

September 06, 2020

To,  
**The Manager – Listing Department,**  
**National Stock Exchange of India Limited**  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East),  
Mumbai – 400 051

**SYMBOL- SABEVENTS**

Dear Sir(s),

**Sub: Submission of the Annual Report under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

With reference to the above captioned subject and pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the financial year ended 2019-2020.

Kindly take the same on record and acknowledge the same.

Thanking You.

Yours faithfully,

**For Sab Events & Governance Now Media Limited**

**Swity Gada**  
**Company Secretary & Compliance Officer**  
**ACS No.: 59482**

Encl: A/a

Registered Office:

7th Floor, Adhikari Chambers, Oberoi Complex, New Link Road, Andheri (W), Mumbai - 400 053.

Tel.: 022 - 40230711 | Fax: 022 - 26395459

Website: [www.governancenow.com](http://www.governancenow.com)

CIN: L22222MH2014PLC254848

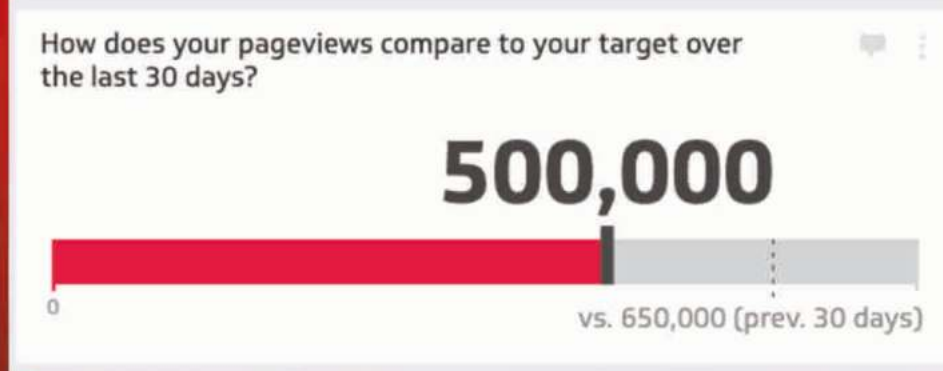
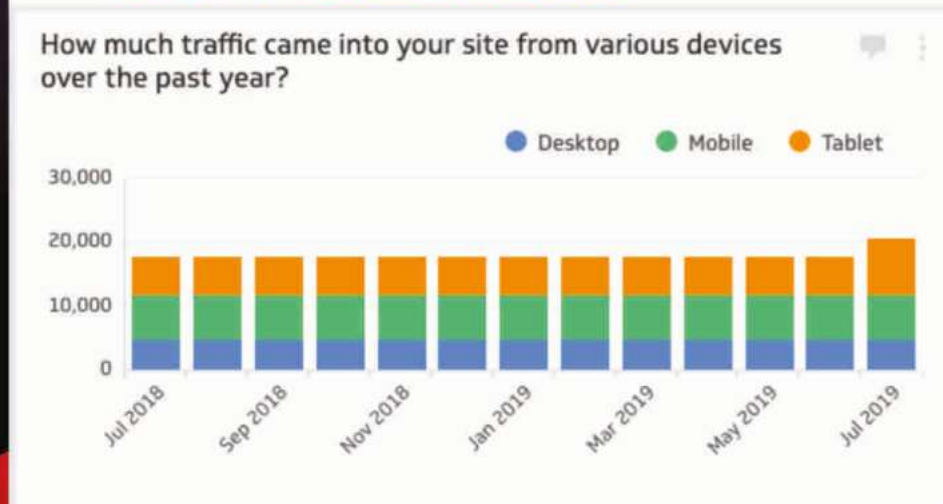


A SRI ADHIKARI BROTHERS ENTERPRISE

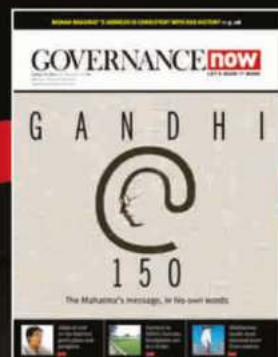
**GOVERNANCE** **now**  
LET'S MAKE IT WORK

**SAB EVENTS AND  
GOVERNANCE NOW  
Media Ltd**

**ANNUAL REPORT 2019-20**



Data are for illustrative purposes only and are not intended to represent past or future performance.



# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

## CONTENTS

|   | Page No. |
|---|----------|
| 1. From the desk of the Managing Director   | 2        |
| 2. Notice                                   | 3        |
| 3. Statutory Reports                        |          |
| A. Boards' Report                           | 14       |
| B. Management Discussion and Analysis       | 35       |
| C. Report on Corporate Governance           | 41       |
| 4. Financial Statements                     |          |
| A. Auditor's Report on Financial Statements | 59       |
| B. Financial Statements                     | 66       |
| 5. E-mail Updation Form                     |          |

## GENERAL INFORMATION

### BOARD OF DIRECTORS

**Mr. Markand Adhikari**  
Chairman

**Mr. Kailasnath Adhikari**  
Managing Director

**Mr. Shailendra Mishra**  
Independent Director

**Mr. Umakanth Bhyravajoshiyulu**  
Independent Director

**Dr. Ganesh P Raut**  
Independent Director

**Mrs. Latasha Jadhav**  
Non-Executive (Woman) Director

### STATUTORY AUDITORS

**M/s. A. R. Sodha & Co.**  
Chartered Accountants

### SECRETARIAL AUDITORS

**M/s. Shweta Mundra & Associates**  
Practicing Company Secretaries

### KEY MANAGERIAL PERSONNEL

**Mr. Suresh Satpute**  
Chief Financial Officer (CFO)

**Mrs. Payal Garg**  
Company Secretary &  
Compliance Officer  
(resigned w.e.f. November 14,  
2019)

**Mrs. Swity Gada**  
Company Secretary &  
Compliance Officer  
(appointed w.e.f. November 14,  
2019)

### BANKERS

Bank of Maharashtra

### REGISTERED OFFICE

7<sup>th</sup> Floor, Adhikari Chambers,  
Oberoi Complex, New Link Road,  
Andheri - (West), Mumbai 400053

Tel: 91-22-4023 0711  
Fax: 91-22-2639 5459

Email: [cs@governancenow.com](mailto:cs@governancenow.com)  
Website: [www.governancenow.com](http://www.governancenow.com)

### REGISTRAR & SHARE TRANSFER AGENTS

**M/s. Sharex Dynamic (India) Pvt. Ltd.**  
C 101, 247 Park, LBS Marg,  
Vikhroli (West), Mumbai - 400 083.

Tel.: 91-22-2851 5644 / 2851 5606  
Fax.: 91-22-2851 2885

E-mail: [support@sharexindia.com](mailto:support@sharexindia.com)  
Website: [www.sharexindia.com](http://www.sharexindia.com)

## MANAGING DIRECTOR'S SPEECH

Dear Shareholders,

On behalf of the Board of Directors of the Company, I welcome you all to the 7<sup>th</sup> Annual General Meeting of your Company '**SAB Events & Governance Now Media Limited**'. The journey of Seven years has been tremendous with all your support and confidence in us.

In the FY 2019-20 your Company despite of facing all the odds and fluctuations in the market, has taken its digital magazine and conferences to the new milestone engaging the Centre and State governments and public sector actively involved with us.

In the said year, the Company has organized different '**On Ground Conferences**' during the year 2019-20 viz.: 4<sup>th</sup> India Banking Reforms Conclave & BFSI Awards, 2019; 4<sup>th</sup> PSU IT forum, 2019; 3<sup>rd</sup> Digital Transformation Summit & Awards 2019; Digital India Special Edition; and 7<sup>th</sup> PSU Awards & Conferences, etc.

However, in the final days of the year the world has faced CoVID-19 pandemic. In 100 years of history of mankind we have never experienced such an impact where every human on the planet feels unsafe to step out of their home. The impact of CoVID-19 and its adverse effect are presently unmeasurable; however, the contribution that each one of us can make to either minimise the spread of the disease and/or help others to come out of it is of supreme importance.

Owing to Novel CoVID-19 virus outbreak restrictions imposed on free movement of people by the Central/State governments, the Company started organizing various '**Virtual Conferences**', '**Technology Masterclasses**' for government and public sector and '**Visionary Talk**' series on the impact of CoVID-19 since July 2020 with some of the renowned personalities of our Country i.e Mr. Ashishkumar Chauhan, CEO & MD of BSE, Mr. Sam Balsara, Founder, Chairman and MD, Madison Group, BJP leader Mr. Kirit Somaiya and many more.

As an organization, the health and safety of the employees is kept at utmost importance and every step towards the same has been taken by us. The Company being a responsible Corporate House has announced a "No lay off, No salary cut".

In-spite of challenges posed by the pandemic on the business, your Company is fully focused to sail through it as smoothly as possible and emerge on the path of growth.

I would like to convey my gratitude to all our employees, advertisers, sponsors, business associates and all other stakeholders for their support during the difficult period and without your support and trust, this Company would not have been able to deliver its best.

I believe in investing in our team and have a long term perspective on the business. Together we must stand and emerge out stronger when the markets start looking up, post COVID-19.

I am confident that we shall successfully bypass these hard times and achieve many more milestones of success in our onward journey and take on the next level of growth.

With warm regards,

**Kailasnath Adhikari**  
Managing Director





## NOTICE

**Notice** is hereby given that the **7<sup>th</sup> (Seventh) Annual General Meeting ("AGM")** of the Members of **SAB Events & Governance Now Media Limited** will be held on **Monday, September 28, 2020 at 4.30 p.m. (IST)** through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") facility, to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020 together with the Report of the Board of Directors and Auditor's thereon.
2. To appoint a Director in place of Mr. Markand Navnital Adhikari (DIN: 00032016), Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

#### **3. AUTHORITY TO THE BOARD OF DIRECTORS TO CREATE, OFFER, ISSUE & ALLOT FURTHER SECURITIES OF THE COMPANY:**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 41, 42, 62, 71 and all other applicable provisions of the Companies Act, 2013 ("**the Act**") read with the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to all applicable laws and in accordance with all relevant provisions of the Memorandum and Articles of Association of the Company and subject to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and subject to any other necessary approval, consent, permission and/or sanction of the Securities and Exchange Board of India ("**SEBI**"), Government of India ("**GOI**"), Reserve Bank of India ("**RBI**") Ministry of Information and Broadcasting ("**MIB**"), Foreign Investment Promotion Board ("**FIPB**"), Department of Industrial Policy & Promotion ("**DIPP**") and/or any other appropriate authorities, including Banks, Financial Institutions or other Creditors; subject to the provisions of the Foreign Exchange Management Act, 1999 ("**FEMA**"), Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2000, as amended and all applicable regulations framed and notifications issued there under; SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**"), including the guidelines for Qualified Institutional Placement prescribed in Chapter VI thereof; subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission or sanction and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall be deemed to include any Committee(s) constituted /to be constituted by the Board to exercise its powers including powers conferred on the Board by this resolution and/or by duly authorized persons thereof for the time being exercising the powers conferred on the Board by this resolution), the consent and approval of the members of the Company be and is hereby accorded to create, offer, issue and allot, in the course of one or more public/private offerings in domestic and/or in the course of international offerings with or without green shoe options, equity shares (including Qualified Institutions Placement ("**QIPs**") under SEBI ICDR Regulations) and/or equity shares through Global Depository Receipts ("**GDRs**") and/or American Depository Receipts ("**ADRs**") or Foreign Currency Convertible Bonds ("**FCCBs**") and/or other securities convertible into equity shares at the option of the Company and/or holder(s) of such securities and/or securities linked to equity shares and/or securities including non-convertible debentures with warrants or other securities with or without warrants, which may be either detachable or linked and which warrant has a right exercisable by the warrant holder to subscribe for equity shares and/or any instruments or securities representing either equity shares and/or convertible securities linked to equity shares (including the issue and allotment of equity shares pursuant to a green shoe option, if any), (all of which are hereinafter collectively referred to as "**securities**") to eligible investors under applicable laws, regulations and guidelines whether residents or non-residents and/or institutions/banks and/or incorporated bodies, mutual funds, venture capital funds, and/or multilateral financial institutions and/or individuals and/or trustees and/or stabilizing agents or otherwise and whether or not such investors are members of the Company, through Prospectus and/or Letter of Offer or Circular and/or on public and/or private/preferential basis, such issue and allotment to be made at such times/intervals, in one or more tranches, for cash, at such price or prices, in such manner and where necessary, in consultation with the Book Running Lead Managers and/or other Advisors or otherwise, on such terms and conditions as the Board, may, in its absolute discretion, decide at the time of issue of securities provided that the total amount raised through the issuance of such securities shall not exceed Rs. 50,00,00,000/- (Rupees Fifty Crore Only) or its equivalent in one or more currencies,

including premium if any, as may be decided by the Board.

