA / DTL in balance sheet	
	March 31, 2021	March 31, 2020
<b>Deferred tax liability</b>		
Property, plant and equipment	449.12	427.83
Investments	347.36	-
<b>Total Deferred tax liability</b>	<b>796.48</b>	<b>427.83</b>
<b>Deferred tax asset</b>		
Brought forward capital loss	181.81	-
Investments	-	125.66
Employee benefits	5.99	88.35
<b>Total Deferred tax asset</b>	<b>187.80</b>	<b>214.01</b>
<b>Net Deferred Tax Liability Recognized</b>	<b>608.68</b>	<b>213.82</b>

**Note :** The company has not considered deferred tax effect on temporary differences of those assets on which it is probable that such temporary difference will not reverse in foreseeable future.

## 35 FINANCIAL INSTRUMENTS

## 35.1 Disclosure of Financial Instruments by Category

As at March 31, 2021						(₹ in Lacs)
Particulars	Note No.	FVTPL	FVTOCI	Amortized cost	Total carrying value	Fair value
<b>Financial asset</b>						
Investment in Equity Instruments	8A - 8B	2 959.98	22 817.43	-	25 777.41	25 777.41
Investment in Mutual Fund	8B	25 041.17	-	-	25 041.17	25 041.17
Investment in NSC	8A	-	-	.01	.01	.01
Loans	9A-9B	-	-	8 914.51	8 914.51	8 914.51
Other Financial Asset	10A-10B	-	-	11 495.93	11 495.93	11 495.93
Trade Receivable	12	-	-	5 079.74	5 079.74	5 079.74
Cash and cash equivalent	13	-	-	1 854.56	1 854.56	1 854.56
Bank balance other than above	14	-	-	18.74	18.74	18.74
<b>Total Financial assets</b>		<b>28 001.15</b>	<b>22 817.43</b>	<b>27 363.49</b>	<b>78 182.07</b>	<b>78 182.07</b>
<b>Financial liability</b>						
Trade Payables	19	-	-	2 216.32	2 216.32	2 216.32
Borrowings	21	-	-	10.00	10.00	10.00
Other financial liabilities	22	-	-	3 302.01	3 302.01	3 302.01
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>5 528.33</b>	<b>5 528.33</b>	<b>5 528.33</b>

As at March 31, 2020						(₹ in Lacs)
Particulars	Note No.	FVTPL	FVTOCI	Amortized cost	Total carrying value	Fair value
<b>Financial asset</b>						
Investment in equity instrument	8A - 8B	2 972.11	.44	-	2 972.55	2 972.55
Investment in mutual fund	8B	15 627.50	-	-	15 627.50	15 627.50
Investment in NSC	8A	-	-	.01	.01	.01
Loans	9B	-	-	14 555.40	14 555.40	14 555.40
Other Financial Asset	10A	-	-	1 826.86	1 826.86	1 826.86
Trade Receivable	12	-	-	6 765.12	6 765.12	6 765.12
Cash and cash equivalent	13	-	-	1 445.39	1 445.39	1 445.39
Bank balance other than above	14	-	-	19.92	19.92	19.92
<b>Total Financial assets</b>		<b>18 599.61</b>	<b>.44</b>	<b>24 612.70</b>	<b>43 212.75</b>	<b>43 212.75</b>
<b>Financial liability</b>						
Trade Payables	19	-	-	624.14	624.14	624.14
Borrowings	21	-	-	10.00	10.00	10.00
Other financial liabilities	22	-	-	2 759.67	2 759.67	2 759.67
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>3 393.81</b>	<b>3 393.81</b>	<b>3 393.81</b>

**36 FAIR VALUE MEASUREMENT**

Fair Value Measurement of Financial asset and Financial liabilities

**36.1 Fair value hierarchy**

(₹ in Lacs)

Particulars	Note No.	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2021</b>					
<b>Financial Assets Measured at FVTPL - Recurring FVM</b>					
Investment in Equity Instrument	8A - 8B	2 959.98	-	22 817.43	25 777.41
Investment in Mutual Fund	8B	-	25 041.17	-	25 041.17
<b>Total of Financial Assets</b>		<b>2 959.98</b>	<b>25 041.17</b>	<b>22 817.43</b>	<b>50 818.58</b>
<b>Non financial assets measured at cost</b>					
Investment properties	6	-	5 495.66	-	5 495.66
		-	<b>5 495.66</b>	-	<b>5 495.66</b>
<b>As at March 31, 2020</b>					
<b>Financial Assets Measured at FVTPL - Recurring FVM</b>					
Investment in equity instrument	8A - 8B	2 972.11	-	.44	2 972.55
Investment in mutual fund	8B	-	15 627.50	-	15 627.50
<b>Total of Financial Assets</b>		<b>2 972.11</b>	<b>15 627.50</b>	<b>.44</b>	<b>18 600.05</b>
<b>Non financial assets measured at cost</b>					
Investment properties	6	-	5 495.66	-	5 495.66
		-	<b>5 495.66</b>	-	<b>5 495.66</b>

36.2 The Fair value of current financial assets, current trade payables and loan from related party, measured at amortised cost, are considered to be the same as their carrying amount as they are of short term nature. Hence fair value hierarchy is not given for the same.

36.3 The carrying amount of non - current financial assets and non - current financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled. Hence, fair value hierarchy is not given for the same.

36.4 There are no transfer between level 1, level 2 and level 3 during the year

**36.5 Valuation technique and observable inputs used to determine fair value in level 2**

The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors

The fair value of investment in investment property are based on valuation report.

36.6 The fair value of investment in equity shares of Applewoods Estate private Limited is based on cost approach. Fair value of net assets used as unobservable input to determine the fair value. A one percentage change in the unobservable input used in fair valuation has insignificant impact.

**Reconciliation of level 3 fair value measurement is as follows:**

(₹ in Lacs)

Particulars	March 31, 2021
Balance at the beginning of the year	-
Addition during the year	20 697.14
Fair value gain included in OCI	2 119.85
Balance at the end of the year	22 816.99

**37 FINANCIAL RISK MANAGEMENT**

The company's activities expose it to variety of financial risks : market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to

set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

### Market risk

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk and other price risk. The company does not have any borrowing with fluctuating rate of interest, hence it is not exposed to interest risk.

#### i Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The company is exposed to foreign currency risk due to import of materials. The company measures risk through sensitivity analysis. As on March 31, 2021 no outstanding amount is payable for purchase of imported material.

#### ii Other Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The company is exposed to price risk mainly because of investments in mutual funds and equity shares classified as fair value through profit and loss and Fair Value through other comprehensive income. The company measures risk through sensitivity analysis. The company's risk management policy is to mitigate the risk by investments in diversified Portfolios.

The company's exposure to price risk due to investments in mutual fund and equity are as follows: (₹ In Lacs)

Particulars	March	March
	31, 2021	31, 2020
Investments in Mutual Funds	25 041.17	15 627.50
Investment in Equity Instruments	2 959.98	2 972.11
Investment in Equity Instruments carried at FVTOCI	22 817.43	.44

### Sensitivity Analysis

**Investments in Mutual Funds** (₹ In Lacs)

Particulars	Impact on profit after tax	
	March	March
	31, 2021	31, 2020
NAV increases by 0.5%	93.69	58.47
NAV decreases by 0.5%	( 93.69)	( 58.47)

**Investment in Equity Instruments** (₹ In Lacs)

Particulars	Impact on profit after tax	
	March	March
	31, 2021	31, 2020
Market Price increases by 0.5%	11.08	11.12
Market Price decreases by 0.5%	( 11.08)	( 11.12)

**Investment in Equity Instruments carried at FVTOCI** (₹ In Lacs)

Particulars	Impact on profit after tax	
	March	March
	31, 2021	31, 2020
Market Price increases by 0.5%	85.37	0.00
Market Price decreases by 0.5%	( 85.37)	( .00)

#### iii Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The company's principal source of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due. Hence no liquidity risk is perceived.

The table below provide details regarding the contractual maturities of financial liabilities as at: (₹ In Lacs)

	Carrying Amount	upto 1 year	1 - 2 years
<b>As at March 31, 2021</b>			
<b>Non Derivative Financial Liability</b>			
Trade Payables	2 216.32	2 216.32	-
Borrowings	10.00	10.00	-
Other financial liabilities	3 302.01	3 302.01	-
<b>As at March 31, 2020</b>			
<b>Non Derivative Financial Liability</b>			
Trade Payables	624.14	624.14	-
Borrowings	10.00	10.00	-
Other financial liabilities	2 759.67	2 759.67	-

**iv Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness.

Credit risk arises primarily from financial assets such as trade receivables, investments in mutual funds, equity share, cash and cash equivalent, Inter corporate deposit and other balances with banks.

In respect of trade receivables, credit risk is being managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. All trade receivables are also reviewed and assessed for default on a regular basis. The concentration of credit risk is limited due to the fact that the customer base is large. There is no customer representing more than 10% of total balance of trade receivables.

Credit risk arising from investment in mutual funds, cash and cash equivalent and other balances with bank is limited as the counterparties are banks and recognised financial institution with high credit ratings.

Credit risk arising from inter corporate deposit is limited as entire amount is secured by immovable property.

The Company has considered the possible effects that may result from the pandemic relating to COVID – 19 on the carrying amounts of receivables, investment in mutual fund, equity share and inter corporate deposits based on the internal and external source of information up to the date of approval of the financial statements. The Company expects that the carrying amount of these assets will be recovered. The Company will however continue to monitor any material changes to future economic conditions.

The maximum exposure to the credit risk at the reporting date from trade receivables amounting to ₹ 5079.74 lacs as on March 31, 2021 and ₹ 6765.12 lacs as on March 31, 2020.

**38 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**

(₹ In Lacs)

Note No.	Particulars	For the year ended	
		March 31, 2021	March 31, 2020
<b>a</b>	<b>Contingent Liabilities</b>		
i	Claims against the company not acknowledged as debt There are several defamation and other legal cases pending against the Company and its directors. These include criminal and civil cases. The company has also raised counter claims against some of the claimants. The estimated contingency in respect of these cases cannot be ascertained. Based on discussions with the lawyers / solicitors and also the past trend in respect of such cases, the Company believes that there is no present obligation in respect of the above and hence no provision is considered necessary against the same.	-	-
ii	Income tax demand of ₹813.03 lacs (Previous year ₹889.04 lacs ) Including Provisional demand of Rs .688.75 lacs ( Previous Year ₹688.75 lacs has been raised against the company for various Assessment Years, which has not been acknowledged as debt in view of legal opinion and various judicial pronouncements. Appeals & rectification applications filed against the same as well as appeal effect orders for these years are still pending.	813.03	889.04
iii	VAT Appeal Stage -I FY 2010-11	34.00	34.00
<b>b</b>	<b>Commitments</b>		
	Estimated amount of contracts remaining to be executed on capital account and not provided for.	68.45	68.45

### 39 DETAILS OF LOAN GIVEN, INVESTMENT MADE AND GUARANTEE GIVEN COVERED UNDER SECTION 186 (4) OF THE COMPANIES ACT, 2013

Loans given and investments made are shown under the respective heads.

Loans have been utilised by the recipient for their business purpose.

There are no corporate guarantees given by the company in respect of loans as at March 31, 2021

### 40 CSR Expenditure

i) Gross Amount Required to be spent by Company during the Year is Rs 174.07 lacs

Sr.no	Particular	In Cash/ Cheque	Yet to be paid	Total
a)	Construction/acquisition of any Asset	-	-	-
b)	On Purpose other than (1) above	174.10	-	-

### 41 RELATED PARTIES DISCLOSURE:

#### 41.1 Related party :

(a) Name of Key Managerial Personnel :

1	Mr. Falgun Patel	Chairman & Managing Director
2	Mr. Parthiv Patel	Managing Director
3	Mrs. Panna Patel	Director
4	Mr. Sanjay Kumar Tandon	Whole Time Director & CFO ( WTD from 15th September 2020)
5	Mr. Yogesh Jani	Whole Time Director (up to 15th September 2020)
6	Dr. Gauri Surendra Trivedi	Independent Director
7	Mr. Mukesh Patel	Independent Director
8	Mr. Sudhir Nanavati	Independent Director
9	Mr. Sheyas Pandya <sup>1</sup>	Independent Director
10	Mr. Sandeep Singhi	Independent Director
11	Mr. Dhaval Pandya	Company Secretary

(b) Wholly Owned Subsidiary  
Sandesh Digital Private Limited

(c) Associate  
Applewoods Estate Private Limited<sup>1</sup>

(d) Subsidiary of associate  
Stanford Operation and Maintenance Private Limited

(e) Enterprise over which Key Managerial Personnel having control or significant influence:

1	Sandesh Procon LLP
2	Saintfoin Enterprise LLP
3	Scabious Enterprise LLP
4	Satyesh Prochem LLP
5	Satyesh Brinechem private Limited
6	Falgunbhai C Patel (HUF)
7	Applewoods Estate Private Limited <sup>1</sup>
8	Acquest estate private limited
9	Fairy Co-operative Housing Society Limited

(f) Post - employment benefit plan entities

1	Sandesh Employee Gratuity Fund
2	Sandesh Superannuation Fund

## (g) Relatives of Key Managerial Personnel:

Mrs. Rita Patel

<sup>1</sup> Mr. Shreyas Pandya has resigned as an Independent Director of the Company with effect from January 19, 2021.

<sup>2</sup> Applewoods Estate Private Limited was associate company till January 29, 2021. However, KMPs continue to have control over the Applewood Estate Private Limited even after January 29, 2021. Hence, transactions with Applewoods, prior to January 29, 2021, have been shown as related party transactions with associate and subsequent to this date, transactions have been shown as related party transaction with enterprise over which KMP having control.