**RESOLVED FURTHER THAT** in the event of issue of GDRs / ADRs, the pricing shall be determined in compliance with principles and provisions set out in the Depository Receipts Scheme, 2014, the Foreign Exchange Management (Transfer or Issue of Securities by a person resident outside India) Regulations, 2000 and such other notifications, clarifications, guidelines, rules and regulations issued by relevant authorities (including any statutory modifications, amendments or re-enactments thereof).

**RESOLVED FURTHER THAT** in the event the Securities are proposed to be issued as FCCBs, subject to the provisions of the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipts Mechanism) Scheme, 1993, including any statutory modifications, re-enactments or amendments thereto from time to time and other applicable pricing provisions issued by the Ministry of Finance, the relevant date for the purpose of determining the floor price for conversion of the FCCBs into Equity Shares shall be the date of the meeting in which the Board or duly authorized committee of directors decides to open such issue after the date of this Resolution or such other date as may be prescribed under applicable law.

**RESOLVED FURTHER THAT** in the event the Equity Shares are issued in the course of QIP under Chapter VI of SEBI Regulations, the pricing shall be determined in compliance with principles and provisions set out under the SEBI Regulations and the Board may offer a discount of not more than 5% (five per cent) on the price calculated for the QIP or such other discount as may be permitted under said SEBI Regulations.

**RESOLVED FURTHER THAT** in the event the Equity Shares are issued in the course of QIP under Chapter VI of SEBI Regulations, the relevant date for the purpose of the pricing of the Equity Shares shall be the meeting in which the Board decides to open the issue or such other date as may be prescribed under applicable law.

**RESOLVED FURTHER THAT** the Board be and hereby authorized to enter into any arrangement with any agencies or bodies for the issue of GDRs and / or ADRs represented by underlying equity shares in the share capital of the Company with such features and attributes as are prevalent in international / domestic capital markets for instruments of this nature and to provide for the tradability and free transferability thereof in accordance with market practices as per the domestic and / or international practice and regulations and under the norms and practices prevalent in the domestic / international capital markets and subject to applicable laws and regulations and the Articles of Association of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of Securities, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, finalization and approval of the offer documents(s), private placement offer letter, determining the form, proportion and manner of the issue, including the class of investors to whom the Securities are to be allotted, number of Securities to be allotted, issue price, premium amount on issue / conversion / exercise / redemption, rate of interest, redemption period, fixing record date, listings on one or more stock exchanges in India or abroad, entering into arrangements for managing, underwriting, marketing, listing and trading, to issue placement documents and to sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and for other related matters and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such offer(s) or issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.

**RESOLVED FURTHER THAT** the Securities to be created, issued allotted and offered in terms of this Resolution shall be subject to the provisions of the Memorandum and Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Equity Shares so issued shall in all respects rank pari-passu with the existing Equity Shares of the Company and shall be listed with the stock exchanges where the Company's existing equity shares are listed.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to appoint merchant bankers, underwriters, depositories, custodians, registrars, trustees, bankers, lawyers, advisors and all such agencies as may be involved or concerned in the issue and to remunerate them by way of commission, brokerage, fees or the like (including reimbursement of their actual expenses) and also to enter into and execute all such arrangements, contracts / agreements, memorandum, documents, etc., with such agencies, to seek the listing of Securities on one or more recognized stock exchange(s), to affix common seal of the Company on any arrangements, contracts / agreements, memorandum, documents, etc. as may be required.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby authorized in consultation with the merchant banker(s), advisors and / or other intermediaries as may be appointed in relation to the issue of Securities, is authorized to take all actions and do all such acts, deeds, matters and things as it may, in its absolute

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

discretion, deem necessary, desirable or expedient for the issue and allotment of Securities and listing thereof with the stock exchanges or otherwise as may be required in relation to the issue and to resolve and settle all questions and difficulties that may arise in the issue, offer and allotment of Securities, including finalization of the number of Securities to be issued in each tranche thereof, form, terms and timing of the issue of Securities including for each tranche of such issue of Securities, identification of the investors to whom Securities are to be offered, utilization of the proceeds and other related, incidental or ancillary matters as the Board may deem fit at its absolute discretion, to make such other applications to concerned statutory or regulatory authorities as may be required in relation to the issue of Securities and to agree to such conditions or modifications that may be imposed by any relevant authority or that may otherwise be deemed fit or proper by the Board and to do all acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit and to settle any questions, difficulties or doubts that may arise in relation to the any of the aforesaid or otherwise in relation to the issue of Securities.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to delegate (to the extent permitted by law) all or any of the powers herein conferred to any officer of the Company."

#### 4. RE-APPOINTMENT OF MR. SHAILENDRA MISHRA (DIN: 07373830), INDEPENDENT DIRECTOR OF THE COMPANY:

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by Nomination and Remuneration Committee, Mr. Shailendra Mishra (DIN: 07373830), Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and eligible for re-appointment and in respect of whom the Company has received a notice in writing from member under section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby re-appointed as an Independent Director of the Company to hold office for another term of 5 (five) consecutive years with effect from February 10, 2021 to February 09, 2026 who shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution."

#### 5. APPROVAL OF RELATED PARTY TRANSACTIONS:

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

**"RESOLVED THAT** pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as approved by the Audit Committee and the Board of Directors, consent of the members of the Company be and is hereby accorded to ratify the agreement entered between the Company and TV Vision Limited (TVVL) for the purpose of promoting, marketing and advertising of TVVL Channels in which Directors of the Company are interested. Details of material related party transaction is stated herewith:

| Name of related party    | Nature of transaction                                 | Appropriate value of transaction              |
|--------------------------|---|---|
| TV Vision Limited (TVVL) | Promoting, Marketing and advertising of TVVL Channels | July 01, 2020 to June 30, 2021<br>Rs. 60 lakh |

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things, as may be considered necessary or expedient in this regard."

By Order of the Board of Directors

Place: Mumbai  
Date: August 12, 2020

Swity Gada  
Company Secretary & Compliance Officer  
ACS No. 59482



**NOTES:**

1. The Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013 ("the Act"), in respect of the Special Business to be transacted at the Annual General Meeting ("AGM") is annexed hereto and forms part of this Notice.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 (collectively referred to as "MCA Circulars") and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India ("SEBI") wherein the Companies are permitted to holding the Annual General Meeting ("AGM") through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the 7<sup>th</sup> AGM of the Company is being held through VC/OAVM. Hence, members can participate in the AGM through VC/OAVM only.

The detailed procedure for participating in the meeting through VC/OAVM is annexed herewith (Refer Point no. B) and the same is also available on the Company's website [www.governancenow.com](http://www.governancenow.com).

3. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website [www.governancenow.com](http://www.governancenow.com), website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
5. Corporate Members (i.e. other than individuals/HUF, NRI, etc.) are required to send a duly certified scanned copy (PDF/JPG Format) of its Board or governing body Resolution /Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting, pursuant to Section 113 of the Companies Act, 2013. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [scrutinizer@mgconsulting.in](mailto:scrutinizer@mgconsulting.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
6. Members desirous of seeking any information with regard to any matter to be placed at the AGM or relating to the accounts and operations of the Company, can raise questions during the meeting or are requested to write to the Company atleast 10 (Ten) days in advance i.e. before September 18, 2020 through email at [cs@governancenow.com](mailto:cs@governancenow.com). However, it is requested to raise the queries precisely and in short at the time of meeting to enable to answer the same. The queries raised by the members will be replied by the Company suitably.
7. Brief resume of Directors proposed to be appointed / re-appointed at the ensuing AGM in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) is annexed to the Notice forming part of this Annual Report. The Company is in receipt of relevant disclosures/consents from the Directors pertaining to their appointment/re-appointment.
8. Pursuant to Section 91 of the Act, Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, September 22, 2020 to Monday, September 28, 2020 (both days inclusive).
9. As per Regulation 40 of 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 notify immediately changes, if any, in their address or bank mandates to the Company/Registrar & Share Transfer Agents ("RTA") quoting their Folio Number and Bank Account Details along with self-attested documentary proofs. Members holding shares in the Dematerialized (electronic) Form may update such details with their respective Depository Participants.
10. Members are requested to forward all Share Transfers and other communications, correspondence to the RTA – M/s. Sharex Dynamic (India) Private Limited, Unit: SAB Events & Governance Now Media Limited, C-101, 247 Park, LBS Marg, Vikhroli (W), Mumbai - 400083, and members are further requested to always quote their Folio Number in all correspondences to be made with the Company.

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

11. Members holding shares in physical form, in identical order of names, in one or more folio are requested to write to the Company/RTA enclosing their share certificate(s) to enable the Company to consolidate their holding in one folio for better services. Consolidated Share Certificate will be issued to such Members after making requisite changes.
12. In case of joint holders, the members 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 at the AGM.
13. To comply with the provisions of Section 88 of the Act, read with the Rule 3 of the Companies (Management and Administration) Rules, 2014, the Company shall be required to update its database by incorporating some additional details of its members.

Members who have not registered their email addresses with the Company are therefore requested to kindly submit their e-mail ID and other details vide the e-mail updation form annexed with this Annual Report. The same could be done by filling up and signing at the appropriate place in the said form and sending it by an email to [support@sharexindia.com](mailto:support@sharexindia.com) and [cs@governancenow.com](mailto:cs@governancenow.com).

The e-mail ID provided shall be updated subject to successful verification of their signatures as per records available with the RTA of the Company.

14. The Register of Directors and Key Managerial Personnel and their Shareholdings, as maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested as maintained under Section 189 of the Act, and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to [cs@governancenow.com](mailto:cs@governancenow.com).
15. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
16. Securities Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in DEMAT Form are therefore requested to submit their PAN details to their respective Depository Participants with whom they have their DEMAT account(s). Members holding shares in physical form can submit their PAN details to the Company/RTA of the Company.
17. Non Resident Indian members are requested to inform the Company's RTA, immediately of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code, IFSC and MICR Code, as applicable if such details were not furnished earlier.
18. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

## **INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM ARE AS FOLLOWS:**

### **A. Voting through electronic means:**

- I. In compliance with provisions of Section 108 of the Act, read with the Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of Listing Regulations and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), the members are provided with the facility to cast their votes electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice.

The instructions for e-voting are given herein below:

- II. The remote e-voting period commences on Friday, September 25, 2020 (9:00 a.m. IST) and ends on Sunday, September 27, 2020 (5:00 p.m. IST). During this period, members holding shares either in physical form or in dematerialized form, as on Monday, September 21, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. 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.
- III. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.

- IV. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- V. The Board of Directors has appointed M/s. Manish Ghia & Associates, Company Secretaries, (Membership No. FCS 6252), Mumbai as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
- VI. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
- VII. The details of the process and manner for remote e-voting are explained herein below:

Step 1 : Log-in to NSDL e-voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-voting system.

**Details of Step 1 are mentioned below:**

**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 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password 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:

| <b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b> | <b>Your User ID is:</b>   |
|---|---|
| a) For Members who hold shares in demat account with NSDL             | 8 Character DP ID followed by 8 Digit Client ID<br><br>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<br><br>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<br><br>For example if folio number is 001 *** and EVEN is 101456 then user ID is 101456001 *** |

5. Your password details 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 with 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

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

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, your 'initial password' is communicated to you on your postal address.

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.
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.

**Details on Step 2 is given below:**

## **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. 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.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

## **General Guidelines for shareholders**

- a. 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 <https://www.evoting.nsdl.com> to reset the password.
- b. In case any queries relating to e-voting, you may refer Frequently Asked Question (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 number 1800-222-990 or a send a request at [e-voting@nsdl.co.in](mailto:e-voting@nsdl.co.in).
- c. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- d. The result declared along with the Scrutinizer's Report shall be placed on the Company's website

[www.governancenow.com](http://www.governancenow.com) and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

**Process for registration of email id for obtaining Annual Report and User ID / Password for e-voting and updation of bank account mandate for receipt of dividend:**

|                  |   |
|------------------|---|
| Physical Holding | <p>Send a request to the Registrar and Transfer Agents of the Company, Sharex Dynamic (India) Private Limited at <a href="mailto:support@sharexindia.com">support@sharexindia.com</a> providing 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) for registering email address.</p> <p>Following additional details need to be provided in case of updating Bank Account Details:</p> <ol style="list-style-type: none"> <li>Name and Branch of the Bank in which you wish to receive the dividend,</li> <li>the Bank Account type,</li> <li>Bank Account Number allotted by their banks after implementation of Core Banking Solutions,</li> <li>9 digit MICR Code Number,</li> <li>11 digit IFSC Code and</li> <li>a scanned copy of the cancelled cheque bearing the name of the first shareholder.</li> </ol> |
| Demat Holding    | Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.  |

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

- Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by National Securities Depository Limited (NSDL) at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.

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.

Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.

- Members can participate in AGM through smart phone/laptop, however, for better experience and smooth participation it is advisable to join the Meeting through Laptops connected through broadband. Further, members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- The Members can join the AGM in the VC/OAVM mode 15 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 the 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 the AGM without restriction on account of first come first served basis.
- 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.
- Members who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)/ 1800-222-990 or contact Ms. Pallavi Mhatre, Manager – NSDL at [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in)/ 022-24994545.
- Members who would like to express their views/ ask questions during the AGM, may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [cs@governancenow.com](mailto:cs@governancenow.com) from September 21, 2020 (9:00 a.m. IST) to September 25, 2020 (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.



## STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013:

### Item No. 3

To meet the capital expenditure, long term working capital requirements, other requirements arising out of business activities, and for general corporate purposes including but not limited to repayment or prepayment of loans taken, the Company proposes to mobilize the funds by way of offer / issue and allot in the course of international/ domestic offering(s) in one or more tranches to foreign investors/ domestic financial institution/ mutual funds/ other eligible entities, equity shares of nominal value of Rs. 10/- each or equity shares underlying securities in the form of QIP(s) / GDR(s) / ADR(s) / FCCB(s) and/ or any other permitted instruments/ securities convertible into equity shares (at a later date as may be determined by the Board of Directors) for an aggregate value not exceeding Rs. 50,00,00,000/- (Rupees Fifty Crore Only).

The detailed terms and conditions of the offer will be determined in consultation with Advisors, Lead Managers and Underwriters and such other authority or authorities as may be required to be consulted by the company considering the prevailing market conditions and other relevant factors.

Pursuant to provisions of Sections 41, 42, 62 and 71 of the Companies Act, 2013, read with the Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time, Company offering or making an invitation to subscribe aforesaid Securities is required to obtain prior approval of the shareholders by way of the Special Resolution. If approved by shareholders, QIP issue shall be completed within one year from the date of passing of Special Resolution and in case of issue by way other than QIP, provisions as applicable to the proposed issue shall be applicable. Equity Shares, proposed to be issued, shall in all respects rank *pari passu* with the existing equity shares of the Company.

In view of the above, it is proposed to seek approval from the shareholders of the Company to offer, create, issue and allot the above Securities, in one or more tranches, to Investors inter alia through QIP by way of private placement or otherwise and to authorize the Board of Directors (including any Committee(s) thereof authorized for the purpose) to do all such acts, deeds and things on the matter. The Board may offer a discount of not more than 5% on the price calculated for the QIP or such other discounts as may be permitted under said SEBI Regulations.

The proposed resolution is an enabling resolution conferring authority on the Board of Directors to cover all the present and future contingencies and corporate requirements in terms of Section 41, 42, 62 and 71 of the Companies Act, 2013, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time and the Listing Regulations, which requires that new shares are first to be offered on pro-rata basis to the existing shareholders of the Company, unless the shareholders at a general meeting decides otherwise by passing a special resolution.

The Board recommends the Special Resolution as set out at Item no. 3 of the Notice for approval of the shareholders.

None of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested in the said resolution.

### Item No. 4

The members of the Company at the 3<sup>rd</sup> Annual General Meeting held on September 28, 2016 had approved the appointment of Mr. Shailendra Mishra, as an Independent Director of the Company, whose term is due to expire on February 09, 2021.

As per provisions of Section 149 (10) read with Schedule IV of the Act, an Independent Director shall hold office for a term of five consecutive years on the Board of a Company, but shall be eligible for re-appointment by passing a special resolution for another term of five consecutive years on the Board of a Company.

In line with the aforesaid provisions of the Act and in view of long, rich experience, continued valuable guidance to the management and strong Board performance of Mr. Shailendra Mishra, it is proposed to re-appoint him for a second term as an Independent Director of the Company for a period of 5 (five) consecutive years with effect from February 10, 2021 to February 09, 2026. Pursuant to the provisions of Section 160(1) of the Companies Act, 2013 the Company has received notice in writing from member of the Company signifying his candidature as director for a second term of five years.

Mr. Shailendra Mishra have given requisite declaration pursuant to Section 149(7) of the Companies Act, 2013, to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and in the opinion of the Board he fulfills the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his re-appointment as Independent Director of the Company and is independent to the management.

The Nomination & Remuneration Committee has also recommended his re-appointment as an Independent Director for a term of 5 (Five) consecutive years. The Board considers that his continued association would be of immense benefit to the

Company and it is desirable to continue to avail services of Mr. Shailendra Mishra as Independent Director. Accordingly, the Board recommends Special Resolution as set out at Item No. 4 of the Notice for approval of shareholders. Brief resume of the Director proposed to be re-appointed as stipulated under the Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) is given in the annexure to the Notice. Mr. Shailendra Mishra does not hold any shares in the Company.

Except Mr. Shailendra Mishra, being the appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice of the AGM.

#### Item No. 5

As per business requirements, Company intended to extend the agreement with TV Vision Limited ("TVVL"), Group Company to render promotion, marketing and advertising services for further period commencing from July 01, 2020 to June 30, 2021. As the Company and TV Vision Limited are related party by virtue of common directorship and as per the provisions of Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Listing Regulations, every Company availing or rendering of any services, directly or indirectly with a related party, exceeding ten percent of its turnover or rupees fifty crore, whichever is lower as per the audited financial statement of the preceding financial year, requires approval from the shareholders by passing a resolution.

Accordingly, approval of the shareholders of the Company is sought for above mentioned services to TVVL for further period of 1(One) year w.e.f. July 01, 2020 to June 30, 2021, provided that the total amount of such service shall not exceed Rs. 60 lakh per annum.

The details, as required under Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014, are as follows:

|   |  |   |
|---|--|---|
| 1 | <b>Name of Related party</b>   | TV Vision Limited   |
| 2 | <b>Name of Director or KMP interested</b>  | Mr. Markand Adhikari, Chairman and Mr. Kailasnath Adhikari, Managing Director of the Company.   |
| 3 | <b>Nature of Relationship</b>  | 1. Mr. Markand Adhikari is the Chairman & Managing Director of TV Vision Limited<br>2. Mr. Kailasnath Adhikari is the son of Mr. Markand Adhikari |
| 4 | <b>Nature of contract</b>  | Promoting, Marketing and advertising of TVVL Channels   |
| 5 | <b>Duration of Arrangement</b>   | One (01) year commencing from July 01, 2020   |
| 6 | <b>Monetary Value</b>  | Not exceeding Rs 60 lakhs per annum.  |
| 7 | <b>Any advance paid</b>  | Yes   |
| 8 | <b>The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract;</b>                       | Generally accepted in the market.   |
| 9 | <b>Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors</b> | Yes   |

The Board recommends the Ordinary Resolution as set out in item no. 5 of the notice for the approval of the shareholders of the Company

Except Mr. Markand Adhikari, Chairman and Mr. Kailasnath Adhikari, Managing Director of the Company, none of the other Directors and Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise in the said resolution.

**By Order of the Board of Directors**

Place: Mumbai  
Date: August 12, 2020

**Swity Gada**  
**Company Secretary & Compliance Officer**  
**ACS No. 59482**

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

In pursuance to the provisions of Regulation 36(3) of the Listing Regulations and SS -2 issued by the ICSI, details of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting (AGM) is as follows:

| Name of the Director   | Mr. Markand Navnital Adhikari  | Mr. Shailendra Omprakash Mishra  |
|--|--|--|
| DIN  | 00032016   | 07373830   |
| Date of Birth (Age)  | 26 August, 1957 (63 Years)   | 23 April, 1971 (49 years)  |
| Nationality  | Indian   | Indian   |
| Date of Appointment as Director  | October 01, 2018   | February 10, 2016  |
| Designation  | Non-Executive Director   | Independent Director   |
| Qualification  | Intermediate in Arts from University of Mumbai   | Commerce Graduate from University of Mumbai  |
| Experience/ Expertise  | He is having an experience of more than 33 years in Media and Entertainment industry   | He has more than 24 years of experience in marketing, accounts management, public relations, team management and territory development /management in B2B & B2C environment within travel and tourism sector   |
| Terms and Conditions of Appointment or Re-appointment  | Non-Executive Director, liable to retire by rotation.  | Independent Director for a second term of 5 (Five) years up to February 09, 2026   |
| Remuneration sought to be paid   | Not Applicable   | No remuneration is paid except sitting fees  |
| Remuneration last drawn  | Not Applicable   | No remuneration except sitting fees  |
| Justification for choosing the appointees for appointment as Independent Directors   | Not Applicable   | His knowledge in Marketing, Accounts Management, Public relations, Team management, etc. will prove to be valuable for the Company.  |
| Number of Meetings of the Board attended during the year   | 4 (Four)   | 4 (Four)   |
| Shareholding in the Company (Equity Shares of Rs. 10/- each)   | 14,81,589 Equity Shares  | Nil  |
| List of Directorships in other Companies   | <ol style="list-style-type: none"> <li>1. Sri Adhikari Brothers Television Network Limited</li> <li>2. TV Vision Limited</li> <li>3. HHP Broadcasting Services Private Limited</li> <li>4. UBJ Broadcasting Private Limited</li> <li>5. MPCR Broadcasting Service Private Limited</li> <li>6. Dream Merchant Content Private Limited</li> <li>7. SAB Entertainment Network Private Limited</li> <li>8. Marvel Media Private Limited</li> <li>9. Global Showbiz Private Limited</li> <li>10. Prime Global Media Private Limited</li> <li>11. SABGROUP Content Network Private Limited</li> <li>12. SAB Global Entertainment Media Private Limited</li> <li>13. Krishna Showbiz Services Private Limited</li> <li>14. Titanium Merchant Private Limited</li> <li>15. SAB Media Networks Private Limited</li> <li>16. Ruani Media Service Private Limited</li> <li>17. Abhivadan Media Services Private Limited (Under Process of Striking Off)</li> <li>18. Ashpreet Production Service Private Limited (Under Process of Striking Off)</li> </ol> | Nil  |
| List of Chairmanship or membership of various Committees in listed company and others Companies (The Committee membership and chairpersonship includes membership of the Audit Committee ("AC"), Stakeholders' Relationship Committee ("SRC") and Nomination & Remuneration Committee (NRC)) | <p><b>Chairmanship:</b> Nil</p> <p><b>Membership:</b><br/>           *Sri Adhikari Brothers Television Network Limited - Audit Committee &amp; Stakeholders' Relationship Committee<br/>           * The Company is under the management of Resolution Professional (RP) as such the powers of the Board members are superseded by the RP.</p> <p><b>TV Vision Limited</b> - Audit Committee, Stakeholders' Relationship Committee &amp; Corporate Social Responsibility Committee</p> <p><b>SAB Events &amp; Governance Now Media Limited</b> - Audit Committee, Nomination and Remuneration Committee &amp; Stakeholders' Relationship Committee</p>   | <p><b>Chairmanship</b><br/> <b>SAB Events &amp; Governance Now Media Limited</b> - Nomination and Remuneration Committee &amp; Stakeholders' Relationship Committee</p> <p><b>Membership</b><br/> <b>SAB Events &amp; Governance Now Media Limited</b> - Audit Committee</p> |
| Relationship with other Directors of the Company   | Father of Mr. Kailasnath Adhikari  | Not Related  |

## BOARDS' REPORT

To,  
The Members,  
**SAB Events & Governance Now Media Limited**

The Board of Directors of your Company hereby presents the 7<sup>th</sup> Annual Report on the Business and operations along with the Audited Financial Statements of the Company for the Financial Year ended on March 31, 2020.

### FINANCIAL HIGHLIGHTS:

(₹ In Lakh except EPS)

| Particulars  | For the Year ended<br>March 31, 2020 | For the Year ended<br>March 31, 2019 |
|--|--------------------------------------|--------------------------------------|
| Revenue from operations  | <b>201.96</b>                        | 282.99                               |
| Other revenue  | <b>2.40</b>                          | 0.88                                 |
| <b>Profit/(Loss) before finance charges, exceptional items, depreciation &amp; tax</b> | <b>(14.14)</b>                       | (72.49)                              |
| Less : Finance cost  | <b>0.15</b>                          | 0.58                                 |
| <b>Profit/(Loss) before depreciation &amp; tax</b>                                     | <b>(14.29)</b>                       | (73.07)                              |
| Less: Depreciation   | <b>83.45</b>                         | 83.57                                |
| <b>Profit/(Loss) before exceptional items and tax adjustment</b>                       | <b>(97.74)</b>                       | (156.64)                             |
| Less: exceptional items  | -                                    | -                                    |
| <b>Profit/(Loss) before tax adjustment</b>   | <b>(97.74)</b>                       | (156.64)                             |
| Tax Expenses   | -                                    | -                                    |
| <b>Profit/(Loss) after tax (PAT)</b>   | <b>(97.74)</b>                       | (156.64)                             |
| Other Comprehensive income   | <b>2.87</b>                          | 5.99                                 |
| <b>Total Comprehensive Income</b>  | <b>(94.87)</b>                       | (150.65)                             |
| Earnings per share (Basic and Diluted)   | <b>(0.93)</b>                        | (1.49)                               |

The financial statements of the Company for the year ended March 31, 2020 have been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issue thereunder (IND AS) and other accounting principles generally accepted in India.