**41.2 Particulars of transactions with related parties. The transactions are disclosed in aggregate value.**
**i For the year 2020-21**

(₹ in Lacs)

Sr. No.	Particulars	KMP	Subsidiary	Associate	Enterprise over which KMP having control or significant influence	Relative of KMP	Post - employment benefit plan	Total
<b>a</b>	<b>Assets</b>							
1	Purchase of Investment Property	-	-	-	-	-	-	-
<b>b</b>	<b>Liabilities</b>							
	Loan transactions							
	Loan taken	-	-	-	-	-	-	-
	Loan Repayment	-	-	-	-	-	-	-
<b>c</b>	<b>Incomes</b>							
1	Advertisement revenue	-	-	3.95	.18	-	-	4.13
2	License Fees Income	-	21.10	-	-	-	-	21.10
<b>d</b>	<b>Expenses</b>							
1	Remuneration Expenses	835.74	-	-	-	4.09	-	839.83
2	Interest Expenses	-	-	-	-	-	-	-
3	Rent Expenses	-	-	-	-	-	-	-
4	Advertisement Expense	-	1.73	-	-	-	-	1.73
5	Maintenance Exp	-	-	-	5.57	-	-	5.57
<b>e</b>	<b>Contribution to funds :</b>							
1	Contribution to Superannuation fund	-	-	-	-	-	10.14	10.14
2	Gratuity Fund	-	-	-	-	-	351.03	351.03
f	Dividend paid	79.09	-	-	203.55	.52	-	283.16
<b>g</b>	<b>Balance outstanding:-</b>							
<b>i</b>	<b>Assets</b>							
1	Investment in shares	-	1.00	-	22 816.99	-	-	22 817.99
2	Maintenance Deposit	-	-	-	152.71	-	-	152.71
3	Licence fee receivable	-	2.70	-	-	-	-	2.70
<b>ii</b>	<b>Liabilities</b>							
1	Loan taken	10.00	-	-	-	-	-	10.00
2	Advertisement Deposit	-	-	-	13.08	-	-	13.08
3	Remuneration Payable (including commission)	770.66	-	-	-	.34	-	771.00
4	Rent expenses payable	-	-	-	-	-	-	-

## ii For the year 2019-20

(₹ in Lacs)

Sr. No.	Particulars	KMP	Subsidiary	Associate	Enterprise over which KMP having control or significant influence	Relative of KMP	Post - employment benefit plan	Total
<b>a</b>	<b>Assets</b>							
1	Purchase of Investment Property	-	-	207.11	-	-	-	207.11
<b>b</b>	<b>Liabilities</b>							
	Loan transactions	-	-	-	-	-	-	-
	Loan taken	10.00	-	-	-	-	-	10.00
	Loan Repayment	37.09	-	-	-	-	-	37.09
<b>c</b>	<b>Incomes</b>							
1	Advertisement revenue	-	-	6.16	-	-	-	6.16
2	License Fees Income	-	23.79	-	-	-	-	23.79
<b>d</b>	<b>Expenses</b>							
1	Remuneration Expenses	748.75	-	-	-	4.29	-	753.04
2	Interest Expenses	2.97	-	-	-	-	-	2.97
3	Rent Expenses	-	-	-	20.93	-	-	20.93
4	Contribution to fund	-	-	-	-	-	10.14	10.14
<b>e</b>	<b>Dividend paid</b>	79.09	-	-	203.55	.52	-	283.16
<b>f</b>	<b>Balance outstanding:-</b>							
<b>i</b>	<b>Assets</b>							
1	Investment in shares	-	1.00	23 262.52	-	-	-	23 263.52
2	Maintenance Deposit	-	-	-	132.79	-	-	132.79
3	Licence fee receivable	-	2.01	-	-	-	-	2.01
<b>ii</b>	<b>Liabilities</b>							
1	Loan taken	10.00	-	-	-	-	-	10.00
2	Advertisement Deposit	-	-	17.15	-	-	-	17.15
3	Remuneration Payable (including commission)	519.93	-	-	-	.36	-	520.29
4	Rent expenses payable	-	-	-	4.17	-	-	4.17

**iii Compensation of key managerial personnel of the company** (₹ in Lacs)

Particulars	2020-21	2019-20
Short - term employee benefit	826.37	701.62
Post - employment benefit	9.37	47.13
<b>Total</b>	<b>835.74</b>	<b>748.75</b>

**41.3 Disclosure of material transactions with Related Party:** (₹ in Lacs)

Sr. No.	Particulars	2020-21	2019-20
<b>a</b>	<b>Assets</b>		
<b>1</b>	<b>Investment in shares</b>		
	Applewoods Estate Private Limited	22 816.99	23 262.52
<b>2.</b>	<b>Purchase of investment property</b>		
	Applewoods Estate Private Limited	-	207.11
<b>3.</b>	<b>Maintenance Deposit</b>		
	Acquest Estate Private Limited	152.71	132.79
<b>4.</b>	<b>Licence fee receivable</b>		
	Sandesh Digital Private Limited	2.70	2.01
<b>b</b>	<b>Liabilities</b>		
<b>1</b>	<b>Loan transactions</b>		
<b>i</b>	<b>Loan taken from</b>		
	Mr Falgun Patel	5.00	5.00
	Mr Parthiv Patel	5.00	5.00
<b>ii</b>	<b>Loan repayment to</b>		
	Mr Falgun Patel	-	15.06
	Mr Parthiv Patel	-	22.03
<b>iii</b>	<b>Advertisement Deposit</b>		
	Applewoods Estate Private Limited	13.08	17.15
<b>iv</b>	<b>Remuneration Payable</b>		
	Mr Falgun Patel	381.37	237.66
	Mr Parthiv Patel	385.63	277.40
	Mr. Yogesh Jani	-	.78
	Mr. Sanjay Kumar Tandon	2.27	2.54
	Mr. Dhaval Pandya	1.38	1.55
	Mrs. Rita Patel	.34	.36
<b>c</b>	<b>Incomes</b>		
<b>1</b>	<b>Advertisement Revenue</b>		
	Applewoods Estate Private Limited	3.95	6.16
<b>2</b>	<b>License Fees Income</b>		
	Sandesh Digital Private Limited	21.10	23.79
<b>d</b>	<b>Expenses</b>		
<b>1</b>	<b>Remuneration Expenses</b>		
	<b>Short - term employee benefit</b>		
	Mr Falgun Patel	387.87	310.50
	Mr Parthiv Patel	390.63	332.80
	Mr. Yogesh Jani	3.56	9.17
	Mr. Sanjay Kumar Tandon	27.56	31.02
	Mr. Dhaval Pandya	16.75	18.12
	Mrs. Rita Patel	4.09	4.29

Sr. No.	Particulars	2020-21	2019-20
	<b>Post - employment benefit</b>		
	Mr Falgun Patel	5.37	34.50
	Mr Parthiv Patel	3.56	12.20
	Mr. Sanjay Kumar Tandon	.22	.22
	Mr. Dhaval Pandya	.22	.22
<b>2</b>	<b>Interest Expenses</b>		
	Mr Falgun Patel	-	1.20
	Mr Parthiv Patel	-	1.76
<b>3</b>	<b>Rent Expenses</b>		
	Satlon Enterprise Private Limited	-	2.10
	Fairy Co-operative Housing Society Limited	-	18.75
<b>4</b>	<b>Maintenance Expense</b>		
	Acquest Estate Private Limited	-	-
<b>5</b>	<b>Dividend paid</b>		
	Mr Parthiv Patel	49.77	49.77
	Mr Falgun Patel	17.04	17.04
	Mrs. Panna Patel	12.28	12.28
	Falgun C Patel (HUF)	9.27	9.27
	Mrs. Rita Patel	.52	.52
	Saintfoin Enterprise LLP	14.94	14.94
	Scabious Enterprise LLP	21.04	21.04
	Satyesh Prochem LLP	158.30	158.30
<b>6</b>	<b>Contribution to funds</b>		
	Sandesh Superannuation Fund	10.14	10.14
	Gratuity Fund	351.03	-

#### 41.4 Disclosure requirement as per Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Particulars	2020-21	2019-20
Loan given to wholly owned subsidiary		
Outstanding Balance at the year end	-	-
Maximum amount Outstanding during the year	-	-

42 In accordance with Ind AS 108, Operating Segments, the company has disclosed the segment information in the consolidated financial statements.

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached.

#### For, S G D G & Associates LLP

Chartered Accountants  
ICAI Firm Registration No. : W100188

#### Devansh Gandhi

Partner  
Membership No. 129255  
Place : Ahmedabad  
Date : June 29, 2021

#### For and on behalf of the Board

#### Falgunbhai Patel

(DIN: 00050174)  
Chairman & Managing Director

#### Sanjay Kumar Tandon

Whole Time Director & CFO

Place : Ahmedabad  
Date : June 29, 2021

#### Parthiv Patel

(DIN: 00050211)  
Managing Director

#### Dhaval Pandya

Company Secretary

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF  
**THE SANDESH LIMITED**

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of The Sandesh Limited ("the Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2021, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year ended on that date, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (hereinafter referred to as "Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at March 31, 2021, of the consolidated profit and total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (hereinafter referred to as "SAs"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (hereinafter referred to as "ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Accuracy of recognition, measurement, presentation and disclosures of advertisement revenue.</p> <p>For advertisement revenue, there is a risk of material misstatement of the consolidated financial statements due to error considering following aspects:</p> <ul style="list-style-type: none"> <li>- Advertisement revenue from print media                             <ul style="list-style-type: none"> <li>• Pricing terms of the advertisement revenue in the newspaper are complex and prices, generally, are changed on a periodic basis</li> <li>• Number of parties involved and number of transactions are huge</li> </ul> </li> <li>- Advertisement revenue from other platforms                             <ul style="list-style-type: none"> <li>• pricing terms are non-standardized and are different on customer to customer basis.</li> </ul> </li> </ul>	<p>Principal audit procedure:</p> <ul style="list-style-type: none"> <li>- Our approach was a combination of test of internal controls and substantive procedures which included the following:                             <ul style="list-style-type: none"> <li>• Evaluated the design of internal control</li> <li>• For evaluation of operative effectiveness of internal control, tested the advertisement considering the accuracy of pricing, invoice amount and tax thereon, place, edition and customer.</li> <li>• Tested the relevant information technology system in respect of recording and disclosing of advertisement revenue</li> <li>• In case of advertisement in newspaper and on hoardings, tested the location, date and content of actual advertisement published in the newspaper and site respectively.</li> <li>• Verification of invoices on sample basis.</li> <li>• Performed analytical procedures to verify the discount given on advertisement</li> </ul> </li> <li>- Evaluated the appropriateness of accounting policies, related disclosure made and overall presentation in the consolidated financial statements in terms of Ind AS 115</li> </ul>

Sr. No.	Key Audit Matter	Auditor's Response
2	<p>Valuation of Investments and recognition of (1) realized gain on derecognition of investments and (2) unrealized gain on fair valuation of investments.</p> <p>The Group has investments of Rs. 51,209.51 lakhs which constitute 53% of total assets as at March 31, 2021. The investments are measured at fair value at each reporting date and fair value measurements of such investments have significant impact on the Group's results.</p> <p>As value of investments is substantial and realized / unrealized gain on such investments have significant impact on profitability of the Group during the year, these are considered as key audit matters.</p>	<p>Principal audit procedure:</p> <ul style="list-style-type: none"> <li>- Performed test of control on the Group's process to compute the fair value of investments of equity shares of listed companies and mutual fund and also recognition of realized and unrealized gain</li> <li>- For investment in equity shares of private limited company: evaluated the independent valuer's report considering how the valuation is done, and significant judgement made in his report.</li> </ul>
3	<p>Assessment of impairment test in investment properties</p> <p>The Group has material investment in investment properties. For impairment test, the company obtains the valuation report of independent valuer which involves judgement of possible fair value of the investment properties</p>	<p>Principal Audit Procedure</p> <ul style="list-style-type: none"> <li>- Evaluated the independent valuer considering his competence and independence</li> <li>- Evaluated the valuation report considering how the valuation is done, and significant judgement made in his report.</li> </ul>

#### Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. The Board's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Board's report, if we conclude that there is a material misstatement of this other information, we are required to communicate to those charged with governance and necessary action in accordance with SAs will be taken.

#### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of the preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting of the Group.

#### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matter**

- We did not audit the financial statements of subsidiary; whose financial statements reflect total assets of Rs. 440.64 Lakhs as at March 31, 2021, total revenues of Rs. 229.74 Lakhs and net cash outflows amounting to Rs. 4.46 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.
- Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure – A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer Note 38 to the consolidated financial statements.
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

**For, S G D G & Associates LLP**  
Chartered Accountants  
ICAI Firm Reg No. – W100188

**(Devansh Gandhi)**  
Partner  
Membership No. 129255  
UDIN: 21129255AAAAEV3002

Place: Ahmedabad  
Date: June 29, 2021

**ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of The Sandesh Limited (“the Holding Company”) and its subsidiary which are companies incorporated in India, as of that date.