The comments of the Board of Directors ("the Board") on the financial performance of the Company have been provided under the Management Discussion and Analysis which forms part of this Annual Report.

The figures of previous financial year have been re-grouped/re-arranged/re-classified/reworked wherever necessary to confirm with the current year accounting treatment.

### EMERGENCE OF COVID-19:

In the last month of FY 2019-20, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees. As of March 31, 2020, work from home was enabled to close to 90 percent of the employees to work remotely and securely. This response has reinforced confidence in our Company and many of them have expressed their appreciation and gratitude for keeping their businesses running under most challenging conditions.

### REVIEW OF OPERATIONS:

During the financial year under review, your Company could generate a total revenue of Rs. 204.35 Lakh as against Rs. 283.87 Lakh in the previous year. Though the Company could not book any profit during the year, the total loss before and after tax has substantially reduced to Rs. 97.74 Lakh as against Rs. 156.64 Lakh in the previous year.

Your Directors expects better performance in the coming years to set off the losses of the Company.

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

## STATE OF THE COMPANY'S AFFAIRS:

The Company operates in Single segment i.e. Digital Media Websites and MICE.

## DIVIDEND:

In the event of losses during the financial year under review, your Directors do not recommend any payment of dividend for the financial year 2019-20.

## SHARE CAPITAL:

The paid-up Share Capital as on March 31, 2020 was Rs. 10.49 Crore. During the year under review, the Company has not issued any shares.

There was no change in Share Capital of the Company during the financial year 2019-20.

## CHANGE IN THE NATURE OF BUSINESS OF THE COMPANY:

There was no change in the nature of business during the financial year under review.

## TRANSFER TO RESERVES:

During the financial year under review, no amount was transferred to Reserve.

## PUBLIC DEPOSIT:

During the financial year under review, the Company has not accepted any deposits from public/members within the meaning of Sections 73 and 76 of the Act read with Companies (Acceptance and Deposits) Rules, 2014.

## PERFORMANCE OF SUBSIDIARY, ASSOCIATE OR JOINT VENTURE COMPANIES:

As on March 31, 2020, the Company does not have any Subsidiary, Associate or Joint Venture Company.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### Retirement by rotation

In accordance with the provisions of Section 152 of the Act read with the Rules made thereunder and the Articles of Association of the Company, Mr. Markand Adhikari, Chairman & Non-Executive Director (DIN: 00032016) of the Company, retires by rotation and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee and the Board recommends his re-appointment as Director of the Company for approval of the members.

### Appointment and Resignation

Mr. Shailendra Mishra (DIN: 07373830) was appointed as an Independent Director of the Company for the first term of 5 (Five) consecutive years and will hold office upto February 09, 2021. Considering his knowledge, expertise and experience in his respective fields and the substantial contribution made by him during his tenure as an Independent Director since appointment, the Nomination & Remuneration Committee and the Board has recommended the re-appointment of Mr. Shailendra Mishra as an Independent Director on the Board of the Company, to hold office for the second term of five consecutive years commencing from February 10, 2021 upto February 09, 2026 who shall not be liable to retire by rotation.

Brief resume of the Directors proposed to be appointed/re-appointed as stipulated under Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") are detailed in the Notice of 7<sup>th</sup> AGM of the Company.

### Declaration from Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and under 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.



### **Remuneration to Non-Executive Directors**

During the financial year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending Board/ Committee meetings of the Company.

### **Key Managerial Personnel (KMP)**

Pursuant to the provisions of Section 203 of the Act, the details of Key Managerial Personnel of the Company as on March 31, 2020 is stated herewith:

| <b>Sr. No.</b> | <b>Name of the KMP</b>  | <b>Designation</b>                     |
|----------------|-------------------------|--|
| 1              | Mr. Kailasnath Adhikari | Managing Director                      |
| 2              | Mr. Suresh Satpute      | Chief Financial Officer                |
| 3              | Mrs. Swity Gada         | Company Secretary & Compliance Officer |

During the financial year under review, Mrs. Payal Garg resigned from the post of Company Secretary & Compliance Officer w.e.f November 14, 2019 and Mrs. Swity Gada was appointed as the Company Secretary & Compliance Officer of the Company w.e.f. November 14, 2019.

### **ANNUAL EVALUATION OF PERFORMANCE BY THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS:**

Pursuant to the applicable provisions of the Act read with Schedule IV of the Act and the Listing Regulations, the Board of Directors has put in place a process to formally evaluate the effectiveness of the Board along with performance evaluation of each Director to be carried out on an annual basis.

Accordingly, the Performance Evaluation of Independent Directors was done by the entire Board excluding the Director being evaluated and evaluation of the Board (including Chairman) as a whole was done by Independent Directors for the financial year 2019-20. The Board has also carried out evaluation of the working of its Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee. The criteria devised for performance evaluation of each Director consists of maintaining confidentiality, maintaining transparency, participation in company meetings, monitoring compliances, sharing the knowledge and experience for the benefit of the Company.

During the financial year under review, the Nomination and Remuneration Committee reviewed the performance of all the executive and non-executive directors.

### **MEETINGS OF THE BOARD OF DIRECTORS:**

The Board met on various occasions to discuss and decide on affairs, operations of the Company and to supervise and control the activities of the Company. During the financial year under review, the Board met 4 (Four) times. The details of the Board Meetings and the attendance of the Directors at the meetings are provided in the Report on Corporate Governance, forming part of this Report. The intervening gap between the two consecutive Board meetings did not exceed the period prescribed by SS-1 issued by ICSI i.e. one hundred and twenty days.

### **COMMITTEES OF THE BOARD:**

In compliance with the requirements of the relevant provisions of applicable laws and statutes, the Company currently has 3 (Three) committees of the Board viz.:

1. Audit Committee;
2. Nomination and Remuneration Committee; and
3. Stakeholders' Relationship Committee.

The details of the Committees along with their composition, number of meetings held and attendance of the members are provided in the Corporate Governance Report, forming part of this Annual Report.

### **AUDIT COMMITTEE AND ITS COMPOSITION:**

The Audit Committee is duly constituted as per the provisions of Section 177 of the Act and Regulation 18 of the Listing

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

Regulations. The Composition of the Audit Committee and its terms of reference, number of meetings held and attended is given in the Report on Corporate Governance which is annexed to this Report.

All the recommendations made by the Audit Committee were accepted and approved by the Board.

The Audit Committee of the Company reviews the reports to be submitted to the Board of Directors with respect to auditing and accounting matters. It also supervises the Company's internal control and financial reporting process.

## **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS:**

Pursuant to the provisions of Section 178 of the Act read with the Rules made thereunder, Regulation 19 of the Listing Regulations and on the recommendation of the Nomination and Remuneration Committee, the Board has adopted a Policy on "Criteria for appointment of Directors, Key Managerial Personnel, Senior Management Employees and their remuneration." The salient features of the said Policy are stated in the Report on Corporate Governance which forms part of this Annual Report.

## **RISK MANAGEMENT:**

The Company has devised and adopted a Risk Management Policy and implemented a mechanism for risk assessment and management. The policy is devised to identify the possible risks associated with the business of the Company, assessment of the same at regular intervals and taking appropriate measures and controls to manage, mitigate and handle them. The key categories of risk covered in the policy are Strategic Risks, Financial Risks, Operational Risks and such other risks that may potentially affect the working of the Company.

The Board and the Audit Committee periodically reviews the risks associated with the Company and recommend steps to be taken to control and mitigate the same through a properly defined framework.

## **WHISTLE BLOWER POLICY / VIGIL MECHANISM:**

The Company has adopted a Whistle Blower Policy / Vigil Mechanism as per the provisions of Section 177 of the Act and Regulation 22 of the Listing Regulations. The Policy provides a mechanism for reporting of unethical behavior and frauds made to the management. The mechanism provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee, in the exceptional cases. The details of the Vigil Mechanism/ Whistle Blower Policy are explained in the Report on Corporate Governance and are also available on the website of the Company at [http://www.governancenow.com/disclosure/Whistle-Blower-Policy\\_done.pdf](http://www.governancenow.com/disclosure/Whistle-Blower-Policy_done.pdf).

We affirm that during the financial year 2019-20, no employee or director was denied access to the Audit Committee.

## **EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Act, is annexed as '**Annexure I**' which forms an integral part of this Report. Further, pursuant to the provisions of Section 134(3)(a) of the Act, the extract of annual return of the Company for the financial year under review shall be made available on the website of the Company i.e. [www.governancenow.com](http://www.governancenow.com).

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The particulars of Loans, Guarantees and Investments made by the Company under the provisions of Section 186 of the Act are provided in the notes to Financial Statements.

## **PARTICULARS OF THE EMPLOYEES AND REMUNERATION:**

Pursuant to Section 197 of the Act read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, details of the ratio of remuneration of each Director to the median employee's remuneration are appended to this report as '**Annexure II – Part A**'.

The statement containing particulars of employees as required under section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 is provided in this Report as '**Annexure II – Part B**' and forms a part of this report.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All contracts or arrangements entered into by the Company with its related parties during the financial year were in accordance with the provisions of the Act and the Listing Regulations. All such contracts or arrangements have been approved by the Audit Committee, as applicable.

The material transaction which was approved by the members of the Company in its previous Annual General Meeting held on September 30, 2019 was transacted during the financial year 2019-20. Further, the prescribed details of related party transaction in Form AOC-2, in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is given in the "**Annexure III**" to this Report.

In accordance with the provisions of Regulation 23 of the Listing Regulations, the Company has formulated the Policy on Related Party Transactions and the same can be accessed on the Company's website at [http://www.governancenow.com/disclosure/RPT\\_Policy.pdf](http://www.governancenow.com/disclosure/RPT_Policy.pdf).

## **SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS:**

As on March 31, 2020, the Company does not have any Subsidiary, Associate or Joint Venture Company and hence preparation of Consolidated Financial Statements and statement containing salient features of subsidiary in Form AOC -1 as per the provisions of Section 129 of the Act is not applicable to the Company.

## **STATUTORY AUDITORS AND AUDIT REPORT:**

### **Statutory Auditors:**

M/s A. R. Sodha & Co., Chartered Accountants, were appointed as statutory auditors of the Company at 6<sup>th</sup> Annual General Meeting (AGM) held on September 30, 2019, for a second term of 4 (Four) consecutive years, to audit the books of accounts of the Company from the F.Y. 2019-20 to F.Y. 2022-23, and who shall hold office from the conclusion of 6<sup>th</sup> AGM of the Company till the conclusion of 10<sup>th</sup> AGM to be held in the year 2023, at a remuneration as may be agreed between the Auditors and the Board of Directors.

The Company has received a written consent and an eligibility certificate from M/s A. R. Sodha & Co. stating that they are willing to act as statutory auditors of the Company and that their appointment satisfies the criteria as provided under section 141 of the Act.

### **Statutory Audit Report:**

Following is the management's reply to the qualification raised by the Statutory auditor in their report for the financial year under review.

1. Details of Audit qualifications: Impairment in the value of goodwill. The Company had acquired its publication and MICE business in FY 2015-16 and during such acquisition the company had paid for goodwill amounting to Rs. 788.69 Lakhs as Goodwill on demerger. The carrying value of Goodwill as on March 31, 2020 is Rs. 456.82 Lakhs. However, the Company has not been able to generate sufficient income from its publication and MICE business since last four years and has incurred losses of Rs. 94.87 Lakhs during the year ended on March 31, 2020 and during the preceding financial year of Rs. 150.65 Lakhs. Also considering the further impact on the business of the Company due to COVID 19 restrictions imposed by the Government and discontinues of publication of its magazine 'Governance Now' as stated in Note 29 to Financial Statement, in our view this indicates impairment in the value of Goodwill. However, as stated in Note 30 to the Financial Statement, based on current estimates, the Company expects to recover the carrying amount of its intangible assets. Since the Company has not carried out impairment testing on goodwill and in the absence of working for impairment we are unable to quantify the amount of impairment provision required and its possible effects on the financial statements.

### **Managements' reply:**

The Management of the Company does not anticipate any impairment in the value of Goodwill as the Management considers that the Goodwill can be commercially exploited in different ways to generate the revenue. Management estimates that decline in revenue in recent past is temporary in nature which has potential to get regularized in near future. The management is of the opinion that keeping in view their long term business synergy and potential no provision for impairment in the value of goodwill is required to be made as on March 31, 2020.

During the financial year under review, the Statutory Auditors had not reported any fraud under Section 143(12) of the Act, 2013, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

## SECRETARIAL AUDITOR AND SECRETARIAL COMPLIANCE REPORT:

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board in its meeting held on February 12, 2020, had appointed M/s. Shweta Mundra & Associates, Practicing Company Secretaries (COP No.: 15387), as the Secretarial Auditors of the Company to conduct Secretarial Audit of the Company for the financial year 2019-20. The Secretarial Audit Report for the Financial Year 2019-20 is appended to this report as "**Annexure IV**".