**Management’s Responsibility for Internal Financial Controls**

The Respective Board of Directors of the Holding Company and its subsidiary, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the Holding Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by these Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Place: Ahmedabad  
Date: June 29, 2021

**For, S G D G & Associates LLP**  
Chartered Accountants  
ICAI Firm Reg No. – W100188

**(Devansh Gandhi)**  
Partner  
Membership No. 129255  
UDIN: 21129255AAAAEV3002

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021**

(₹ in Lacs)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>A ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	5	6 363.37	7 100.61
(b) Capital work-in-progress	5.2	5.66	32.66
(c) Investment property	6	5 495.66	5 495.66
(d) Intangible assets	7	134.39	203.71
(e) Financial assets			
(i) Investments	8A	22 817.44	23 880.62
(ii) Loans	9A	2 874.50	-
(iii) Other financial assets	10A	11 180.30	1 826.95
		<b>48 871.32</b>	<b>38 540.21</b>
<b>(2) Current Assets</b>			
(a) Inventories	11	3 176.92	2 328.73
(b) Financial assets			
(i) Investments	8B	28 392.07	18 933.71
(ii) Loans	9B	6 040.01	14 555.40
(iii) Other financial assets	10B	315.73	-
(iv) Trade receivables	12	5 117.01	6 790.45
(v) Cash and cash equivalents	13	1 863.66	1 458.94
(vi) Bank balances other than (v) above	14	18.74	19.94
(c) Current tax asset (net)	34	535.68	459.01
(d) Other current assets	15	2 061.63	1 102.31
		<b>47 521.45</b>	<b>45 648.49</b>
<b>Total assets</b>		<b>96 392.77</b>	<b>84 188.70</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>I EQUITY</b>			
(a) Equity Share Capital	16	756.94	756.94
(b) Other Equity	17	88 093.15	77 941.50
		<b>88 850.09</b>	<b>78 698.44</b>
<b>II LIABILITIES</b>			
<b>(1) Non-current Liabilities</b>			
(a) Financial liabilities		-	-
(b) Provisions	20A	2.66	317.22
(c) Deferred tax liabilities ( net )	34	611.67	220.67
		<b>614.33</b>	<b>537.89</b>
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	21	10.00	10.00
(ii) Trade payables			
(a) total outstanding dues of creditors other than micro enterprises and small enterprises	19A	2 224.23	634.97
(iii) Other financial liabilities	22	3 302.01	2 760.06
(b) Other current liabilities	23	1 368.30	1 511.89
(c) Provisions	20B	23.81	35.45
		<b>6 928.35</b>	<b>4 952.37</b>
<b>Total equity and liabilities</b>		<b>96 392.77</b>	<b>84 188.70</b>

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached.

**For, S G D G & Associates LLP**

 Chartered Accountants  
 ICAI Firm Registration No. : W100188

**Devansh Gandhi**

 Partner  
 Membership No. 129255  
 Place : Ahmedabad  
 Date : June 29, 2021

**For and on behalf of the Board**
**Falgunbhai Patel**

 (DIN: 00050174)  
 Chairman & Managing Director

**Sanjay Kumar Tandon**

Whole Time Director &amp; CFO

 Place : Ahmedabad  
 Date : June 29, 2021

**Parthiv Patel**

 (DIN: 00050211)  
 Managing Director

**Dhaval Pandya**

Company Secretary

## STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(₹ in Lacs)

Particulars	Note No.	For the year ended	
		March 31, 2021	March 31, 2020
I Revenue from operations	24	27 372.07	34 321.30
II Other income	25	4 721.51	1 168.39
III <b>Total Revenue (I + II)</b>		<b>32 093.58</b>	<b>35 489.69</b>
IV <b>Expenses :</b>			
a Cost of material consumed	26	6 935.15	12 912.74
b Changes in inventories / Cost of goods sold	27	2 362.72	28.48
c Employee benefits expense	28	2 872.53	3 325.50
d Finance cost	29	46.10	41.70
e Depreciation and amortisation expenses	5,6	693.61	785.92
f Other expenses	30	7 612.75	10 994.10
<b>Total expenses (IV)</b>		<b>20 522.86</b>	<b>28 088.44</b>
V <b>Profit before Share of Profit of Associate, exceptional item and tax (III - IV)</b>		<b>11 570.72</b>	<b>7 401.25</b>
VI Share of Profit / (loss) of Associate			196.90
VII <b>Profit before exceptional item and tax (V+ VI)</b>		<b>11 570.72</b>	<b>7 598.15</b>
VIII Exceptional Items	31	152.80	94.23
IX <b>Profit Before Tax (VII+ VIII)</b>		<b>11 723.52</b>	<b>7 692.38</b>
X Tax Expenses :			
a Current Tax	34	2 334.23	2 286.57
b Deferred Tax	34	391.00	( 704.17)
<b>Total Tax Expense</b>		<b>2 725.23</b>	<b>1 582.40</b>
XI <b>Profit for the Year (IX - X)</b>		<b>8 998.29</b>	<b>6 109.98</b>
XII <b>Other comprehensive income</b>			
a (i) Items that will not be reclassified to profit or loss			
a) Remeasurement of defined benefit obligations	28	29.69	5.00
b) Equity Instrument through Other Comprehensive Income		2 119.85	-
c) Share in Other Comprehensive Income of Associate		-	( .24)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
b (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XIII <b>Total Other Comprehensive Income</b>		<b>2 149.54</b>	<b>4.76</b>
XIV <b>Total Comprehensive Income (XI + XIII)</b>		<b>11 147.83</b>	<b>6 114.74</b>
XV <b>Net Profit attributable to</b>			
a Owners of the company		8 998.29	6 109.98
b Non Controlling Interest		-	-
XVI <b>Other Comprehensive Income attributable to</b>			
a Owners of the company		2 149.54	4.76
b Non Controlling Interest		-	-
XVII <b>Total Comprehensive Income attributable to</b>			
a Owners of the company		11 147.83	6 114.74
b Non Controlling Interest		-	-
XVIII <b>Paid up Equity Share Capital (Face value of ₹ 10/- each)</b>		756.94	756.94
XIX <b>Earnings per Equity Share:</b>			
Basic and Diluted	32	118.88	80.72

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached.

**For and on behalf of the Board**

**For, S G D G & Associates LLP**

Chartered Accountants

ICAI Firm Registration No. : W100188

**Devansh Gandhi**

Partner

Membership No. 129255

Place : Ahmedabad

Date : June 29, 2021

**Falgunbhai Patel**

(DIN: 00050174)

Chairman & Managing Director

**Sanjay Kumar Tandon**

Whole Time Director & CFO

Place : Ahmedabad

Date : June 29, 2021

**Parthiv Patel**

(DIN: 00050211)

Managing Director

**Dhaval Pandya**

Company Secretary

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021**
**A Equity Share Capital**

(₹ in Lacs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Balance at the beginning of the reporting period	756.94	756.94
Changes during the year	-	-
Balance at the reporting period	756.94	756.94

**B Other Equity**

(₹ in Lacs)

Particulars	Reserves and Surplus				Other comprehensive income	Total
	Capital Reserve	Securities Premium	General Reserves	Retained Earnings	Equity Instrument through Other Comprehensive Income	
<b>Balance as at April 01, 2020</b>	.44	1 316.63	49 584.79	27 039.64	-	77 941.50
<b>Profit for the period</b>	-	-	-	8 998.29	-	8 998.29
<b>Items of the OCI for the year, net of tax</b>						
Remeasurement benefit of defined benefit plans	-	-	-	29.69	-	29.69
Reversal of profit on investment ceases as associate	-	-	-	( 617.66)	-	( 617.66)
Fair Value Gain on investment in equity instrument through OCI	-	-	-	-	2 119.81	2 119.81
Dividends	-	-	-	( 378.47)	-	( 378.47)
<b>Balance as at March 31, 2021</b>	<b>.44</b>	<b>1 316.63</b>	<b>49 584.79</b>	<b>35 071.49</b>	<b>2 119.81</b>	<b>88 093.15</b>
<b>Balance as at April 01, 2019</b>	.44	1 316.63	49 584.79	21 381.17	-	72 283.03
<b>Profit for the period</b>	-	-	-	6 109.98	-	6 109.98
<b>Items of the OCI for the year, net of tax</b>						
Remeasurement benefit of defined benefit plans	-	-	-	5.00	-	5.00
Share in Other Comprehensive Income of Associate	-	-	-	( .24)	-	( .24)
Dividends (including tax on dividend)	-	-	-	( 456.27)	-	( 456.27)
<b>Balance as at March 31, 2020</b>	<b>.44</b>	<b>1 316.63</b>	<b>49 584.79</b>	<b>27 039.64</b>	<b>-</b>	<b>77 941.50</b>

**Nature and purpose of reserves**
**a Capital reserve**

The Company recognises capital reserves on cancellation of partly paid up own equity shares.

**b Securities premium**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

**c General reserve**

The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes.

**d Equity Instrument through Other Comprehensive Income**

The Company has elected to recognise changes in the fair value of investments in equity shares of the company, wherein KMP having control, in other comprehensive income. These changes are accumulated within the Equity Instrument Through Other Comprehensive reserve within the equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached.

**For and on behalf of the Board**
**For, S G D G & Associates LLP**

 Chartered Accountants  
 ICAI Firm Registration No. : W100188

**Falgunbhai Patel**

 (DIN: 00050174)  
 Chairman & Managing Director

**Parthiv Patel**

 (DIN: 00050211)  
 Managing Director

**Devansh Gandhi**

 Partner  
 Membership No. 129255  
 Place : Ahmedabad  
 Date : June 29, 2021

**Sanjay Kumar Tandon**

Whole Time Director &amp; CFO

**Dhaval Pandya**

Company Secretary

 Place : Ahmedabad  
 Date : June 29, 2021

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

(₹ In Lacs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX	11 723.52	7 692.38
<b>Adjustments for</b>		
Depreciation and amortisation	693.61	785.92
Share of Profit from associates	-	( 196.90)
(Profit) on sale of property plant and equipments	( 152.80)	( 94.23)
Changes in fair value of financial assets at fair value through profit or loss	( 4 284.40)	( 995.96)
Finance Cost	-	2.97
Dividend income	( 54.97)	( .20)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>7 924.96</b>	<b>7 193.98</b>
<b>Adjustments for</b>		
Trade and other receivables	1 674.64	605.60
Inventories	( 848.19)	136.56
Loan, Other financial assets and other current assets	( 4 987.51)	( 13 632.03)
Payables, provisions, other financial liabilities and other current liabilities	3 810.98	( 769.27)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>7 574.88</b>	<b>( 6 465.16)</b>
Direct Taxes Paid	( 2 410.96)	( 2 495.36)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>5 163.92</b>	<b>( 8 960.52)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipments	( 51.81)	( 186.75)
Sale of property, plant and equipment	344.55	128.63
Sale of Investment (net)	( 4 728.44)	8 771.14
Purchase of Investment property	-	( 219.46)
Dividend Income	54.97	.20
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>( 4 380.73)</b>	<b>8 493.76</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance Cost	-	( 2.97)
Repayment of borrowing	-	( 27.09)
Dividend paid (including Dividend Distribution Tax)	( 378.47)	( 456.27)
<b>NET CASH FLOW IN FINANCING ACTIVITIES</b>	<b>( 378.47)</b>	<b>( 486.33)</b>
<b>NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>404.72</b>	<b>( 953.07)</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>1 458.94</b>	<b>2 412.01</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>1 863.66</b>	<b>1 458.94</b>

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached.

For and on behalf of the Board

**For, S G D G & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration No. : W100188

**Devansh Gandhi**  
Partner  
Membership No. 129255  
Place : Ahmedabad  
Date : June 29, 2021

**Falgunbhai Patel**  
(DIN: 00050174)  
Chairman & Managing Director

**Sanjay Kumar Tandon**  
Whole Time Director & CFO

Place : Ahmedabad  
Date : June 29, 2021

**Parthiv Patel**  
(DIN: 00050211)  
Managing Director

**Dhaval Pandya**  
Company Secretary

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021****1 GROUP OVERVIEW**

The consolidated financial statements (herein after referred to as "financial statements") comprise financial statements of The Sandesh Limited (the Parent), its subsidiary (collectively referred as Group) and associate for the year ended March 31, 2021.

The Sandesh Limited (the 'Parent Company') is a Public Limited Company domiciled in India and is incorporated under the provisions of the Companies Act, 1956 with its registered office located at "Sandesh Bhavan", Lad Society Road, B/h. Vastrapur Gam, P.O. Bodakdev, Ahmedabad – 380054. The Parent Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Parent Company belongs to the Regional Print Media Industry and is a publisher of "SANDESH" a premier Gujarati daily newspaper in Gujarat Region, to carry on the business of editing, printing and publishing newspapers and periodicals.

The financial statements are approved for issue by the Parent Company's Board of Directors on June 29, 2021.

**2 BASIS OF PREPARATION****2.1 Statement of compliance**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

**2.2 Basis of measurement**

The Financial Statements have been prepared on the historical cost basis except for the following items which are measured at fair values:

- certain financial assets, and
- defined benefit plan assets

**2.3 Functional and presentation currency**

Indian rupee is the functional and presentation currency.

**2.4 Use of estimates**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions.

These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements are:

- Useful life of Property, plant and equipment
- Valuation of financial instruments
- Revenue recognition of construction services based on percentage of completion method
- Amortization of advertisement rights
- Provisions and contingencies
- Income tax and deferred tax
- Measurement of defined employee benefit obligations

**Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):**

The Group has considered the possible effects that may result from the pandemic relating to COVID – 19 on the carrying amounts of receivables, investment in mutual fund and inter corporate deposits based on the internal and external source of information up to the date of approval of the financial statements. The Company expects that the carrying amount of these assets will be recovered. The Group will continue to monitor any material changes to future economic conditions.

### 3 SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Revenue Recognition

##### 3.1.1 Revenue from operations

- a The Parent company earns revenue from circulation of newspaper, display of advertisement on TV and print media and out of home platforms. The company also earns revenue from sale of constructed properties.**

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services.

In case of sale of news paper (including scrap sales) and rendering of advertisement services on TV and print media, the performance obligation is satisfied at a point in time. Rendering of advertisement services on out of home platform, the performance obligation is satisfied over time. In case sale of constructed properties, the performance obligation is satisfied at a point in time when conveyance deed of goods with customer is executed

Revenue is measured based on the transaction price which is the consideration, as specified contract with the customer. Revenue excludes taxes collected from the customers.

The obligation to transfer goods to a customer, for which part consideration is received, is classified as contract liability.

- b Display of advertisement on web-pages**

The subsidiary earns revenue from display of advertisement on web-pages of Sandesh Properties and sites.

The rendering of advertisement services based on user view impressions or click on display of advertisement on web-pages of Sandesh properites and sites and hence performance obligation satisfies at a point in time.

The advertisement fee is charged as per the agreed terms of contract with customers.

##### 3.1.2 Revenue from other operating income

The other operating revenue includes sale of trading goods, interest income from financing and constuction income.

In case of sale of trading goods, the performance obligation is satisfied at a point in time and for construction income, performance obligation is satisfied over time.

Interest income is recognised using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

##### 3.1.3 Other revenue

Gain or Loss on derecognition of financial asset is determined as the difference between the sale price (net of selling costs) and carrying value of financial asset.

Interest income is recognised using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividend income is recognised when the right to receive the dividend is established.

All other incomes are recognised and accounted for on accrual basis.

#### 3.2 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost comprises the purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably.

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.

For transition to Ind AS, the carrying value of Property Plant and Equipment under previous GAAP as on 01 April 2015 is regarded as its cost. The carrying value was original cost less accumulated depreciation and cumulative impairment.

Property, Plant and Equipment not ready for the intended use on the date of the Balance Sheet are disclosed as "Capital work-in-progress".

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset at the time of disposal and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation on Property, Plant and Equipment is calculated on written down value method basis using the ratio arrived as per the useful life prescribed under Schedule II to the Companies Act, 2013.

In respect of Property, Plant and Equipment purchased during the year, depreciation is provided on a pro-rata basis from the date on which such asset is ready to use.

The residual value, useful life and method of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### 3.3 Intangible assets

An intangible asset is recognised, only where it is probable that future economic benefits attributable to the asset will accrue to the enterprise and the cost can be measured reliably.

#### a Advertisement right

Intangible assets are stated at cost, less accumulated amortization and impairment losses, if any.

Advertisement rights granted by Vadodara Municipal Corporation (VMC) are against construction service rendered by the Group on BOT basis.

Advertisement right cost comprises of direct and indirect expenses on construction of bus shelters in terms of Concession Agreement.

Subsequent expenditure related to an item of intangible assets 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 intangible assets are charged to the statement of profit and loss for the period during which such expenses are incurred.

Intangible assets are amortized on straight line basis over concession period.

#### b Other intangible assets

Intangible assets are stated at cost, less accumulated amortization and impairment losses, if any.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as intangible assets under development.

Separately purchased intangible assets are initially measured at cost. Subsequently, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

For transition to Ind AS, the carrying value of Intangible Assets under previous GAAP as on April 01, 2015 is regarded as its cost. The carrying value was original cost less accumulated depreciation and cumulative impairment, if any as on that date.

The useful life of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortized on a straight-line basis over the period of their expected useful life. Intangible assets are amortized over a period of six years on straight line basis as per the useful life prescribed under Schedule II to the Companies Act, 2013. Intangible assets acquired / purchased during the year are amortised on a pro-rata basis from the date on which such assets are ready to use.

Intangible assets with an indefinite useful life are not amortised. Such intangible assets are tested for impairment.

The residual value, useful live and method of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

### 3.4 Investment Property

Investment Property is measured initially at cost including related transaction costs.

The cost comprises the purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use.

Subsequent expenditures are capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably.

All day-to-day repair and maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

For transition to Ind AS, the carrying value of Investment Property under previous GAAP as on April 01, 2015 is regarded as its cost. The carrying value was original cost less accumulated depreciation and cumulative impairment, if any as on that date.

Gains or losses arising from derecognition of investment property are measured as the difference between the net disposal proceeds and the carrying amount of the asset at the time of disposal and are recognized in the statement of profit and loss when the asset is derecognized.

### 3.5 Financial Instruments

#### 3.5.1 Initial recognition

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are recognized at fair value on initial recognition.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to or deducted from the fair value of financial assets or financial liabilities on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Regular way purchase and sale of financial assets are accounted for at trade date.

#### 3.5.2 Subsequent measurement

##### a Derivatives financial instruments

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each Balance Sheet date. Fair value changes and Gain/Loss on de-recognition of derivative Financial Instrument are recognised in the Statement of Profit and Loss.

##### b Non-derivative financial instruments

###### i Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### ii Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. For such equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

###### iii Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit or loss. Fair value changes are recognised as other income in the Statement of Profit or Loss.

###### iv Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

###### v Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are carried at cost in the separate financial statements.

##### c Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of equity instruments are recognised as a deduction from equity instrument net of any tax effects.

**3.5.3 Derecognition**

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized when obligation specified in the contract is discharged or cancelled or expires.

**3.5.4 Off-setting**

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when the Group currently has a legally enforceable right to offset the recognised amount and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

**3.6 Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 – inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – inputs are other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived prices)

Level 3 – inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

**3.7 Income tax**

Income tax expense comprises current tax and deferred tax.

**3.7.1 Current Tax**

Current tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Current tax assets and current tax liabilities are offset, where Group has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**3.7.2 Deferred Tax**

Deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the deferred tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax liabilities are recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from initial recognition of goodwill; or initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax liabilities are recognised for all taxable temporary differences associated with investments in subsidiary and associate except when timing of reversal of the temporary difference is controlled by the parent company and it is probable that temporary difference will not reverse in foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax losses and carry forward of unused tax credits to the extent that it is probable that taxable profit will be available against which those temporary differences, losses and tax credit can be utilized, except when deferred tax asset on deductible temporary differences arise from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences associated with investments in subsidiary and associate to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rules and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, where Group has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

### 3.8 Impairment

#### 3.8.1 Financial assets other than investments in subsidiaries and associates

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The impairment loss allowance (or reversal) recognised during the period is recognised as income / expense in the statement of profit and loss.

#### 3.8.2 Financial asset – investment in associate

The company assesses at each reporting date whether there is an indication that an asset may be impaired. Such indication include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

If any indication exists, the company estimates the asset's recoverable amount based on value in use.

To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset

Where the carrying amount of an asset exceeds its value in use amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognised in statement of profit and loss."

#### 3.8.3 Non-financial assets

##### Tangible and intangible assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists the company estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an assets net selling price and its 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 exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognised in the statement of profit and loss.

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.

### 3.9 Lease

#### Group as lessee

The Group's lease asset classes primarily consist of leases for Office building. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Advance lease payment made for the entire life of the lease is amortised over a lease period.

### 3.10 Borrowing costs

Borrowing cost includes interest and other costs that Group has incurred in connection with the borrowing of funds.

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 year they occur.

Investment income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

### 3.11 Employee Benefits

Short term employee benefits for salary and wages including accumulated leave that are expected to be settled wholly within 12 months after the end of the reporting period in which employees render the related service are recognized as an expense in the statement of profit and loss.

The Group measures the expected cost of absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. As per Group's policy, no leave is expected to be carried forward beyond 12 months from the reporting date.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

The Parent Company operates one defined benefit plan for its employees, viz., gratuity plan. The costs of providing benefits under the plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out using the projected unit credit method made at the end of each reporting date. Re-measurement of the net defined benefit liability (asset) comprise of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability / (asset)). Re-measurement are recognised in other comprehensive income and will not be reclassified to profit or loss in a subsequent period.

### 3.12 Provisions

A provision is recognized when the Group has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

### 3.13 Contingent Liability

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 Group 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 Group does not recognize a contingent liability but discloses its existence in the financial statements.

### 3.14 Contingent Asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. The Group does not recognize a contingent asset but discloses its existence in the financial statements.

### 3.15 Foreign Currency

#### a Initial recognition

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

#### b Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

#### c Exchange difference

All exchange differences are recognized as income or as expense in the year in which they arise.

### 3.16 Cash and cash equivalent

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank (including demand deposits) and in hand and short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdraft is shown within cash and cash equivalents.

### 3.17 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

### 3.18 Inventories

Inventories are valued at lower of cost and net realizable value. Cost of materials is determined on weighted average basis. Net realizable value is the estimated selling price less estimated cost necessary to make the sale.

### 3.19 Basis of consolidation and equity method

The Parent Company consolidates entities which it owns or controls and applies equity method of accounting where the Company has significant influence over the other entity.

#### a Consolidation of subsidiary

The Parent Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Power is demonstrated through existing rights that give the current ability to direct the relevant activities of the entity that significantly affect the entity's returns.

Subsidiary is consolidated from the date control commences until the date control ceases.

Consolidated financial statements combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent Company with those of the subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date. Offset the carrying amount of the Parent Company's investment in subsidiary and the Parent Company's portion of the equity of each subsidiary. Intragroup transactions, balances and unrealized gains and losses on transactions between entities of group are eliminated. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12, Income taxes, applies to temporary differences that arise from the elimination of profit and losses resulting from intragroup transactions.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and events in similar circumstances.

Non-controlling interests in the profit or loss and equity of subsidiary are shown separately in the consolidated financial statements of profit and loss and consolidated statement of changes in equity respectively.

**b Equity method of accounting for investment in associate**

An associate is an entity over which the Parent Company and its subsidiary have significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over the policies.

Investments in associates are accounted for using the equity method of accounting. The investments are initially recognized at cost, and the carrying amount is increased or decreased to recognize the Group's share of the profit or loss and other comprehensive income of the investee after the acquisition date. Distributions received from an investee reduce the carrying amount of the investment.

When Group's share of losses of an associate equal or exceeds its interest in the associate, the parent discontinues recognizing its share of further losses unless it has incurred obligations or made payments on behalf of associate.

Unrealized gains and losses on transactions between entities of group are recognised to the extent of the group's interest in these entities.

Investments in associate are accounted for using equity method from the date significant influence commences until the date significant influence ceases.

Accounting policies of the associate are in line with the Group's accounting policies.

**3.20 Business Combination**

Business combination of entities under common control is accounted for using the pooling of interests method.

The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.

The consideration for the business combination may consist of securities, cash or other assets. Securities shall be recorded at nominal value. In determining the value of the consideration, assets other than cash shall be considered at their fair values.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be transferred to capital reserve and should be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

**3.21 Segment Reporting**

An operating segment is component of the Group that engages in the business activity from which the Group earns revenues and incurs expenses, for which discrete financial information is available and whose operating results are regularly reviewed by the chief operating decision maker, in deciding about resources to be allocated to the segment and assess its performance. The Parent Company's chief operating decision maker is the Managing Director.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

Revenue and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

**3.22 Cash Flow Statement**

Cash flows are reported using indirect method whereby profit for the period is adjusted for the effects of the transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts and payments and items of income or expense associated with investing and financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

**3.23 Events after reporting date**

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

**4 RECENT ACCOUNTING PRONOUNCEMENTS ISSUED BUT NOT YET EFFECTIVE**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

## 5 PROPERTY, PLANT AND EQUIPMENT

## 5.1 Property, Plant and Equipments consist of:

No.	Particulars	Land	Buildings		Plant & Equipment	Electric Fittings	Furniture & Fixtures	Office Equipment	Vehicles	Total
			Freehold	Leasehold						
a	<b>Gross Block</b>									
	Balance as at March 31, 2019	1 359.45	1 933.43	26.68	5 485.50	57.24	136.28	116.39	704.92	9 819.89
	Additions	-	-	-	155.20	-	2.41	6.89	.70	165.20
	Deductions	-	20.65	-	137.05	-	5.87	8.25	25.57	197.39
	<b>Balance as at March 31, 2020</b>	<b>1 359.45</b>	<b>1 912.78</b>	<b>26.68</b>	<b>5 503.65</b>	<b>57.24</b>	<b>132.82</b>	<b>115.03</b>	<b>680.05</b>	<b>9 787.70</b>
Additions	-	-	-	73.34	-	-	5.46	-	-	78.80
Deductions	158.98	20.64	-	78.36	-	-	8.31	278.84	-	545.13
	<b>Balance as at March 31, 2021</b>	<b>1 200.47</b>	<b>1 892.14</b>	<b>26.68</b>	<b>5 498.63</b>	<b>57.24</b>	<b>132.82</b>	<b>112.18</b>	<b>401.21</b>	<b>9 321.37</b>
b	<b>Accumulated Depreciation</b>									
	Balance as at March 31, 2019	-	328.22	2.82	1 189.04	33.83	83.90	76.76	419.86	2 134.43
	Additions	-	74.16	1.17	521.27	4.96	13.88	16.44	83.77	715.65
	Deductions	-	9.24	-	116.27	-	5.65	7.80	24.03	162.99
	<b>Balance as at March 31, 2020</b>	<b>-</b>	<b>393.14</b>	<b>3.99</b>	<b>1 594.04</b>	<b>38.79</b>	<b>92.13</b>	<b>85.40</b>	<b>479.60</b>	<b>2 687.09</b>
Additions	-	70.14	1.11	472.48	3.01	9.69	11.61	56.25	624.29	
Deductions	-	9.98	-	72.25	-	-	7.71	263.44	-	353.38
	<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>453.30</b>	<b>5.10</b>	<b>1 994.27</b>	<b>41.80</b>	<b>101.82</b>	<b>89.30</b>	<b>272.41</b>	<b>2 958.00</b>
c	<b>Net Block</b>									
	Balance as at March 31, 2020	1 359.45	1 519.64	22.69	3 909.61	18.45	40.69	29.63	200.45	7 100.61
	<b>Balance as at March 31, 2021</b>	<b>1 200.47</b>	<b>1 438.84</b>	<b>21.58</b>	<b>3 504.36</b>	<b>15.44</b>	<b>31.00</b>	<b>22.88</b>	<b>128.80</b>	<b>6 363.37</b>

Company has elected to measure all its property, plant and equipments at the previous GAAP carrying amount i.e. March 31, 2015 as its deemed cost on the date of transition i.e. April 01, 2015.