Following are the management's reply to the qualifications raised by the Secretarial auditor in their report for the financial year under review.

- (a) The company has not appointed Internal Auditors during the period under review as required under Section 138 of the Act;

### Management Reply:

The Company is in process of appointing an appropriate candidate for the said position.

- (b) The Company has delayed in payment of listing fees to National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for the year under review.

### Management Reply:

The Company inadvertently delayed the said payment, however the Company has duly made the payment to National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for the year under review on July 24, 2019

Pursuant to circular No. CIR/ CFD/ CMD1/ 27/ 2019 dated February 8, 2019, issued by Securities and Exchange Board of India (SEBI), the Company has obtained Secretarial Compliance Report, from M/s. Shweta Mundra & Associates, Practicing Company Secretaries (COP No.: 15387), on compliance of all applicable SEBI Regulations and circulars / guidelines issued thereunder and the copy of the same is submitted to the Stock Exchanges within the prescribed due date.

## MAINTENANCE OF COST RECORDS:

Pursuant to the provisions of Section 148(1) of the Act, the government has not prescribed maintenance of the cost records in respect of services dealt with by the Company. Hence, the prescribed section for maintenance of cost records is not applicable to the Company during the financial year under review.

## INTERNAL AUDITOR:

Pursuant to the provisions of Section 138 of the Act, the Company is required to appoint an Internal Auditor. Despite of constant efforts, the Company could not find a suitable candidate to be appointed as internal auditor of the Company. However, the Company is making rigorous efforts to appoint suitable candidate for the said position.

## INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to Company Policies, safeguarding of assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

The Audit Committee in co-ordination with the Board evaluates the Internal Financial Control Systems and strives to maintain the appropriate Standards of Internal Financial Control. The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis Report, which forms part of this Annual Report i.e. "**Annexure V**".

## REPORT ON CORPORATE GOVERNANCE:

Pursuant to Regulation 34 read with Schedule V (C) of the Listing Regulations, the following are part of this Annual Report and are appended to this report:

- a. Report on Corporate Governance (**Annexure VI**);
- b. Declaration on Compliance with Code of Conduct;

- c. Certificate from Practicing Company Secretary that none of the Directors on the board of the Company have been debarred or disqualified from being appointed or to act as Director of the Company;
- d. Auditors' Certificate regarding compliance of conditions of Corporate Governance.

#### **DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

The provisions relating to Corporate Social Responsibility under Section 135 of the Act and rules made thereunder are not applicable to the Company. Therefore, the Company has neither constituted Corporate Social Responsibility Committee nor developed and implemented any policy on Corporate Social Responsibility initiatives.

#### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

There was no order passed by any regulator or court or tribunal, which impacts the going concern status of the Company or will have any bearing on Company's operations in future.

#### **MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATES AND THE DATE OF THE REPORT:**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year 2019-20 to which this financial statements relates and the date of this Annual Report.

#### **INFORMATION UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has zero tolerance for sexual harassment at workplace and therefore has adopted a "Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace" in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) and the Rules made thereunder. All the women employees either permanent, temporary or contractual are covered under the said policy. The said policy is updated internally to all the employees of the Company. An Internal Compliant Committee (ICC) has been set up in compliance with the said Act.

The details of the complaints in relation to the Sexual Harassment of Women at Workplace filed/dispensed/pending is given in the Report on Corporate Governance which is forming part of this Annual Report.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Pursuant to Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, details regarding Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo for the year under review are as follows:

##### **A. Conservation of Energy**

- a. Steps taken or impact on conservation of energy – The Operations of the Company are not much energy intensive. However, Company continues to implement prudent practices for saving electricity and other energy resources in day-to-day activities.
- b. Steps taken by the Company for utilizing alternate sources of energy – Though the activities undertaken by the Company are not much energy intensive, the Company shall explore alternative sources of energy, as and when the necessity arises.
- c. The capital investment on energy conservation equipment – Nil.

##### **B. Technology Absorption**

- a. The efforts made towards technology absorption – the minimum technology required for the business has been absorbed.
- b. The benefits derived like product improvement, cost reduction, product development or import substitution – Not Applicable.
- c. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – Not Applicable.
- d. The expenditure incurred on Research and Development - Not Applicable.



# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

**Foreign Exchange Earnings and Outgo - Nil**

## **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Section 134(3)(c) of the Act, your Directors state and confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 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 loss 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 this 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 were operating effectively; and
- f. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **COMPLIANCE WITH SECRETARIAL STANDARDS:**

The Company has devised proper systems to ensure compliance with the applicable Secretarial Standards issued by the ICSI and the Company has complied with all the applicable provisions of the same during the financial year under review.

## **ACKNOWLEDGEMENT:**

The Board of Directors expresses their gratitude for the valuable support and co-operation extended by various Government authorities and stakeholders including shareholders, banks, financial Institutions, viewers, vendors and service providers.

The Board also places on record their deep appreciation towards the dedication and commitment of your Company's employees at all levels and look forward to their continued support in the future as well.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

The Directors appreciate and value the contribution made by every member of SAB Events & Governance Now Media Limited family.

**For and on behalf of the Board of Directors**

**Place: Mumbai**  
**Date: August 12, 2020**

**Markand Adhikari**  
**Chairman**  
**DIN: 00032016**

## ANNEXURE I

### EXTRACT OF ANNUAL RETURN

Form No. MGT-9

(As on the financial year ended March 31, 2020)

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

|      |  |  |
|------|--|--|
| I.   | <b>CIN</b>   | <b>L22222MH2014PLC254848</b>   |
| ii.  | <b>Registration Date</b>   | March 21, 2014   |
| iii. | <b>Name of the Company</b>   | SAB Events & Governance Now Media Limited  |
| iv.  | <b>Category/Sub-Category of the Company</b>                                      | Company Limited by Shares / Non-government Company   |
| v.   | <b>Address of the Registered office of the Company</b>                           | 7 <sup>th</sup> Floor, Adhikari Chambers, Oberoi Complex,<br>New Link Road, Andheri (West), Mumbai-400053<br>Telephone No - 022-4023 0711<br>Fax: 022-2639 5459<br>Email – <a href="mailto:cs@governancenow.com">cs@governancenow.com</a><br>Website – <a href="http://www.governancenow.in">www.governancenow.in</a>                      |
| vi.  | <b>Whether listed company</b>  | Yes<br>BSE Limited<br>National Stock Exchange of India Limited   |
| vii. | <b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b> | <b>Sharex Dynamic (India) Private Limited</b><br>C 101, 247 Park, LBS Marg,<br>Vikhroli (West), Mumbai - 400 083<br>Tel No.: 91-22-2851 5644 / 2851 5606<br>Fax: 91-22-2851 2885<br>Email - <a href="mailto:support@sharexindia.com">support@sharexindia.com</a><br>Website – <a href="http://www.sharexindia.com">www.sharexindia.com</a> |

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company is stated herewith:-

| Sr. No. | Name and Description of main products/ services | NIC Code of the Product/service | % to total turnover of the Company |
|---------|---|---------------------------------|------------------------------------|
| 1.      | Organization of conventions and trade shows     | 8230                            | 100.00                             |

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NIL

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

## IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):

### i. Category-wise ShareHolding

| Category of shareholders   | No. of shares held at the beginning of the year |               |                    |                   | No. of shares held at the end of the year |               |                    |                   | % change during the year |
|--|---|---------------|--------------------|-------------------|---|---------------|--------------------|-------------------|--------------------------|
|  | Demat   | Physical      | Total              | % of total shares | Demat                                     | Physical      | Total              | % of total shares |                          |
| <b>A. Promoter</b>   |   |               |                    |                   |   |               |                    |                   |                          |
| <b>(1) Indian</b>  |   |               |                    |                   |   |               |                    |                   |                          |
| (a) Individual /HUF  | 27,35,678                                       | 0             | 27,35,678          | 26.094            | 27,35,678                                 | 0             | 27,35,678          | 26.094            | 0.000                    |
| (b) Central Govt.  | 0   | 0             | 0                  | 0.000             | 0   | 0             | 0                  | 0.000             | 0.000                    |
| (c) State Govts.   | 0   | 0             | 0                  | 0.000             | 0   | 0             | 0                  | 0.000             | 0.000                    |
| (d) Bodies Corporates  | 10,35,536                                       | 0             | 10,35,536          | 9.878             | 10,35,536                                 | 0             | 10,35,536          | 9.878             | 0.000                    |
| (e) Banks / FI   | 0   | 0             | 0                  | 0.000             | 0   | 0             | 0                  | 0.000             | 0.000                    |
| (f) Others   | 0   | 0             | 0                  | 0.000             | 0   | 0             | 0                  | 0.000             | 0.000                    |
| <b>Sub-total (A)(1)</b>  | <b>37,71,214</b>                                | <b>0</b>      | <b>37,71,214</b>   | <b>35.972</b>     | <b>37,71,214</b>                          | <b>0</b>      | <b>37,71,214</b>   | <b>35.972</b>     | <b>0.000</b>             |
| <b>(2) Foreign</b>   |   |               |                    |                   |   |               |                    |                   |                          |
| (a) NRIs – Individuals   | 0   | 0             | 0                  | 0.000             | 0   | 0             | 0                  | 0.000             | 0.000                    |
| (b) Other – Individuals  | 0   | 0             | 0                  | 0.000             | 0   | 0             | 0                  | 0.000             | 0.000                    |
| (c) Bodies Corporates  | 0   | 0             | 0                  | 0.000             | 0   | 0             | 0                  | 0.000             | 0.000                    |
| (d) Banks / FI   | 0   | 0             | 0                  | 0.000             | 0   | 0             | 0                  | 0.000             | 0.000                    |
| (e) Others   | 0   | 0             | 0                  | 0.000             | 0   | 0             | 0                  | 0.000             | 0.000                    |
| <b>Sub-total (A)(2)</b>  | <b>0</b>  | <b>0</b>      | <b>0</b>           | <b>0.000</b>      | <b>0</b>                                  | <b>0</b>      | <b>0</b>           | <b>0.000</b>      | <b>0.000</b>             |
| <b>Total shareholding of Promoters (A)</b>                                       | <b>37,71,214</b>                                | <b>0</b>      | <b>37,71,214</b>   | <b>35.972</b>     | <b>37,71,214</b>                          | <b>0</b>      | <b>37,71,214</b>   | <b>35.972</b>     | <b>0.000</b>             |
| <b>B. Public</b>   |   |               |                    |                   |   |               |                    |                   |                          |
| <b>(1) Institutions</b>  |   |               |                    |                   |   |               |                    |                   |                          |
| (a) Mutual Funds   | 270   | 0             | 270                | 0.003             | 270                                       | 0             | 270                | 0.003             | 0.000                    |
| (b) Banks / FI   | 15,43,767                                       | 0             | 15,43,767          | 14.725            | 15,43,767                                 | 0             | 15,43,767          | 14.725            | 0.000                    |
| (c) Central Govt.  | 0   | 0             | 0                  | 0.000             | 0   | 0             | 0                  | 0.000             | 0.000                    |
| (d) State Govts.   | 0   | 0             | 0                  | 0.000             | 0   | 0             | 0                  | 0.000             | 0.000                    |
| (e) Venture Capital Funds  | 0   | 0             | 0                  | 0.000             | 0   | 0             | 0                  | 0.000             | 0.000                    |
| (f) Insurance Companies  | 60,703  | 0             | 60,703             | 0.579             | 60,703                                    | 0             | 60,703             | 0.579             | 0.000                    |
| (g) FIs  | 0   | 330           | 330                | 0.003             | 0   | 330           | 330                | 0.003             | 0.000                    |
| (h) Foreign Venture Capital Funds  | 0   | 0             | 0                  | 0.000             | 0   | 0             | 0                  | 0.000             | 0.000                    |
| (i) Others   | 0   | 0             | 0                  | 0.000             | 0   | 0             | 0                  | 0.000             | 0.000                    |
| <b>Sub-total (B)(1)</b>  | <b>16,04,740</b>                                | <b>330</b>    | <b>16,05,070</b>   | <b>15.310</b>     | <b>16,04,740</b>                          | <b>330</b>    | <b>16,05,070</b>   | <b>15.310</b>     | <b>0.000</b>             |
| <b>(2) Non Institutions</b>  |   |               |                    |                   |   |               |                    |                   |                          |
| <b>(a) Bodies Corp.</b>  |   |               |                    |                   |   |               |                    |                   |                          |
| (i) Indian   | 22,09,407                                       | 512           | 22,09,919          | 21.080            | 21,77,440                                 | 511           | 21,77,951          | 20.775            | (0.305)                  |
| (ii) Overseas  | 0   | 0             | 0                  | 0.000             | 0   | 0             | 0                  | 0.000             | 0.000                    |
| <b>(b) Individuals</b>   |   |               |                    |                   |   |               |                    |                   |                          |
| (i) Individual shareholders holding nominal share capital upto ₹ 1 Lakh          | 12,22,172                                       | 12,871        | 12,35,043          | 11.781            | 12,34,325                                 | 12,575        | 12,46,900          | 11.894            | 0.113                    |
| (ii) Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh | 15,81,755                                       | 0             | 15,81,755          | 15.088            | 16,59,877                                 | 0             | 16,59,877          | 15.833            | 0.745                    |
| <b>(c) Others</b>  |   |               |                    |                   |   |               |                    |                   |                          |
| (i) Clearing Members   | 64,097  | 0             | 64,097             | 0.611             | 6,053                                     | 0             | 6,053              | 0.058             | (0.553)                  |
| (ii) NRI   | 16,445  | 0             | 16,445             | 0.157             | 16,478                                    | 0             | 16,478             | 0.157             | 0.000                    |
| (iii) Trust  | 168   | 0             | 168                | 0.002             | 168                                       | 0             | 168                | 0.002             | 0.000                    |
| <b>Sub-total (B)(2)</b>  | <b>50,94,044</b>                                | <b>13,383</b> | <b>51,07,427</b>   | <b>48.719</b>     | <b>50,94,341</b>                          | <b>13,086</b> | <b>51,07,427</b>   | <b>48.719</b>     | <b>0.000</b>             |
| <b>Total Public Shareholding (B)</b>   | <b>66,98,784</b>                                | <b>13,713</b> | <b>67,12,497</b>   | <b>64.029</b>     | <b>66,99,081</b>                          | <b>13,416</b> | <b>67,12,497</b>   | <b>64.029</b>     | <b>0.000</b>             |
| <b>C. Shares held by custodian for GDRs &amp; ADRs</b>                           | <b>0</b>  | <b>0</b>      | <b>0</b>           | <b>0.000</b>      | <b>0</b>                                  | <b>0</b>      | <b>0</b>           | <b>0.000</b>      | <b>0.000</b>             |
| <b>Grand Total (A+B+C)</b>   | <b>1,04,69,998</b>                              | <b>13,713</b> | <b>1,04,83,711</b> | <b>100.000</b>    | <b>1,04,70,295</b>                        | <b>13,416</b> | <b>1,04,83,711</b> | <b>100.000</b>    | <b>0.000</b>             |