## 5.2 Capital Work in Progress

Particulars	As on		Transferred to PPE	Addition	As on	
	April 01, 2019	March 31, 2020			March 31, 2020	March 31, 2021
Capital Work in Progress	25.22	8.00	.56	326.93	326.93	5.66
<b>TOTAL</b>	<b>25.22</b>	<b>8.00</b>	<b>.56</b>	<b>326.93</b>	<b>326.93</b>	<b>5.66</b>

5.3 During the year, the Company has transferred land at vadodara from property, plant and equipment to inventory as the company has decided to develop the real estate project on such land for commercial exploitation.

**6 INVESTMENT PROPERTIES**
**6.1 Investment properties consist of :**

(₹ in lacs)

No.	Particulars	Land	Buildings	Total
<b>a</b>	<b>Gross Block</b>			
	Balance as at March 31, 2019	4 364.82	911.38	5 276.20
	Additions	-	219.46	219.46
	Deductions	-	-	-
	Balance as at March 31, 2020	4 364.82	1 130.84	5 495.66
	Additions	-	-	-
	Deductions	-	-	-
	<b>Balance as at March 31, 2021</b>	<b>4 364.82</b>	<b>1 130.84</b>	<b>5 495.66</b>
<b>b</b>	<b>Accumulated Depreciation</b>			
	Balance as at March 31, 2019	-	-	-
	Additions	-	-	-
	Deductions	-	-	-
	Balance as at March 31, 2020	-	-	-
	Additions	-	-	-
	Deductions	-	-	-
	<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>c</b>	<b>Net Block</b>			
	Balance as at March 31, 2020	4 364.82	1 130.84	5 495.66
	<b>Balance as at March 31, 2021</b>	<b>4 364.82</b>	<b>1 130.84</b>	<b>5 495.66</b>

**6.2** The Parent Company has elected to measure all its investment properties at the previous GAAP carrying amount i.e. March 31, 2015 as its deemed cost on the date of transition i.e. April 01, 2015.

**6.3 Fair value of investment properties**

(₹ in lacs)

No.	Particulars	As on March 31, 2021	As on March 31, 2020
(1)	Investment properties	7 770.24	5 778.42

Refer note no. 36 for disclosure on fair value.

**Estimation of fair value**

Company obtains independent valuation report for its investment property annually. The best evidence of fair value is current price in active market for similar properties.

**6.4** The company does not provide depreciation on buildings under investment properties, as fair value of such properties are more than the carrying amount.

**6.5 Amount recognised in Profit or Loss for Investment Properties**

(₹ in lacs)

Particulars	2020-21	2019-20
a Rental Income	9.12	10.25
b Direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income during the period;	2.80	-
c Direct operating expenses (including repairs and maintenance) arising from investment property that did not generate rental income during the period.	6.44	13.67
<b>Total</b>	<b>18.36</b>	<b>23.92</b>

## 7 INTANGIBLE ASSETS

## 7.1 Intangible assets consist of :

(₹ in Lacs)

No.	Particulars	Tenancy Rights	Software	Advertisement Rights	Total
<b>a</b>	<b>Gross Block</b>				
	Balance as at March 31, 2019	56.00	9.70	339.00	404.70
	Additions	-	-	14.07	14.07
	Deductions	-	-	-	-
	Balance as at March 31, 2020	56.00	9.70	353.07	418.77
	Additions	-	-	-	-
	Deductions	-	-	-	-
	<b>Balance as at March 31, 2021</b>	<b>56.00</b>	<b>9.70</b>	<b>353.07</b>	<b>418.77</b>
<b>b</b>	<b>Accumulated Depreciation</b>				
	Balance as at March 31, 2019	-	9.11	135.68	144.79
	Additions	-	-	70.27	70.27
	Deductions	-	-	-	-
	Balance as at March 31, 2020	-	9.11	205.95	215.06
	Additions	-	-	69.32	69.32
	Deductions	-	-	-	-
	<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>9.11</b>	<b>275.27</b>	<b>284.38</b>
<b>c</b>	<b>Net Block</b>				
	Balance as at March 31, 2020	56.00	.59	147.12	203.71
	<b>Balance as at March 31, 2021</b>	<b>56.00</b>	<b>.59</b>	<b>77.80</b>	<b>134.39</b>

7.2 The Parent Company has elected to measure all its investment properties at the previous GAAP carrying amount i.e. March 31, 2015 as its deemed cost on the date of transition i.e. April 01, 2015.

**8 INVESTMENTS**

(₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
<b>8A</b>	<b>Non Current Investments</b>		
<b>a</b>	<b>Investments carried at cost</b>		
i	In wholly owned subsidiary company		
	Equity shares - Unquoted		
	Sandesh Digital Private Limited (10,000 shares of ₹ 10/- each)	-	-
ii	In associate		
	Equity shares - Unquoted		
	Applewood Estate Private Limited (4,51,726 shares of ₹ 10/- each)	-	23 880.18
		-	<b>23 880.18</b>
<b>b</b>	<b>Investments carried at fair value through other comprehensive income</b>		
	Equity Share -Unquoted		
	Applewood Estate Private Limited (4,13,726 shares of ₹ 10/- each)	22 816.99	-
	Hindustan Samachar Co-Op Society Limited	.01	.01
	Press Trust of India Limited	.02	.02
	Manekchowk Co-Op Bank Ltd	.41	.41
		<b>22 817.43</b>	<b>.43</b>
<b>c</b>	<b>Investments carried at amortised cost</b>		
	National Saving Certificates	.01	.01
		<b>.01</b>	<b>.01</b>
	<b>Total Non - Current Investments (A)</b>	<b>22 817.44</b>	<b>23 880.62</b>
<b>8B</b>	<b>Current Investments</b>		
<b>a</b>	Investments carried at fair value through profit or loss		
i	Equity shares - Quoted	2 959.98	2 972.11
ii	Mutual Fund - Unquoted	25 432.09	15 961.60
	<b>Total Current Investments (B)</b>	<b>28 392.07</b>	<b>18 933.71</b>
	<b>Total of ( A+B )</b>	<b>51 209.51</b>	<b>42 814.33</b>
	Aggregate amount of quoted investments	2 959.98	2 972.11
	Aggregate amount of market value of quoted investments	2 959.98	2 972.11
	Aggregate amount of unquoted investments	48 249.53	39 842.22
	Aggregate amount of impairment in value of investments	-	-

**9 LOANS**
**9A NON CURRENT FINANCIAL ASSETS**

(₹ in Lacs)

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Secured, considered good</b>		
Inter - corporate deposits More than 12 months	2 874.50	-

**9B CURRENT FINANCIAL ASSETS**

(₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
	<b>Secured, considered good</b>		
	Inter - corporate deposits	6 000.00	14 500.00
	<b>Unsecured, considered good</b>		
a	Employees	39.12	49.69
b	Others	.89	5.71
		<b>6 040.01</b>	<b>14 555.40</b>

## 10 OTHER FINANCIAL ASSETS

## 10A NON-CURRENT OTHER FINANCIAL ASSETS

(₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
a	Security deposits (Unsecured, Considered good)	331.62	375.13
b	Bank Fixed Deposits having maturity more than 12 Months	10 848.68	1 451.82
		<b>11 180.30</b>	<b>1 826.95</b>
	Held as margin money	560.83	1 451.82

## 10B CURRENT OTHER FINANCIAL ASSETS

(₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
a)	Security Deposit (Margin Money)	315.73	-

## 11 INVENTORIES

(₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
a	Raw Materials	2 229.73	1 535.08
b	Stock-in-trade	639.80	145.74
c	Stores and Spares	307.39	647.89
d	Others - Scrap	-	.02
		<b>3 176.92</b>	<b>2 328.73</b>

## 12 TRADE RECEIVABLES

(₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
	Unsecured, considered good	5 117.01	6 790.45
		<b>5 117.01</b>	<b>6 790.45</b>
12.1	Dues from company where directors are interested (included above)	-	-

## 13 CASH AND CASH EQUIVALENTS

(₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
<b>a</b>	<b>Balances with Banks</b>		
	In current accounts	1 253.82	801.67
	In fixed deposits	408.94	541.24
<b>b</b>	<b>Cash on Hand</b>	200.90	116.03
		<b>1 863.66</b>	<b>1 458.94</b>

**14 BANK BALANCES OTHER THAN ABOVE** (₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
a	Earmarked Bank Balances - Unpaid Dividend accounts	18.74	19.94
		<b>18.74</b>	<b>19.94</b>

**15 OTHER CURRENT ASSETS** (₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
a	Advances - For Supply of Goods and Services	1 738.03	528.55
b	Prepaid Expenses	323.17	573.76
c	Balance with tax authorities	.43	-
		<b>2 061.63</b>	<b>1 102.31</b>

**16 EQUITY SHARE CAPITAL** (₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
<b>a</b>	<b>Authorized :</b>		
	1,50,00,000 (P.Y. 1,50,00,000) Equity Shares of ₹ 10/- each	1 500.00	1 500.00
<b>b</b>	<b>Issued &amp; Subscribed :</b>		
	75,69,421 (P.Y. 75,69,421) Equity shares of ₹ 10/- each	756.94	756.94
<b>c</b>	<b>Paid up :</b>		
	75,69,421 (P.Y. 75,69,421) Equity Shares of ₹ 10/- each	756.94	756.94

**d Rights, preferences and restrictions :**

- The Parent Company has only one class of equity shares referred to as equity shares having a par value of ₹ 10. Each holder of equity share is entitled to one vote per share.
- Dividend, if any, is declared and paid in Indian Rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

**e Details of shareholders holding more than 5 per cent shares in the Parent Company :**

Name of the Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	%	No. of Shares	%
Parthiv Falgunbhai Patel	9 95 400	13.15%	9 95 400	13.15%
Satyesh Prochem LLP	31 65 929	41.83%	31 65 929	41.83%
Scabious Enterprise LLP	4 20 831	5.56%	4 20 831	5.56%

**f Reconciliation of number of shares outstanding :**

(In Nos.)

Particulars	As at March 31, 2021	As at March 31, 2020
Equity Shares at the beginning of the year	75 69 421	75 69 421
Add: Issued during the Period	-	-
Equity Shares at the end of the period	75 69 421	75 69 421

**17 CAPITAL MANAGEMENT**

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders of the Company. The Group's objective for capital management is to maximize shareholder value and safeguard business continuity. The Group determines the capital requirement based on annual operating plans and other strategic plans. The funding requirements are met through equity and operating cash flows.

**Summary of Quantitative Data is given hereunder:**

(₹ in Lacs)

Particulars	March 31, 2021	March 31, 2020
Equity	756.94	756.94
Other Equity	88 093.15	77 941.50
<b>Total</b>	<b>88 850.09</b>	<b>78 698.44</b>

The Group does not have any externally imposed capital requirement.

**18 DIVIDENDS**

The Parent Company has paid interim dividend at the rate of ₹ 5/- per equity share for the year ended March 31, 2021 (Previous year at the rate of ₹ 5/- Per share)

**19 TRADE PAYABLES**

(₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
<b>19A</b>	<b>Current</b>		
	(a) total outstanding dues of micro enterprises and small enterprises		
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises	2 224.23	634.97
		<b>2 224.23</b>	<b>634.97</b>
	Disclosure in respect of Micro and Small Enterprises :		
i	the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	-	-
ii	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
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 year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
iv	the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
	The above information has been compiled in respect of parties to the extent to which they could be identified as Micro and Small Enterprise on the basis of information available with the Company.	-	-

**20 PROVISIONS**

(₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
<b>20A</b>	<b>Non Current</b>		
	Employee Benefits - Gratuity	2.66	317.22
		<b>2.66</b>	<b>317.22</b>
<b>20B</b>	<b>Current</b>		
	Employee Benefits - Gratuity	23.81	35.45
		<b>23.81</b>	<b>35.45</b>
	<b>Total (A+B)</b>	<b>26.47</b>	<b>352.67</b>

**21 BORROWINGS**

(₹ in Lacs)

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Loans from related parties (unsecured)</b>		
From Directors	10.00	10.00
<b>Total Borrowings</b>	<b>10.00</b>	<b>10.00</b>

**22 OTHER FINANCIAL LIABILITIES**

(₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
a	Unpaid Dividend	18.42	19.61
b	Deposits from Agents and Others	1 415.54	1 285.46
c	Others	1 868.05	1 454.99
		<b>3 302.01</b>	<b>2 760.06</b>

**23 OTHER CURRENT LIABILITIES**

(₹ in Lacs)

No.	Particulars	As at	
		March 31, 2021	March 31, 2020
a	Advance From Customer	1 285.46	1 361.77
b	Statutory Dues	82.84	150.12
		<b>1 368.30</b>	<b>1 511.89</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

## 24 REVENUE FROM OPERATIONS

(₹ in Lacs)