**ii. Shareholding of Promoters and Promoters' Group:**

| Shareholder's Name             | Shareholding at the beginning of the year |                                  |  | Shareholding at the end of the year |                                  |  | % change in shareholding during the year |
|--------------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
|                                | No. of shares                             | % of total shares of the Company | % of shares Pledged/encumbered to total shares | No. of shares                       | % of total shares of the Company | % of shares Pledged/encumbered to total shares |  |
| Mr. Markand Adhikari           | 14,81,589                                 | 14.132                           | 4.101  | 14,81,589                           | 14.132                           | 4.101  | 0.000                                    |
| Late Mr. Gautam Adhikari       | 12,53,639                                 | 11.958                           | 5.825  | 12,53,639                           | 11.958                           | 5.825  | 0.000                                    |
| Mr. Heeren Adhikari            | 150                                       | 0.001                            | 0.000  | 150                                 | 0.001                            | 0.000  | 0.000                                    |
| Ms. Swati Heerenkumar Adhikari | 150                                       | 0.001                            | 0.000  | 150                                 | 0.001                            | 0.000  | 0.000                                    |
| Ms. Bindu Raman                | 150                                       | 0.001                            | 0.000  | 150                                 | 0.001                            | 0.000  | 0.000                                    |
| Prime Global Media Pvt. Ltd.   | 4,65,536                                  | 4.441                            | 0.000  | 4,65,536                            | 4.441                            | 0.000  | 0.000                                    |
| Global Showbiz Pvt. Ltd.       | 5,70,000                                  | 5.437                            | 4.650  | 5,70,000                            | 5.437                            | 4.650  | 0.000                                    |
| <b>Total</b>                   | <b>37,71,214</b>                          | <b>35.971</b>                    | <b>14.576</b>                                  | <b>37,71,214</b>                    | <b>35.971</b>                    | <b>14.576</b>                                  | <b>0.000</b>                             |

**iii. Change in Promoters' Shareholding:**

| Sr. No.  | Name of Promoters                     | Shareholding at the beginning of the year |                                  | Cumulative shareholding during the year |                                  |
|----------|---------------------------------------|---|----------------------------------|---|----------------------------------|
|          |                                       | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the Company |
| <b>1</b> | <b>Mr. Markand Adhikari</b>           |   |                                  |   |                                  |
|          | At the beginning of year              | 14,81,589                                 | 14.132                           |   |                                  |
|          | Changes during the year               | No change during the year                 |                                  |   |                                  |
|          | <b>At the end of the year</b>         |   |                                  | <b>14,81,589</b>                        | <b>14.132</b>                    |
| <b>2</b> | <b>Mr. Heeren Adhikari</b>            |   |                                  |   |                                  |
|          | At the beginning of year              | 150                                       | 0.001                            |   |                                  |
|          | Changes during the year               | No change during the year                 |                                  |   |                                  |
|          | <b>At the end of the year</b>         |   |                                  | <b>150</b>                              | <b>0.001</b>                     |
| <b>3</b> | <b>Ms. Swati Heerenkumar Adhikari</b> |   |                                  |   |                                  |
|          | At the beginning of year              | 150                                       | 0.001                            |   |                                  |
|          | Changes during the year               | No change during the year                 |                                  |   |                                  |
|          | <b>At the end of the year</b>         |   |                                  | <b>150</b>                              | <b>0.001</b>                     |
| <b>4</b> | <b>Ms. Bindu Raman</b>                |   |                                  |   |                                  |
|          | At the beginning of year              | 150                                       | 0.001                            |   |                                  |
|          | Changes during the year               | No change during the year                 |                                  |   |                                  |
|          | <b>At the end of the year</b>         |   |                                  | <b>150</b>                              | <b>0.001</b>                     |

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

| Sr. No.  | Name of the Shareholders                  | Shareholding at the beginning of the year |                                  | Cumulative shareholding during the year |                                  |
|----------|---|---|----------------------------------|---|----------------------------------|
|          |   | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the Company |
| <b>5</b> | <b>Late Mr. Gautam Adhikari</b>           |   |                                  |   |                                  |
|          | At the beginning of year                  | 12,53,639                                 | 11.958                           |   |                                  |
|          | Changes during the year                   | No change during the year                 |                                  |   |                                  |
|          | <b>At the end of the year</b>             |   |                                  | <b>12,53,639</b>                        | <b>11.958</b>                    |
| <b>6</b> | <b>Prime Global Media Private Limited</b> |   |                                  |   |                                  |
|          | At the beginning of year                  | 4,65,536                                  | 4.441                            |   |                                  |
|          | Changes during the year                   | No change during the year                 |                                  |   |                                  |
|          | <b>At the end of the year</b>             |   |                                  | <b>4,65,536</b>                         | <b>4.441</b>                     |
| <b>7</b> | <b>Global Showbiz Private Limited</b>     |   |                                  |   |                                  |
|          | At the beginning of year                  | 5,70,000                                  | 5.437                            |   |                                  |
|          | Changes during the year                   | No change during the year                 |                                  |   |                                  |
|          | <b>At the end of the year</b>             |   |                                  | <b>5,70,000</b>                         | <b>5.437</b>                     |

## iv. Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and holders of GDRs and ADRs):

| Sr. No. | Name of Promoters                      | Shareholding at the beginning of the year |                                  | Cumulative shareholding during the year |                                  |
|---------|--|---|----------------------------------|---|----------------------------------|
|         |  | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1       | Indian Overseas Bank                   | 12,45,000                                 | 11.876                           | 12,45,000                               | 11.876                           |
| 2       | Kalash Trading and Investments Pvt Ltd | 7,56,000                                  | 7.211                            | 7,56,000                                | 7.211                            |
| 3       | Aranav Trading and Investments Pvt Ltd | 6,95,464                                  | 6.634                            | 6,95,464                                | 6.634                            |
| 4       | Assent Trading Pvt Ltd                 | 4,66,861                                  | 4.453                            | 4,65,961                                | 4.445                            |
| 5       | Ramchandra P Purohit                   | 3,95,090                                  | 3.769                            | 3,95,090                                | 3.769                            |
| 6       | Union Bank of India M. S. Marg Branch  | 2,18,204                                  | 2.081                            | 2,18,204                                | 2.081                            |
| 7       | Mr. Rashesh P Purohit                  | 1,50,834                                  | 1.439                            | 1,50,834                                | 1.439                            |
| 8       | Mr. Kaustubh Purohit                   | 1,39,500                                  | 1.331                            | 1,39,500                                | 1.331                            |
| 9       | Mr. Jetinder Singh Gouri               | 1,04,000                                  | 0.992                            | 1,04,000                                | 0.992                            |
| 10      | Mr. Valvi Rama Suresh                  | 61,200                                    | 0.584                            | 83,210                                  | 0.794                            |
| 11      | Mr. Mahendra Girdharilal               | 94,535                                    | 0.902                            | 1,529                                   | 0.015                            |

### Notes:

1. Paid up Equity Share Capital of the Company (Face Value ₹ 10.00) at the end of the year is 1,04,83,711 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.
4. The shares of the Company are substantially held in dematerialized form and are traded on a regular basis and hence date wise increase / decreased shareholding is not indicated.



v. Shareholding of Directors and Key Managerial Personnel :

| Sr. No.  | Name of Directors and Key Managerial Personnel       | Shareholding at the beginning of the year |                                  | Shareholding at the end of the year |                                  |
|----------|--|---|----------------------------------|-------------------------------------|----------------------------------|
|          |  | No. of shares                             | % of total shares of the Company | No. of shares                       | % of total shares of the Company |
| <b>1</b> | <b>Mr. Markand Adhikari</b>                          |   |                                  |                                     |                                  |
|          | At the beginning of year                             | 14,81,589                                 | 14.132                           |                                     |                                  |
|          | Changes during the year                              | No change during the year                 |                                  |                                     |                                  |
|          | <b>At the end of the year</b>                        |   |                                  | 14,81,589                           | 14.132                           |
| <b>2</b> | <b>Mr. Shailendra Mishra</b>                         |   |                                  |                                     |                                  |
|          | At the beginning of year                             | 0   | 0.000                            |                                     |                                  |
|          | Changes during the year                              | No change during the year                 |                                  |                                     |                                  |
|          | <b>At the end of the year</b>                        |   |                                  | 0                                   | 0.000                            |
| <b>3</b> | <b>Mr. Kailasnath Adhikari</b>                       |   |                                  |                                     |                                  |
|          | At the beginning of year                             | 0   | 0.000                            |                                     |                                  |
|          | Changes during the year                              | No change during the year                 |                                  |                                     |                                  |
|          | <b>At the end of the year</b>                        |   |                                  | 0                                   | 0.000                            |
| <b>4</b> | <b>Dr. Ganesh P. Raut</b>                            |   |                                  |                                     |                                  |
|          | At the beginning of year                             | 0   | 0.000                            |                                     |                                  |
|          | Changes during the year                              | No change during the year                 |                                  |                                     |                                  |
|          | <b>At the end of the year</b>                        |   |                                  | 0                                   | 0.000                            |
| <b>5</b> | <b>Mr. Umakanth Bhyravajoshiyulu</b>                 |   |                                  |                                     |                                  |
|          | At the beginning of year                             | 0   | 0.000                            |                                     |                                  |
|          | Changes during the year                              | No change during the year                 |                                  |                                     |                                  |
|          | <b>At the end of the year</b>                        |   |                                  | 0                                   | 0.000                            |
| <b>6</b> | <b>Mrs. Latasha Jadhav</b>                           |   |                                  |                                     |                                  |
|          | At the beginning of year                             | 0   | 0.000                            |                                     |                                  |
|          | Changes during the year                              | No change during the year                 |                                  |                                     |                                  |
|          | <b>At the end of the year</b>                        |   |                                  | 0                                   | 0.000                            |
| <b>7</b> | <b>Mrs. Payal Garg (resigned w.e.f. 14.11.2019)</b>  |   |                                  |                                     |                                  |
|          | At the beginning of year                             | 0   | 0.000                            |                                     |                                  |
|          | Changes during the year                              | No change during the year                 |                                  |                                     |                                  |
|          | <b>At the end of the year</b>                        |   |                                  | 0                                   | 0.000                            |
| <b>8</b> | <b>Mrs. Swity Gada (appointed w.e.f. 14.11.2019)</b> |   |                                  |                                     |                                  |
|          | At the beginning of year                             | 0   | 0.000                            |                                     |                                  |
|          | Changes during the year                              | No change during the year                 |                                  |                                     |                                  |
|          | <b>At the end of the year</b>                        |   |                                  | 0                                   | 0.000                            |
| <b>9</b> | <b>Mr. Suresh Satpute</b>                            |   |                                  |                                     |                                  |
|          | At the beginning of year                             | 2,406                                     | 0.023                            |                                     |                                  |
|          | Changes during the year                              | No change during the year                 |                                  |                                     |                                  |
|          | <b>At the end of the year</b>                        |   |                                  | 2,406                               | 0.023                            |