Note No.	Particulars	For the year ended	
		March 31, 2021	March 31, 2020
<b>a</b>	<b>Operating revenues</b>		
i	Sale of Publications	6 953.83	9 302.13
ii	Revenue from Advertisements	15 143.28	23 756.32
iii	Other Income	555.26	633.68
iv	Bad Debt Recovery	134.63	87.58
v	Provision / Liability No Longer Required	163.23	72.07
		<b>22 950.23</b>	<b>33 851.78</b>
24.1	<b>Disaggregation of revenue</b>		
	Publication	6 953.83	9 302.13
	Advertisement	15 143.28	23 756.32
24.2	Revenue recognised during the year that was included in contract liability at the beginning of the period	1 318.49	1 396.67
<b>b</b>	<b>Other operating revenues</b>		
i	Interest from financial asset measured at amortised cost	2 013.69	400.44
ii	Sale of Trading Goods	2 408.15	53.61
iii	Construction Revenue	-	15.47
		<b>4 421.84</b>	<b>469.52</b>
	<b>Total (a + b)</b>	<b>27 372.07</b>	<b>34 321.30</b>

## 25 OTHER INCOME

(₹ in Lacs)

Note No.	Particulars	For the year ended	
		March 31, 2021	March 31, 2020
i	Interest from financial asset measured at amortised cost	333.76	142.66
ii	Interest on income tax refund	-	5.46
iii	Dividend income from investment measured at FVTPL	54.97	.20
iv	Profit on Sale of Conversion of Land	2.15	-
v	Net gain on investments carried at FVTPL	4 284.40	995.96
vi	Miscellaneous Income	46.23	23.55
vii	Credit Balance W/back	-	.56
		<b>4 721.51</b>	<b>1 168.39</b>

## 26 COST OF MATERIAL CONSUMED

(₹ in Lacs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Newsprint Consumed	6 935.15	12 912.74
	<b>6 935.15</b>	<b>12 912.74</b>

**27 CHANGES IN INVENTORIES / COST OF GOODS SOLD**

(₹ in Lacs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Cost of goods sold - real estate	5.15	-
COGS_BULLION	2 355.33	-
Changes in inventory	2.24	28.48
	<b>2 362.72</b>	<b>28.48</b>

**28 EMPLOYEE BENEFITS EXPENSE**

(₹ in Lacs)

Note No.	Particulars	For the year ended	
		March 31, 2021	March 31, 2020
a	Salaries and wages	2 806.98	3 202.85
b	Contribution	64.39	105.94
c	Staff Welfare Expenses	1.16	16.71
		<b>2 872.53</b>	<b>3 325.50</b>

**28.1 Employee Benefits Note**
**28.2 Defined Contribution Plans**

Details of amount recognized as expenses during the year for the defined contribution plans. (₹ in Lacs)

Particulars	2020-21	2019-20
Employer's Contribution to Superannuation Fund	.85	10.14
Employer's Contribution to Employee State Insurance Corporation Fund	5.72	10.38
Employer's Contribution to Pension Fund	40.00	45.64
Employer's Contribution to Provident Fund	16.99	38.26
<b>Total</b>	<b>63.56</b>	<b>104.42</b>

**28.3 Defined Benefit Plan - Gratuity**
**Information about the characteristics of defined benefit plan**

The benefit is governed by the Payment of Gratuity Act, 1972. The Key features are as under:

Features of the defined benefit plan	Remarks
Benefit offered	15 / 26 × Salary × Duration of Service
Salary definition	Basic Salary including Dearness Allowance (if any)
Benefit ceiling	Benefit ceiling of ₹ 20,00,000 was not applied
Vesting conditions	5 years of continuous service ( Not applicable in case of death / disability )
Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
Retirement age	58 years

**28.4** The trust is responsible for the governance of the plan.

**28.5 Risk to the Plan**

Following are the risk to which the plan exposes the entity :

**A Actuarial Risk:**

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

**Adverse Salary Growth Experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

**Variability in mortality rates:** If actual mortality rates are higher than assumed mortality rate assumption then the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

**Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate assumption then the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

**B Investment Risk:**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**C Liquidity Risk:**

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cashflows.

**D Market Risk:**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**E Legislative Risk:**

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

**28.6 Reconciliation of defined benefit obligations**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Defined benefit obligations as at beginning of the year	422.41	386.46
Current service cost	36.39	32.95
Interest cost	18.13	19.95
Actuarial Loss/(Gain) due to change in financial assumptions	2.56	17.94
Actuarial Loss/(Gain) due to change in demographic assumptions	-	(.11)
Actuarial Loss/(Gain) due to experience	( 29.08)	( 17.20)
Benefits Paid	( 37.13)	( 17.57)
Defined benefit obligations as at end of the year	413.28	422.41

**28.7 Reconciliation of Plan Asset**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Plan Asset as at beginning of the year	69.72	81.67
Interest Income	-	-
Return on plan assets excluding amounts included in interest income	3.17	5.62
Contribution paid by employer	351.03	-
Benefits paid	( 37.13)	( 17.57)
Plan Asset as at end of the year	386.79	69.72

**28.8 Funded Status**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Present Value of Benefit Obligation at the end of the Period	413.28	422.41
Fair Value of Plan Assets at the end of the Period	386.79	69.72
Funded Status / Deficit	26.49	352.69

**28.9 Net amount Charged to Statement of Profit or Loss for the period** (₹ in Lacs)

Particulars	2020-21	2019-20
Current service cost	36.39	32.95
Net Interest cost	18.13	19.95
Net amount recognized	54.52	52.89

**28.10 Other Comprehensive income for the period** (₹ in Lacs)

Particulars	2020-21	2019-20
Components of actuarial gain/losses on obligations:		
Due to Change in financial assumptions	2.56	17.94
Due to change in demographic assumption	-	(.11)
Due to experience adjustments	(29.08)	(17.20)
Return on plan assets excluding amounts included in interest income	(3.17)	(5.62)
Amounts recognized in Other Comprehensive Income	(29.69)	(5.00)

**28.11 Break up of Plan Assets**

Particulars	31.03.2021	31.03.2020
Policy of Insurance /Bonds of PSU/Equity Share of listed companies	46.00%	2.00%
Others (Including bank balance)	54.00%	98.00%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

**28.12 Actuarial Assumptions**

Particulars	As at March 31, 2021	As at March 31, 2020
Discount Rate	5.60%	5.75%
Salary Growth Rate	4.00%	4.00%
Withdrawal Rate	20% at younger ages reducing to 0% at older ages	20% at younger ages reducing to 0% at older ages
Rate of Return on Plan Assets	5.6% p.a	5.75% p.a

**28.13 Sensitivity Analysis for Actuarial Assumption**

As at 31.03.2021	Change in Assumptions		Impact on Defined Benefit Obligation			
	Increase %	Decrease %	Increase in Assumptions		Decrease in Assumptions	
			₹ in Lacs	%	₹ in Lacs	%
Discount Rate	0.50%	0.50%	(8.17)	-1.96%	8.67	2.09%
Salary Growth Rate	0.50%	0.50%	8.75	2.11%	(8.31)	-1.99%
Withdrawal rate	10.00%	10.00%	.45	0.12%	(.57)	-0.14%

As at 31.03.2020	Change in Assumptions		Impact on Defined Benefit Obligation			
	Increase %	Decrease %	Increase in Assumptions		Decrease in Assumptions	
			₹ in Lacs	%	₹ in Lacs	%
Discount Rate	0.50%	0.50%	(7.83)	-1.84%	8.35	1.96%
Salary Growth Rate	0.50%	0.50%	8.40	1.98%	(7.94)	-1.87%
Withdrawal rate	10.00%	10.00%	.39	0.10%	(.48)	-0.12%

**Limitation of method used for sensitivity analysis :**

Sensitivity analysis produces the results by varying a single parameter & keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed. There are no changes from the previous period in the methods and assumptions used in preparing the sensitivity analysis.

**28.14 Details of Asset- Liability Matching Strategy**

There are no minimum funding requirements for a Gratuity benefits plan in India and there is no compulsion on the part of the Company to fully or partially pre-fund the liabilities under the Plan.

**28.15 Maturity Profile of the Defined Benefit Obligation**

<b>As at March 31, 2021</b>	<b>₹ in Lacs</b>	<b>%</b>
2022	202.51	37.10%
2023	27.83	5.10%
2024	24.97	4.60%
2025	25.07	4.60%
2026	21.49	4.00%
2027 - 2031	81.51	15.00%
<b>As at March 31, 2020</b>	<b>₹ in Lacs</b>	<b>%</b>
2021	35.45	6.51%
2022	199.87	36.69%
2023	26.53	4.90%
2024	23.84	4.40%
2025	22.93	4.20%
2026 - 2030	83.14	15.30%

**29 FINANCE COST**

(₹ in Lacs)

<b>Note No.</b>	<b>Particulars</b>	<b>For the year ended</b>	
		<b>March 31, 2021</b>	<b>March 31, 2020</b>
a	Interest Expenses on Financial liabilities carried at Amortized Cost		
	i To Directors	-	2.97
	ii To Other	36.37	38.54
b	Interest expense - Other	9.73	.19
		<b>46.10</b>	<b>41.70</b>

**30 OTHER EXPENSES**

(₹ in Lacs)

<b>Note No.</b>	<b>Particulars</b>	<b>For the year ended</b>	
		<b>March 31, 2021</b>	<b>March 31, 2020</b>
a	Power and fuel	318.04	473.90
b	Stores and spares consumed	975.35	1 626.00
c	Feature, Newsgathering and purashkar expenses	532.26	542.93
d	Audit Fees*	6.72	7.23
e	License fees	1 255.20	2 576.55
f	Distribution Expenses	411.45	439.22
g	Taxi Expenses	408.73	447.71
h	Selling Expenses	2 016.83	2 639.89
i	Donation	-	2.51
j	CSR Expenses	174.10	11.24
k	Miscellaneous Expenses	1 514.07	2 226.93
		<b>7 612.75</b>	<b>10 994.10</b>
*	Payment to the Auditors		
a	For Statutory Audit	<b>5.75</b>	5.75
b	For Certification and other matters	<b>.97</b>	1.48
		<b>6.72</b>	7.23

**31 EXCEPTIONAL ITEMS**

(₹ in Lacs)

Note No.	Particulars	For the year ended	
		March 31, 2021	March 31, 2020
a	(Loss) / Profit on discard / sale of assets	-	94.23
b	Profit/Loss on sale of Property, Plant and Equipments	152.80	-
		<b>152.80</b>	<b>94.23</b>

**32 EARNING PER SHARE**

(₹ in Lacs)

Note No.	Particulars	For the year ended	
		March 31, 2021	March 31, 2020
a	Net Profit after Tax	8 998.29	6 109.98
b	Weighted Average Shares	75.69	75.69
c	Basic and Diluted Earning per Share (in Rupees)	118.88	80.72

**33 DISCLOSURE PURSUANT TO APPENDIX - D TO IND AS 115 - "SERVICE CONCESSION ARRANGEMENTS"**
**33.1 Description and classification of the arrangement**

The Parent Company has entered into Service Concession Agreement with Vadodara Municipal Coporation (VMC) for the purpose of providing, fixing and operating 120 modern bus shelters at various locations in Vadodara on Build, Operate and Transfer ("BOT") basis. The Concession Period is of five years.

**33.2 Significant Terms of the arrangements**
**i Rights of the company**

The company gets the advertisement right for a period of five years on construction of bus shelter as per the terms.

**ii Obligation of the Company**

The company is required to pay premium for a period of five years from the date of completion of project.

**iii Details of any assets to be given at the end of concession period**

At the end of the Concession period the company shall transfer all rights of the bus shelter to VMC. No additional payment shall be given to the company in this regard. At the time of hand over of bus shelters, they shall be in good working condition.

**iv Details of Termination**

VMC can foreclose contract as specified in the terms of arrangements.

**33.3** The advertisement right received due to service concession arrangement has been classified as intangible assets.

**33.4** There has been no change in the concession arrangement during the year.

**33.5 Disclosure in respect of Construction Contracts :**

(₹ in lacs)

No.	Particulars	2020-21	2019-20
a	Amount of Contract Revenue recognised as revenue during the year	-	15.47
b	Disclosure in respect of Contract in Progress at the reporting date		
	i Contract cost incurred and recognised profit less recognised losses upto the reporting date	-	15.47
	ii Advances Received	-	-
	iii Retention Amount	-	-
c	Amount due from Customers for Contract in Progress	-	-
d	Amount due to Customers for Contract in Progress	-	-

## 34 INCOME TAX EXPENSE

## 34.1 Income tax expense in the statement of profit and loss comprises of: (₹ in Lacs)

Particulars	2020 - 21	2019 - 20
Current income tax	2 366.55	2 313.75
Adjustments in respect of current tax of earlier years	( 32.32)	( 27.18)
<b>Total current income tax</b>	<b>2 334.23</b>	<b>2 286.57</b>
Deferred tax	391.00	( 704.17)
<b>Total deferred tax expense / (income)</b>	<b>391.00</b>	<b>( 704.17)</b>
<b>Total tax expense</b>	<b>2 725.23</b>	<b>1 582.40</b>

## 34.2 The details of income tax assets and liabilities and deferred tax liabilities : (₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Income tax assets - Current	535.68	459.01
Deferred tax liabilities	611.67	220.67

## 34.3 A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

Particulars	2020 - 21	2019 - 20
<b>Accounting profit before tax</b>	<b>11 723.52</b>	<b>7 692.38</b>
Normal tax rate	25.17%	25.17%
<b>Tax liability on accounting profit</b>	<b>2 950.58</b>	<b>1 936.02</b>
Exempted Income / Other adjustment	( 140.00)	( 40.33)
Expenses Disallowed	69.94	16.18
Tax effect of differential tax rates	( 78.54)	( 17.64)
Tax Effect on Ind AS impact	( 435.44)	469.08
Adjustments in respect of current tax of earlier years	( 32.32)	( 27.18)
Deferred tax expense / (income)	391.00	( 704.17)
Tax effect on Associate profit	-	( 49.56)
<b>Income tax expenses as per normal tax rate</b>	<b>2 725.23</b>	<b>1 582.40</b>

## 34.4 Details of each type of recognized temporary differences, unused tax losses and unused tax credits (₹ in Lacs)

Particulars	Recognized DTA / DTL in balance sheet	
	March 31, 2021	March 31, 2020
<b>Deferred tax liability</b>		
Property, plant and equipment	449.12	427.84
Investments	351.02	6.89
<b>Total Deferred tax liability</b>	<b>800.14</b>	<b>434.72</b>
<b>Deferred tax asset</b>		
Brought forward capital loss	181.80	-
Investment	-	125.66
Employee benefits	6.67	88.40
<b>Total Deferred tax asset</b>	<b>188.47</b>	<b>214.06</b>
<b>Net Deferred Tax Liability Recognized</b>	<b>611.67</b>	<b>220.67</b>

**Note :** The Parent Company has not considered deferred tax effect on temporary differences of those assets on which it is probable that such temporary difference will not reverse in foreseeable future.

**35 FINANCIAL INSTRUMENTS**
**35.1 Disclosure of Financial Instruments by Category**

As at March 31, 2021						(₹ in Lacs)
Particulars	Note No.	FVTPL	FVTOCI	Amortized cost	Total carrying value	Fair value
<b>Financial asset</b>						
Investment in Equity Instruments	8A - 8B	2 959.98	22 817.43	-	25 777.41	25 777.41
Investment in Mutual Fund	8B	25 432.09	-	-	25 432.09	25 432.09
Investment in NSC	8A	-	-	.01	.01	.01
Loans	9A-9B	-	-	8 914.51	8 914.51	8 914.51
Other Financial Asset	10A-10B	-	-	11 496.04	11 496.04	11 496.04
Trade Receivable	12	-	-	5 117.01	5 117.01	5 117.01
Cash and cash equivalent	13	-	-	1 863.66	1 863.66	1 863.66
Bank balance other than above	14	-	-	18.74	18.74	18.74
<b>Total Financial assets</b>		<b>28 392.07</b>	<b>22 817.43</b>	<b>27 409.97</b>	<b>78 619.47</b>	<b>78 619.47</b>
<b>Financial liability</b>						
Trade Payables	19	-	-	2 224.23	2 224.23	2 224.23
Borrowings	21	-	-	10.00	10.00	10.00
Other financial liabilities	22	-	-	3 302.01	3 302.01	3 302.01
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>5 536.24</b>	<b>5 536.24</b>	<b>5 536.24</b>

As at March 31, 2020						(₹ in Lacs)
Particulars	Note No.	FVTPL	FVTOCI	Amortized cost	Total carrying value	Fair value
<b>Financial asset</b>						
Investment in equity instrument	8A - 8B	2 972.11	.43	-	2 972.54	2 972.54
Investment in mutual fund	8B	15 961.60	-	-	15 961.60	15 961.60
Investment in NSC	8A	-	-	.01	.01	.01
Loans	9B	-	-	14 555.40	14 555.40	14 555.40
Other Financial Asset	10A	-	-	1 826.95	1 826.95	1 826.95
Trade Receivable	12	-	-	6 790.45	6 790.45	6 790.45
Cash and cash equivalent	13	-	-	1 458.94	1 458.94	1 458.94
Bank balance other than above	14	-	-	19.94	19.94	19.94
<b>Total Financial assets</b>		<b>18 933.71</b>	<b>.43</b>	<b>24 651.69</b>	<b>43 585.83</b>	<b>43 585.83</b>
<b>Financial liability</b>						
Trade Payables	19	-	-	634.97	634.97	634.97
Borrowings	21	-	-	10.00	10.00	10.00
Other financial liabilities	22	-	-	2 760.06	2 760.06	2 760.06
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>3 405.03</b>	<b>3 405.03</b>	<b>3 405.03</b>

**36 FAIR VALUE MEASUREMENT**

Fair Value Measurement of Financial asset and Financial liabilities

**36.1 Fair value hierarchy**

(₹ in Lacs)

Particulars	Note No.	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2021</b>					
<b>Financial Assets Measured at FVTPL - Recurring FVM</b>					
Investment in Equity Instrument	8A - 8B	2 959.98	-	22 817.43	25 777.41
Investment in Mutual Fund	8B	-	25 432.09	-	25 432.09
<b>Total of Financial Assets</b>		<b>2 959.98</b>	<b>25 432.09</b>	<b>22 817.43</b>	<b>51 209.50</b>
<b>Non financial assets measured at cost</b>					
Investment properties	6	-	5 495.66	-	5 495.66
		-	<b>5 495.66</b>	-	<b>5 495.66</b>
<b>As at March 31, 2020</b>					
<b>Financial Assets Measured at FVTPL - Recurring FVM</b>					
Investment in Equity Instrument	8A - 8B	2 972.11	-	.43	2 972.54
Investment in Mutual Fund	8B	-	15 961.60	-	15 961.60
<b>Total of Financial Assets</b>		<b>2 972.11</b>	<b>15 961.60</b>	<b>.43</b>	<b>18 934.14</b>
<b>Non financial assets measured at cost</b>					
Investment properties	6	-	5 495.66	-	5 495.66
		-	<b>5 495.66</b>	-	<b>5 495.66</b>

36.2 The Fair value of current financial assets, current trade payables and loan from related party, measured at amortised cost, are considered to be the same as their carrying amount as they are of short term nature. Hence fair value hierarchy is not given for the same.

36.3 The carrying amount of non - current financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled. Hence, fair value hierarchy is not given for the same.

36.4 There are no transfer between level 1, level 2 and level 3 during the year

**36.5 Valuation technique and observable inputs used to determine fair value in level 2**

The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors

The fair value of investment in investment property are based on valuation report.

36.6 The fair value of investment in equity shares of Applewoods Estate private Limited is based on cost approach. Fair value of net assets used as unobservable input to determine the fair value. A one percentage change in the unobservable input used in fair valuation has insignificant impact.

**Reconciliation of level 3 fair value measurement is as follows:**

(₹ in Lacs)

Particulars	March 31, 2021
Balance at the beginning of the year	-
Addition during the year	20 697.14
Fair value gain included in OCI	2 119.85
Balance at the end of the year	22 816.99

**37 FINANCIAL RISK MANAGEMENT**

The Group's activities expose it to variety of financial risks : market risk, credit risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Group's activities. The Board of Directors oversee compliance with the Group's risk management policies and procedures, and reviews the risk management framework.

**a Market risk**

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk and other price risk. The company does not have any borrowing with fluctuating rate of interest, hence it is not exposed to interest risk.

**i Foreign Currency Risk**

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The company is exposed to foreign currency risk due to import of materials. The company measures risk through sensitivity analysis. As on March 31, 2021 no outstanding amount is payable for purchase of imported material.

**ii Other Price risk**

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The company is exposed to price risk mainly because of investments in mutual funds and equity shares classified as fair value through profit and loss and Fair Value through other comprehensive income. The company measures risk through sensitivity analysis. The company's risk management policy is to mitigate the risk by investments in diversified Portfolios.

The company's exposure to price risk due to investments in mutual fund and equity are as follows: (₹ In Lacs)

Particulars	March	March
	31, 2021	31, 2020
Investments in Mutual Funds	25 432.09	15 961.60
Investment in Equity Instruments	2 959.98	2 972.11
Investment in Equity Instruments carried at FVTOCI	22 817.43	.43

**Sensitivity Analysis**
**Investments in Mutual Funds**

(₹ In Lacs)

Particulars	Impact on profit after tax	
	March	March
	31, 2021	31, 2020
NAV increases by 0.5%	95.16	59.72
NAV decreases by 0.5%	( 95.16)	( 59.72)

**Investments in Equity Instruments**

(₹ In Lacs)

Particulars	Impact on profit after tax	
	March	March
	31, 2021	31, 2020
Market Price increases by 0.5%	11.08	11.12
Market Price decreases by 0.5%	( 11.08)	( 11.12)

**Investment in equity instruments carried at FVTOCI**

(₹ In Lacs)

Particulars	Impact on profit after tax	
	March	March
	31, 2021	31, 2020
Market Price increases by 0.5%	85.37	.00
Market Price decreases by 0.5%	( 85.37)	( .00)

**b Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The Group's principal source of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Group consistently generated sufficient cash flows from operations to meet its financial obligations as and when they fall due. Hence no liquidity risk is perceived.

The table below provide details regarding the contractual maturities of financial liabilities as at:

(₹ In Lacs)

	Carrying Amount	upto 1 year	1 - 2 years
<b>As at March 31, 2021</b>			
<b>Non Derivative Financial Liability</b>			
Trade Payables	2 224.23	2 224.23	-
Borrowings	10.00	10.00	-
Other financial liabilities	3 302.01	3 302.01	-
<b>As at March 31, 2020</b>			
<b>Non Derivative Financial Liability</b>			
Trade Payables	634.97	634.97	-
Borrowings	10.00	10.00	-
Other financial liabilities	2 760.06	2 760.06	-

**c Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness.

Credit risk arises primarily from financial assets such as trade receivables, investments in mutual funds, equity share, cash and cash equivalent, Inter corporate deposit and other balances with banks.

In respect of trade receivables, credit risk is being managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. All trade receivables are also reviewed and assessed for default on a regular basis. The concentration of credit risk is limited due to the fact that the customer base is large. There is no customer representing more than 10% of total balance of trade receivables.

Credit risk arising from investment in mutual funds, cash and cash equivalent and other balances with bank is limited as the counterparties are banks and recognised financial institution with high credit ratings.

Credit risk arising from inter corporate deposit is limited as entire amount is secured by immovable property.

The Group has considered the possible effects that may result from the pandemic relating to COVID – 19 on the carrying amounts of receivables, investment in mutual fund and inter corporate deposits based on the internal and external source of information up to the date of approval of the financial statements. The Company expects that the carrying amount of these assets will be recovered. The Group will continue to monitor any material changes to future economic conditions.

The maximum exposure to the credit risk at the reporting date from trade receivables amounting to ₹ 5117.01 lacs as on March 31, 2021 and ₹ 6790.45 lacs as on March 31, 2020.

**38 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**

(₹ In Lacs)

Note No.	Particulars	For the year ended	
		March 31, 2021	March 31, 2020
<b>a</b>	<b>Contingent Liabilities</b>		
i	Claims against the company not acknowledged as debt There are several defamation and other legal cases pending against the Company and its directors. These include criminal and civil cases. The company has also raised counter claims against some of the claimants. The estimated contingency in respect of these cases cannot be ascertained. Based on discussions with the lawyers / solicitors and also the past trend in respect of such cases, the Company believes that there is no present obligation in respect of the above and hence no provision is considered necessary against the same.	-	-
ii	Income tax demand of ₹813.03 lacs (Previous year ₹889.04 lacs ) Including Provisional demand of ₹688.75 lacs ( Previous Year ₹688.75 lacs has been raised against the company for various Assessment Years, which has not been acknowledged as debt in view of legal opinion and various judicial pronouncements. Appeals & rectification applications filed against the same as well as appeal effect orders for these years are still pending.	813.03	889.04
iii	VAT Appeal Stage -I FY 2010-11	34.00	34.00
<b>b</b>	<b>Commitments</b>		
	Estimated amount of contracts remaining to be executed on capital account and not provided for.	68.45	68.45

**39 DETAILS OF LOAN GIVEN, INVESTMENT MADE AND GUARANTEE GIVEN COVERED UNDER SECTION 186 (4) OF THE COMPANIES ACT, 2013**

Loans given and investments made are shown under the respective heads.

Loans have been utilised by the recipient for their business purpose.

There are no corporate guarantees given by the company in respect of loans as at March 31, 2021

**40 CSR Expenditure**

i) Gross Amount Required to be spent by Company during the Year is Rs 174.07 lacs

Sr.no	Particular	In Cash/ Cheque	Yet to be paid	Total
a)	Construction/acquisition of any Asset	-	-	-
b)	On Purpose other than (1) above	174.10	-	-

**41 RELATED PARTIES DISCLOSURE:**
**41.1 Related party :**
**(a) Name of Key Management Personnel :**

1	Mr. Falgun Patel	Chairman & Managing Director
2	Mr. Parthiv Patel	Managing Director
3	Mrs. Panna Patel	Director
4	Mr. Sanjay Kumar Tandon	Whole Time Director & CFO ( WTD from 15th September 2020)
5	Mr. Yogesh Jani	Whole Time Director (up to 15th September 2020)
6	Dr. Gauri Surendra Trivedi	Independent Director
7	Mr. Mukesh Patel	Independent Director
8	Mr. Sudhir Nanavati	Independent Director
9	Mr. Sheyas Pandya	Independent Director
10	Mr. Sandeep Singhi	Independent Director
11	Mr. Dhaval Pandya	Company Secretary

**(b) Associate**

Applewoods Estate Private Limited<sup>1</sup>

**(c) Subsidiary of associate**

Stanford Operation and Maintainance Private Limited

**(d) Enterprise over which Key Managerial Personnel having control or significant influence:**

- Sandesh Procon LLP
- Saintfoin Enterprise LLP
- Scabious Enterprise LLP
- Satyesh Prochem LLP
- Satyesh Brinechem private Limited
- Falgunbhai C Patel (HUF)
- Applewoods Estate Private Limited<sup>1</sup>
- Acquest estate private limited
- Fairy Co-operative Housing Society Limited

**(e) Post - employment benefit plan entities**

- Sandesh Employee Gratuity Fund
- Sandesh Superannuation Fund

**(f) Relatives of Key Managerial Personnel:**

Mrs. Ritaben C Patel

<sup>1</sup>Mr. Shreyas Pandya has resigned as an Independent Director of the Company with effect from January 19, 2021.