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

## V. INDEBTEDNESS :

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ In Lakh)

| Particulars   | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year 01.04.2019      | 2.02                             | 78.50           | -        | 80.52              |
| Change in Indebtedness during the financial year                    |                                  |                 |          |                    |
| (+) Addition  | -                                | 60.00           | -        | 60.00              |
| (-) Reduction   | 2.02                             | 11.15           | -        | 13.17              |
| Net change  | (2.02)                           | 48.85           | -        | 46.83              |
| <b>Indebtedness at the closing of the financial year 31.03.2020</b> | <b>0.00</b>                      | <b>127.35</b>   | <b>-</b> | <b>127.35</b>      |

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### i. Remuneration to Managing Director, Whole-time Directors and/or Manager (₹ In Lakh)

| Sr. No. | Particulars of Remuneration   | Managing Director  |
|---------|---|--|
|         |   | Mr. Kailasnath Adhikari  |
| 1.      | Gross salary  |  |
|         | (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 | 0.00   |
|         | (b) Value of perquisites u/s 17(2) as per Income-tax Act, 1961                      | -  |
|         | (c) Profits in lieu of salary under section 17(3) as per Income-tax Act, 1961       | -  |
| 2.      | Stock Option  | -  |
| 3.      | Sweat Equity  | -  |
| 4.      | Commission<br>- as % of profit<br>- others, specify                                 | -<br>-<br>-  |
| 5.      | Others, please specify  | -  |
|         | <b>Total</b>  | <b>0.00</b>  |
|         | Ceiling as per the Companies Act, 2013  | As per the provisions of Section 197 of the Companies Act, 2013 read with Schedule V to the Act. |

### ii. Remuneration to other directors: (₹ In Lakh)

| Sr. No. | Particulars of Remuneration                         | Name of Non-Executive Directors  |                     |                       |                    |                               | Total Amount |
|---------|---|--|---------------------|-----------------------|--------------------|-------------------------------|--------------|
|         |   | Non-Independent Directors  |                     | Independent Directors |                    |                               |              |
|         |   | Mr. Markand Adhikari   | Mrs. Latasha Jadhav | Mr. Shailendra Mishra | Dr. Ganesh P. Raut | Mr. Umakanth Bhyravajoshiyulu |              |
| 1.      | Sitting Fees  | Nil  | Nil                 | 1.20                  | 1.20               | 1.20                          | 3.60         |
| 2.      | Commission<br>- as % of profit<br>- others, specify | Nil  | Nil                 | Nil                   | Nil                | Nil                           | Nil          |
|         |   | Nil  | Nil                 | Nil                   | Nil                | Nil                           | Nil          |
| 3.      | Others, please specify                              | Nil  | Nil                 | Nil                   | Nil                | Nil                           | Nil          |
|         | Total   | Nil  | Nil                 | 1.20                  | 1.20               | 1.20                          | 3.60         |
|         | Ceiling as per the Companies Act, 2013              | As per the provisions of Section 197 of the Companies Act, 2013 read with Schedule V to the Act. |                     |                       |                    |                               |              |

## iii. Remuneration to Key Managerial Personnel Other than Managing Director / Manager / Whole Time Director:

(₹ In Lakh)

| Sr. No. | Particulars of Remuneration   | Key Managerial Personnel                            |  |                         |              |
|---------|---|---|--|-------------------------|--------------|
|         |   | Company Secretary & Compliance Officer              | Company Secretary & Compliance Officer               | Chief Financial Officer | Total Amount |
|         |   | Mrs. Payal Garg (Resigned w.e.f. November 14, 2019) | Mrs. Swity Gada (Appointed w.e.f. November 14, 2019) | Mr. Suresh Satpute      |              |
| 1.      | Gross salary  |   |  |                         |              |
|         | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 1.49  | 1.71   | 9.81                    | <b>13.01</b> |
|         | (b) Value of perquisites u/s 17(2) as per Income-tax Act, 1961                      | -   | -  | -                       | -            |
|         | (c) Profits in lieu of salary under section 17(3) as per Income - tax Act, 1961     | -   | -  | -                       | -            |
| 2.      | Stock Option  | -   | -  | -                       | -            |
| 3.      | Sweat Equity  | -   | -  | -                       | -            |
| 4.      | Commission<br>- as % of profit<br>- others, specify                                 | -   | -  | -                       | -            |
| 5.      | Others, please specify  | -   | -  | -                       | -            |
|         | <b>Total</b>  | <b>1.49</b>   | <b>1.71</b>  | <b>9.81</b>             | <b>13.01</b> |

VII PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL

By order of the Board of Directors

Place: Mumbai  
Date: August 12, 2020

Markand Adhikari  
Chairman  
DIN: 00032016

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

## ANNEXURE II - Part A

**PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014, DETAILS OF THE RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION:**

| (i)  | The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2019-20:  |   |
|--|--|---|
| Sr. No.  | Name of the Director   | Ratio of remuneration to the median remuneration of the employees   |
| 1  | Mr. Kailasnath Adhikari  | Not applicable since company has not paid remuneration during the financial year under review.  |
| 2  | Mr. Markand Adhikari   | Not applicable since company has not paid remuneration during the financial year under review.  |
| 3  | Mr. Shailendra Mishra  | 0.54  |
| 4  | Dr. Ganesh P Raut  | 0.54  |
| 5  | Mr. Umakanth Bhyravajoshiyulu  | 0.54  |
| 6  | Mrs. Latasha Jadhav  | NA  |
| (ii)   | The percentage increase in remuneration of each director, CFO , CEO, Company Secretary or Manager, if any, in the financial year 2019-20:  |   |
| Sr. No.  | Name of the Directors, defined KMP   | % Increase over last F.Y.   |
| 1  | Mr. Markand Adhikari   | No Change   |
| 2  | Mr. Kailasnath Adhikari  | No Change   |
| 3  | Mr. Shailendra Mishra  | 14.29   |
| 4  | Dr. Ganesh P Raut  | No Change   |
| 5  | Mr. Umakanth Bhyravajoshiyulu  | No Change   |
| 6  | Mrs. Latasha Jadhav  | No Change   |
| 7  | Mr. Suresh Satpute   | 8.99  |
| 8  | Mrs. Payal Garg  | NA*   |
| 9  | Mrs. Swity Gada  | NA**  |
| *NA - Not comparable since the Key Managerial Personnel resigned w.e.f. November 14, 2019.   |  |   |
| **NA - Not comparable since the Key Managerial Personnel appointed w.e.f. November 14, 2019. |  |   |
| (iii)  | The percentage increase in the median remuneration of employees in the financial year  | (42.30)   |
| (iv)   | The number of permanent employees on the rolls of the Company as on March 31, 2020   | 9 (Nine)  |
| (v)  | 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 | There has been no increase in managerial remuneration during the financial year under review. The average increase, if any, is based on the objectives of Remuneration policy of the Company that is desired to attract, motivate and retain the employees who drive the organization towards success and helps the Company to retain its industry competitiveness. |

We hereby confirm that the remuneration is as per the remuneration policy recommended by Nomination and Remuneration Committee of the Company and adopted by the Company.

Place: Mumbai  
Date: August 12, 2020

Markand Adhikari  
Chairman  
DIN : 00032016

Shailendra Mishra  
Chairman of Nomination and  
Remuneration Committee  
DIN : 07373830

## ANNEXURE II - PART B

## Information as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

## I Names of the top ten employees of the Company in terms of remuneration drawn:

| Sr. No | Name of employee                   | Designation of the employee | Remuneration received (Amount in Rupees) | Nature of employment, whether contractual or otherwise | Qualifications and experience of the employee          | Date of commencement of employment in the Company | Age (In Years) | Last employment held before joining the Company | The percentage of equity shares held by the employee in the Company within the meaning of Clause(iii) of sub-rule(2) of Rule 5 | Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager |
|--------|------------------------------------|-----------------------------|--|--|--|---|----------------|---|--|---|
| 1      | Ragini Shrivastava                 | Sales Head                  | 15,05,600                                | Full Time Emp  | MBA (Marketing), 12 years                              | 01-06-2019  | 41             | Elets Technomedia Pvt Ltd.                      | Nil  | Not related   |
| 2      | Ajay Kumar Singh (Upto 31/05/2019) | Director Editorial          | 11,66,666                                | Full Time Emp  | Post Graduate, 32 years                                | 01-08-2017  | 58             | First Post                                      | Nil  | Not related   |
| 3      | Suresh Satpute                     | Chief Financial Officer     | 9,80,880                                 | Full Time Emp  | PGDM, 27 years   | 15-06-1997  | 49             | Parekh Plast India Pvt Ltd.                     | Nil  | Not related   |
| 4      | Pragya Gupta                       | Principle Correspondent     | 6,67,300                                 | Full Time Emp  | Executive Management from IIM Lucknow, 12.5 years      | 01-06-2019  | 34             | Elets Technomedia                               | Nil  | Not related   |
| 5      | Prem Kumar Paka                    | Sales Manager               | 6,02,560                                 | Full Time Emp  | B.Com, 13 years  | 01-06-2019  | 47             | Asian Publication house                         | Nil  | Not related   |
| 6      | Sunil Kumar                        | Senior Researcher           | 4,23,000                                 | Full Time Emp  | PGDM in Marketing & IT from IME, Ghaziabad, 11.5 years | 01-06-2019  | 35             | Elets Technomedia Pvt Ltd                       | Nil  | Not related   |
| 7      | Ridhima Kumar (Upto 30/06/2019)    | Asst. Editor                | 3,84,041                                 | Full Time Emp  | BA English Hons, 9 years                               | 15-01-2015  | 33             | Gospatal Media and Communication                | Nil  | Not related   |
| 8      | Vaishali Gupta                     | Asst. Manager               | 3,02,160                                 | Full Time Emp  | Bachelors in Business Administration, 5 years          | 01-06-2019  | 25             | Governance Today                                | Nil  | Not related   |
| 9      | Noor Mohammad (Upto 30/06/2019)    | Graphics Designer           | 2,62,757                                 | Full Time Emp  | Graduate   | 01-06-2012  | 37             | NA  | Nil  | Not related   |
| 10     | Rekha Rani (Upto 30/06/2019)       | Sr. Executive               | 1,85,651                                 | Full Time Emp  | Graduate   | 27-01-2014  | 33             | NA  | Nil  | Not related   |

## II Name of employees who were employed throughout the Financial Year 2019-20 and were paid remuneration not less than Rupees 1 Crore 2 lakhs per annum - None

## III Name of employees who were employed in part during the Financial Year 2019-20 and were paid remuneration not less than Rupees 8 lakhs 50 thousand per month - None

## IV Name of employees who were employed throughout the Financial Year 2019-20 or part thereof and were paid remuneration in excess of Managing Director or Whole-time Director or Manager and holds along with his spouse and dependent children not less than 2% of equity shares of the Company - None

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

## ANNEXURE III

### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013  
and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto:

#### 1. Details of contracts or arrangements or transactions not at Arm's length basis:

The Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during the financial year 2019-20.