<sup>2</sup>Applewoods Estate Private Limited was associate company till January 29, 2021. However, KMPs continue to have control over the Applewood Estate Private Limited even after January 29, 2021. Hence, transactions with Applewoods, prior to January 29, 2021, have been shown as related party transactions with associate and subseuent to this date, transactions have been shown as related party transaction with enterprise over which KMP having control.

## 41.2 Particulars of transactions with related parties. The transactions are disclosed in aggregate value.

## i For the year 2020-21

(₹ in Lacs)

Sr. No.	Particulars	KMP	Associate	Enterprise over which KMP having control	Relative of KMP	Post - employment benefit plan	Total
<b>a</b>	<b>Assets</b>						
1	Purchase of Investment Property	-	-	-	-	-	-
<b>b</b>	<b>Liabilities</b>						
	Loan transactions					-	
	Loan taken	-	-	-	-	-	-
	Loan Repayment	-	-	-	-	-	-
<b>c</b>	<b>Incomes</b>						
	Advertisement revenue	-	3.95	.18	-	-	4.13
<b>d</b>	<b>Expenses</b>						
1	Remuneration Expenses	835.74	-	-	4.09	-	839.83
2	Interest Expenses	-	-	-	-	-	-
3	Rent Expenses	-	-	-	-	-	-
4.	Maintenance Exp	-	-	5.57	-	-	5.57
<b>e</b>	<b>Contribution to funds :</b>						
1	Contribution to Superannuation fund	-	-	-	-	10.14	10.14
2	Gratuity Fund	-	-	-	-	351.03	351.03
<b>f</b>	Dividend paid	79.09	-	203.55	.52	-	283.16
<b>g</b>	<b>Balance outstanding:-</b>						
<b>i</b>	<b>Assets</b>						
1	Investment in shares	-	-	22 816.99	-	-	22 816.99
2	Maintenance Deposit	-	-	152.71	-	-	152.71
<b>ii</b>	<b>Liabilities</b>						
1	Loan taken	10.00	-	-	-	-	10.00
2	Advertisement Deposit	-	-	13.08	-	-	13.08
3	Remuneration Payable (including commission)	770.66	-	-	.34	-	771.00
4	Rent expenses payable	-	-	-	-	-	-

**ii For the year 2019-20**

(₹ in Lacs)

Sr. No.	Particulars	KMP	Associate	Enterprise over which KMP having control	Relative of KMP	Post - employment benefit plan	Total
<b>a</b>	<b>Assets</b>						
1	Purchase of Investment Property	-	207.11	-	-	-	207.11
<b>b</b>	<b>Liabilities</b>						
	Loan transactions	-	-	-	-	-	-
	Loan taken	10.00	-	-	-	-	10.00
	Loan Repayment	37.09	-	-	-	-	37.09
<b>c</b>	<b>Incomes</b>						
1	Advertisement revenue	-	6.16	-	-	-	6.16
2	License Fees Income	-	-	-	-	-	-
<b>d</b>	<b>Expenses</b>						
1	Remuneration Expenses	748.75	-	-	4.29	-	753.04
2	Interest Expenses	2.97	-	-	-	-	2.97
3	Rent Expenses	-	-	20.93	-	-	20.93
4	Contribution to fund	-	-	-	-	10.14	10.14
<b>e</b>	Dividend paid	79.09	-	203.55	.52	-	283.16
<b>f</b>	<b>Balance outstanding:-</b>						
	<b>i Assets</b>						
1	Investment in shares	-	23 880.18	-	-	-	23 880.18
2	Maintenance Deposit	-	-	132.79	-	-	132.79
3	Licence fee receivable	-	-	-	-	-	-
	<b>ii Liabilities</b>						
1	Loan taken	10.00	-	-	-	-	10.00
2	Advertisement Deposit	-	17.15	-	-	-	17.15
3	Remuneration Payable (including commission)	519.92	-	-	.36	-	520.28
4	Rent expenses payable	-	-	4.17	-	-	4.17

**iii Compensation of key managerial personnel of the company**

(₹ in Lacs)

Particulars	2020-21	2019-20
Short - term employee benefit	826.37	701.62
Post - employment benefit	9.37	47.13
<b>Total</b>	<b>835.74</b>	<b>748.75</b>

## 41.3 Disclosure of material transactions with Related Party:

(₹ in Lacs)

Sr. No.	Particulars	2020-21	2019-20
<b>a</b>	<b>Assets</b>		
<b>1.</b>	<b>Investment in Shares</b>		
	Applewoods Estate Private Limited	22 816.99	23 880.18
<b>2.</b>	<b>Purchase of investment property</b>		
	Applewoods Estate Private Limited	-	207.11
<b>3.</b>	<b>Maintenance Deposit</b>		
	Acquest Estate Private Limited	152.71	132.79
<b>b</b>	<b>Liabilities</b>		
<b>1</b>	<b>Loan transactions</b>		
<b>i</b>	<b>Loan taken from</b>		
	Mr Falgun Patel	5.00	5.00
	Mr Parthiv Patel	5.00	5.00
<b>ii</b>	<b>Loan repayment to</b>		
	Mr Falgun Patel	-	15.06
	Mr Parthiv Patel	-	22.03
<b>iii</b>	<b>Advertisement Deposit</b>		
	Applewoods Estate Private Limited	13.08	17.15
<b>iv</b>	<b>Remuneration Payable</b>		
	Mr Falgun Patel	381.37	237.66
	Mr Parthiv Patel	385.63	277.40
	Mr. Yogesh Jani	-	.78
	Mr. Sanjay Kumar Tandon	2.27	2.54
	Mr. Dhaval Pandya	1.38	1.55
	Mrs. Rita Patel	.34	.36
<b>c</b>	<b>Incomes</b>		
<b>1</b>	<b>Advertisement Revenue</b>		
	Applewoods Estate Private Limited	3.95	6.16
<b>d</b>	<b>Expenses</b>		
<b>1</b>	<b>Remuneration Expenses</b>		
	<b>Short - term employee benefit</b>		
	Mr Falgun Patel	387.87	310.50
	Mr Parthiv Patel	390.63	332.80
	Mr. Yogesh Jani	3.56	9.17
	Mr. Sanjay Kumar Tandon	27.56	31.02
	Mr. Dhaval Pandya	16.75	18.12
	Mrs. Rita Patel	4.09	4.29
	<b>Post - employment benefit</b>		
	Mr Falgun Patel	5.37	34.50
	Mr Parthiv Patel	3.56	12.20
	Mr. Sanjay Kumar Tandon	.22	.22
	Mr. Dhaval Pandya	.22	.22
<b>2</b>	<b>Interest Expenses</b>		
	Mr Falgun Patel	-	1.20
	Mr Parthiv Patel	-	1.76
<b>3</b>	<b>Rent Expenses</b>		
	Satlon Enterprise Private Limited	-	2.10
	Fairy Co-operative Housing Society Limited	-	18.75
<b>4</b>	<b>Maintenance Expense</b>		
	Acquest Estate Private Limited	-	-

Sr. No.	Particulars	2020-21	2019-20
<b>5</b>	<b>Dividend paid</b>		
	Mr Parthiv Patel	49.77	49.77
	Mr Falgun Patel	17.04	17.04
	Mrs. Panna Patel	12.28	12.28
	Falgun C Patel (HUF)	9.27	9.27
	Mrs. Rita Patel	.52	.52
	Saintfoin Enterprise LLP	14.94	14.94
	Scabious Enterprise LLP	21.04	21.04
	Satyesh Prochem LLP	158.30	158.30
<b>6</b>	<b>Contribution to funds</b>		
	Sandesh Superannuation Fund	10.14	10.14
	Gratuity payment	351.03	-

**41.4 Disclosure requirement as per Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**  
(₹ in Lacs)

Particulars	2020-21	2019-20
Loan given to wholly owned subsidiary		
Outstanding Balance at the year end	-	-
Maximum amount Outstanding during the year	-	-

**42 INTERESTS IN SUBSIDIARIES**

**42.1 Details of subsidiary is set out below:**

Name of the entity	Relation	Place of business	Ownership interest held by the group	
			March 31, 2021	March 31, 2020
Sandesh Digital Private Limited	Subsidiary	Ahmedabad	100%	100%

42.2 Since subsidiary is wholly owned by the parent company, summarised financial information of subsidiary is not required to be given.

**42.3 Summarised financial information of associate**

**(i) Financial position as at March 31, 2021** (₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Non - current assets	-	16 368.82
Current assets	-	49 978.65
Non - current liabilities	-	3 044.56
Current liabilities	-	7 013.55

**(ii) Financial performance for the period from April 01, 2020 to March 31, 2021** (₹ in Lacs)

Particulars	For the period	
	April 01, 2020 to March 31, 2021	April 01, 2019 to March 31, 2020
Revenue	-	13 007.27
Profit	-	391.72
Other comprehensive income	-	( 2.18)
Total comprehensive income	-	389.54

## 41.4 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013.

Name of the entity	Net Assets (i.e. total assets minus total liabilities)		Share in profit after tax		Share in Other Comprehensive income (OCI)		Share in Total comprehensive income (TCI)	
	2020-21		2020-21		2020-21		2020-21	
	As % of consolidated net assets	Amount	As % of consolidated profit after tax	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Parent Company - The Sandesh Limited	99.53%	88 430.43	99.25%	8 930.69	100.00%	2 149.50	99.39%	11 080.19
Subsidiary Company - Sandesh Digital Private Limited	0.47%	419.66	0.75%	67.60	0.00%	0.04	0.61%	67.64
<b>Total</b>	<b>100.00%</b>	<b>88 850.09</b>	<b>100.00%</b>	<b>8 998.29</b>	<b>100.00%</b>	<b>2 149.54</b>	<b>100.00%</b>	<b>11 147.83</b>

Name of the entity	Net Assets (i.e. total assets minus total liabilities)		Share in profit after tax		Share in Other Comprehensive income (OCI)		Share in Total comprehensive income (TCI)	
	2019-20		2019-20		2019-20		2019-20	
	As % of consolidated net assets	Amount	As % of consolidated profit after tax	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Parent Company - The Sandesh Limited	69.21%	54 466.21	95.52%	5 836.32	107.13%	5.10	95.53%	5 841.42
Subsidiary Company - Sandesh Digital Private Limited	0.45%	352.05	1.26%	76.76	-2.08%	(0.10)	1.25%	76.66
Associate Company - Applewoods Estate Private Limited	30.34%	23 880.18	3.22%	196.90	-5.05%	(0.24)	3.22%	196.66
<b>Total</b>	<b>100.00%</b>	<b>78 698.44</b>	<b>100.00%</b>	<b>6 109.98</b>	<b>100.00%</b>	<b>4.76</b>	<b>100.00%</b>	<b>6 114.74</b>

**43 Segment Information**
**43.1 Business segments**

The Company has identified two business segments namely Media and Finance based on the information reviewed by the Company's Chief Operating Decision Maker ('CODM').

**43.2 Segment information for the years ended / as at March 31, 2021 and March 31, 2020 :**

(₹ in Lacs)

Particulars	Media		Finance		Other		Total	
	2020 - 21	2019 - 20	2020 - 21	2019 - 20	2020 - 21	2019 - 20	2020 - 21	2019 - 20
<b>1 Segment Revenue</b>								
Revenue from external customers	23 285.96	34 063.52	2 013.69	400.44	2,406.17	-	27 705.82	34 463.96
<b>2 Segment Result before exceptional items</b>	5 697.02	6 033.87	1 959.66	355.67	45.56	(0.28)	7 702.24	6 389.27
Add: Exceptional Items	( 152.80)	94.23	-	-	-	-	( 152.80)	94.23
Segment result after exceptional items	5 544.22	6 128.10	1 959.66	355.67	45.56	( .28)	7 549.44	6 483.50
Add : Unallocable income							4 387.76	1 222.63
Less : Unallocable expense							213.68	13.75
Profit before Tax							11 723.52	7 692.38
Current Tax							2 334.23	2 286.57
Deferred Tax							391.00	( 704.17)
Profit After Tax							8 998.29	6 109.98
<b>3 Other Information</b>								
Segment Assets	29 313.56	20 772.67	8 874.50	14 500.00	629.38	127.08	38 817.44	35 399.75
Add : Unallocable assets							57 575.33	48 788.95
Total assets	29 313.56	20 772.67	8 874.50	14,500.00	629.38	127.08	96 392.77	84 188.70
Segment Liabilities	6 912.60	5 249.98	-	-	-	-	6 912.60	5 249.98
Add : Unallocable liabilities	-	-	-	-	-	-	630.08	240.28
Total liabilities	6 912.60	5 249.98	-	-	-	-	7 542.68	5 490.26
Capital Expenditure	78.80	165.21	-	-	-	-	78.80	165.21
Depreciation and Amortisation	693.61	785.92	-	-	-	-	693.61	785.92

**43.3** There is no transactions with single external customer which amounts to 10% or more of the Company's revenue.

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached.

**For, S G D G & Associates LLP**

Chartered Accountants  
ICAI Firm Registration No. : W100188

**Devansh Gandhi**

Partner  
Membership No. 129255  
Place : Ahmedabad  
Date : June 29, 2021

**For and on behalf of the Board**
**Falgunbhai Patel**

(DIN: 00050174)  
Chairman & Managing Director

**Sanjay Kumar Tandon**

Whole Time Director & CFO

Place : Ahmedabad  
Date : June 29, 2021

**Parthiv Patel**

(DIN: 00050211)  
Managing Director

**Dhaval Pandya**

Company Secretary



# **Sandesh**

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**THE SANDESH LIMITED**

(CIN – L22121GJ1943PLC000183)

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