#### 2. Details of material contracts or arrangements or transactions at Arm's length basis:

| Sr. No. | Particulars   | Details   |
|---------|---|---|
| a)      | Name (s) of the related party & nature of relationship                                    | TV Vision Limited (TVL), Group Company  |
| b)      | Nature of contracts/arrangements/transaction  | Promoting, Marketing and advertising of TVL Channels at the website of the Company                              |
| c)      | Duration of the contracts/arrangements/transaction  | 1 (One) year from July 01, 2019 to June 30, 2020  |
| d)      | Salient terms of the contracts or arrangements or transaction including the value, if any | 1 (One) year from July 01, 2019 to June 30, 2020 for Rs. 60 lakhs per annum                                     |
| e)      | Justification for entering into such contracts or arrangements or transactions'           | As the Company has a digital platform TVL decided to advertise its Channels on the group Company's website only |
| f)      | Date of approval by the Board   | August 14, 2019   |
| g)      | Amount paid as advances, if any   | -   |

#### 3. Details of contracts or arrangements or transactions not in the ordinary course of business:

| Sr. No. | Particulars   | Details   |
|---------|---|---|
| a)      | Name (s) of the related party & nature of relationship  | Sri Adhikari Brothers Television Network Limited (SABTNL), Group Company<br>Mr. Markand Adhikari, Chairman & Non- Executive Director of the Company is Chairman and Managing Director of SABTNL and Mr. Kailasnath Adhikari, Managing Director of the Company is son of Mr. Markand Adhikari. |
| b)      | Nature of contracts/arrangements/transaction  | Availing of rental services.  |
| c)      | Duration of the contracts/arrangements/transaction  | Three (03) years commencing from October 1, 2018.   |
| d)      | Salient terms of the contracts or arrangements or transaction including the value, if any                         | Monthly rent of Rs 187,670/- upto September 30, 2019 and thereafter Rs. 197,054 w.e.f October 1, 2019 with interest-free refundable deposit of Rs.2,00,000/-  |
| e)      | Justification for entering into such contracts or arrangements or transactions'                                   | In order to have registered office of Group Companies in the same building.   |
| f)      | Date of approval by the Board   | November 14, 2018   |
| g)      | Amount paid as advances, if any   | Rs. 2 lakh as security deposit.   |
| h)      | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | Not Applicable.   |

On behalf of the Board of Directors of  
Sab Events & Governance Now Media Limited

Place: Mumbai  
Date: August 12, 2020

Markand Adhikari  
Chairman  
DIN: 00032016



**ANNEXURE IV**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020**

**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
**SAB EVENTS & GOVERNANCE NOW MEDIA LIMITED**  
Mumbai

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SAB EVENTS & GOVERNANCE NOW MEDIA LIMITED** (CIN: L22222MH2014PLC254848) and having its registered office at 7<sup>th</sup> Floor, Adhikari Chambers, Oberoi Complex, New Link Road, Andheri (West), Mumbai – 400053, MH (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 upon our verification of Company's books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its office agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020, 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 March 31, 2020, 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 there under.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings
- (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;
  - B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (effective up to November 09, 2018) and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (effective from November 10, 2018);
  - D. 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 to the Company 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- NA;
  - G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- (**Not applicable to the Company during the audit period**);
  - H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- (**Not applicable to the Company during the audit period**);
  - I. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including amendments.
- (vi) Press and Registration of Books Act, 1867; Delivery of Books and Newspapers (Public Libraries) Act, 1954; Delivery of Books and Newspapers (Public Libraries) Act, 1954; The Newspaper (Prices and Pages) Act, 1956; Copyright Act, 1957; Trade Marks Act, 1999; and the rules and regulations made thereunder, being the laws that are specifically applicable to the Company based on their sector/ industry.

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India. We have relied on the representation made by the Company and its officers for the systems and mechanisms formed by the Company for compliances under applicable Acts, Rules, Laws and Regulations to the Company.

1. **We report that** during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Standards etc. mentioned above and in respect of laws specifically applicable to the Company based on their sector/industry, in so far as requirement relating to licencing/certification, submission of returns etc. as mentioned above, based on test checking subject to the following observations:

- I. **Pertaining to Companies Act, 2013:**

The Company has not appointed Internal Auditors during the period under review as required under Section 138 of the Act;

- II. **Pertaining to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR):**

The Company has delayed in payment of listing fees to National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for the year under review. The Annual Listing fee paid to NSE and BSE in the month of July, 2019 for financial year 2019-20.

2. **We further report that:**

- I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent Directors.
  - II. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were 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.
  - III. Majority decision is carried through while the dissenting member's views, if any, are captured and recorded as part of the minutes of the meetings, of those, which were duly recorded and signed by the Chairman.

3. **We further report that**, the compliance by the Company of applicable financial laws such as Direct and Indirect Tax Laws, and Maintenance of Financial Records and Books of Accounts has not been reviewed in this Audit since the same has been subject to review by the Statutory Financial Audit and other designated professionals. Further, we have not examined the compliance by the Company with other industry specific laws (as informed above and certified by the management of the Company which are specifically applicable to the Company based on its industry/sector) since the compliance and monitoring of the said laws are to be ensured by the management of the Company.
4. **We further report that** in the wake of COVID-19, the SEBI has provided relaxation and/or extension for the various applicable compliance under SEBI Regulations. Accordingly, the Company has done all compliance pertaining to quarter ended March 31, 2020 under relaxation.
5. **We further report that** pursuant to the guidelines issued by BSE Limited and National Stock Exchange of India Limited for submissions of documents on respective Portals, in the wake of CoVID-19 Outbreak and following the Work from Home Policy, The Company has submitted various disclosures in "SD mode" to the Exchanges.
6. **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, guidelines and standards.
7. **We further report that** during the audit period there were no major corporate events having a major bearing on the company's affairs.

**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.**

**For SHWETA MUNDRA & ASSOCIATES  
Practicing Company Secretaries**

**Place: Mumbai  
Date: August 12, 2020  
UDIN: A038115B000580305**

**CS Shweta Mundra  
ACS: 38115, COP: 15387**

Note: Due to lockdown (on account of COVID-19), we have not been able to carry out physical visit to the Company office for verification of the data. The certificate is based on the virtual data provided by the Company received through email, Verification with the available data on BSE Limited and National Stock Exchange of India Limited and oral confirmation from the Company Representatives.

To,  
The Members,  
**SAB EVENTS & GOVERNANCE NOW MEDIA LIMITED**  
Mumbai

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. 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 provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards are the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial Audit Report 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 SHWETA MUNDRA & ASSOCIATES**  
**Practicing Company Secretaries**

**CS Shweta Mundra**  
**ACS: 38115, COP: 15387**

**Place: Mumbai**  
**Date: August 12, 2020**

## ANNEXURE V

### MANAGEMENT DISCUSSION AND ANALYSIS

#### COMPANY OVERVIEW:

SAB Events & Governance Now Media Limited is carrying out the business of Digital Media Websites & MICE. 'Governance Now' started its journey as a multi-media initiative for participatory reportage and analysis related to governance of all institutions and processes that are vital to public life in India. Our editorial team comprises of highly experienced senior journalists and guest writers from diverse disciplines and professional background. Currently, Governance Now is available in the digital format as a portal [www.governancenow.com](http://www.governancenow.com) and a video channel on YouTube.

#### CURRENT SCENARIO DUE TO COVID-19 PANDEMIC:

The Company generally organizes different 'On Ground Conferences'. However, CoVID-19 virus pandemic has led to cancellations of conferences, both public and private, national/international meetings, incentives, conferencing and exhibitions (MICE) events. In 100 years of history of mankind we have never experienced such an impact where every human on the planet feels unsafe to step out of their home. The impact of CoVID-19 and its adverse effect are presently immeasurable; however, the contribution that each one of us can make to either minimise the spread of the disease and/or help others to come out of it is of supreme importance.

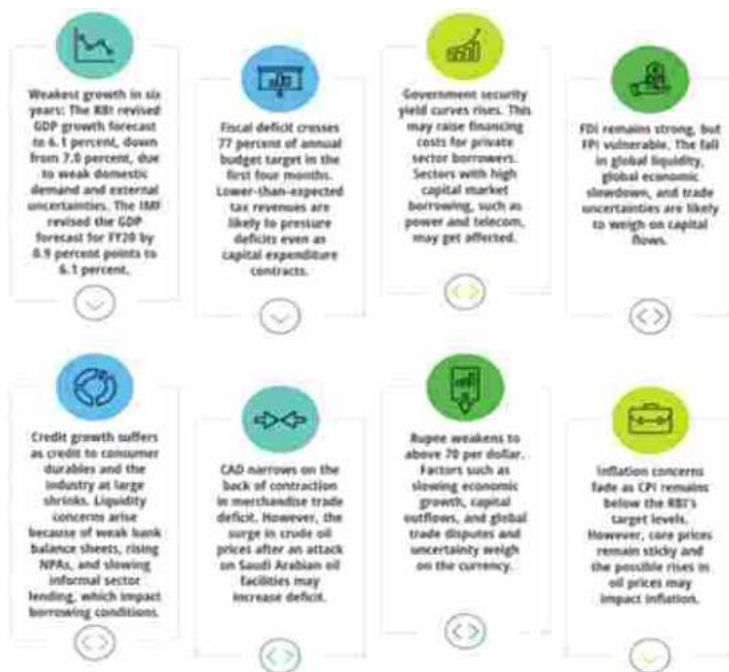
Owing to CoVID-19 virus outbreak restrictions imposed on free movement of people by the Central/State governments, the Company started organizing various 'Virtual Conferences', 'Technology Masterclasses' for government and public sector and 'Visionary Talk' series on the impact of CoVID-19 since July 2020 with some of the renowned personalities of our Country.

#### INDIAN MACROECONOMICS SCENARIO:

The Indian economy further slowed down in 2019-20. The real GDP growth moderated to 5% in 2019-20 as compared to 6.8% in 2018-19. In response to the slow economic growth, the government made policy announcements to boost demand and supply. These include liberalisation of FDI norms for select sectors; a rollback of a tax surcharge on foreign portfolio investors; incentives to support several industries; bank consolidation; and the significant cut in the corporate tax rate.

The GDP growth was expected to rebound from the first quarter of 2020-21. However, Covid-19 has further given headwind to further slowdown.

#### A Snapshot of Macroeconomics factor: (Source: Deloitte)



Source: Deloitte analysis of updates from various publications, the International Monetary Fund, and the Reserve Bank of India.

Deloitte insights | [deloitte.com/insights](http://deloitte.com/insights)

## INDUSTRY OVERVIEW:

(Source: KPMG – FICCI Indian Media and Entertainment Industry Report 2019)

The Indian Media and Entertainment (M&E) sector reached INR 1.82 trillion (US\$25.7 billion) in 2019, a growth of 9% over 2018. The M&E sector before Covid-19 was expected to cross INR 2.4 trillion (US\$34 billion) by 2022, at a CAGR of 10%.

While television and print retained their positions as the two most significant segments of the M&E sector, the year 2019 witnessed a substantial growth in digital news consumers over 2018 when 300 million Indians consumed news online. Most large print companies had a defined digital business, with two companies crossing INR 1 billion in digital revenues. Digital subscription, though nascent, has increased as several publications have put digital products behind a paywall.

In 2019, digital media grew 31% to reach INR 221 billion and expected to grow at 23% CAGR to reach INR 414 billion by 2022 (projected the report for pre-covid times). Digital advertising grew 24% to INR 192 billion driven by increased consumption of content on digital platforms and marketers' preference to measure performance. SME and long tail advertisers increased their spends on digital media as well. Pay digital subscribers crossed 10 million for the first time as sports and other premium contents were put behind a paywall. Consequently, subscription revenue grew 106% to INR 29 billion. Digital consumption grew across platforms where video viewers increased by 16%, audio streamers by 33% and news consumers by 22%.

## GROWTH OUTLOOK:

Indian market is strategically attractive to global players seeking to monetise content and capture growth upside, either as a participant via licensing or other commercial arrangements or as an outright owner through an in-bound acquisition or organic investment approach.

The rapid proliferation of affordable mobile and competitively priced 4G, is enabling on-demand, anytime-anywhere content consumption nationwide. With a population of 1.3 billion, 688 million internet subscribers and nearly 400 million smartphone users, India's telecom industry is poised to become the primary platform for digital content.

The increased availability of competitively priced 4G services and affordable devices to reach a broader set of Indian consumers in diverse regional markets and smaller towns. Accordingly, the Company has shifted its focus to Digital content through Website and YouTube channel, to have a wide reach and is more economical. The continues to provide an exciting opportunity for content creators, who are seeing both global and local streaming services invest in higher volumes of content with larger budgets.

## KEY CONCLAVES

### Governance Now 4<sup>th</sup> India Banking Reforms Conclave & BFSI Awards

29 May 2019 | Mumbai



Governance Now organised the 4<sup>th</sup> edition of India Banking Reforms Conclave to create a dialogue amongst Banks (public and private), NBFI, Fintechs, Regulators, Academia, Economists and industry experts to generate insights into innovations and transformation in banks for furthering financial inclusion in the country. Governance Now BFSI Awards, 2019 honoured the efforts of Banking & Finance sectors that have been instrumental to the country's growth and digital financial inclusion.

### Governance Now 4<sup>th</sup> INDIA PSU IT FORUM 2019

02 August 2019 | New Delhi



The Forum discussed how Digital Transformation in the new business era looks like for PSUs; Smart technologies and automation in energy, Manufacturing and Services, Defence sector enterprises and how PSUs can make a shift from traditional technology adoption to tech-centric adoption.

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

## Governance Now 3<sup>rd</sup> DIGITAL TRANSFORMATION SUMMIT & AWARDS 2019

06 November 2019 | New Delhi



The third edition of Governance Now Digital Transformation Summit and Awards focuses on roadmaps, partnerships and collaborations among the centre and state governments, private sector, industry associations, consulting firms, and academia which are critical to achieving these digital goals. The conference focused on the reskilling and upskilling the government practitioners for the digital transformation process.

## Governance Now 7<sup>TH</sup> PSU AWARDS

February 2020 | New Delhi



After completing six years of the journey of recognising the efforts of PSUs, Governance Now organised the 7<sup>th</sup> edition of its prestigious PSU Awards. The Awards honoured the efforts of Public Sector Undertakings (PSUs) that have been key to the country's economic growth and social development.

## GOVERNANCE NOW DIGITAL INDIA SPECIAL EDITION

March 2020



Governance Now has launched the special edition on Digital India. It is a compendium of various transformative (Digital) changes the country is going through along with experts sharing their ideas, solutions to the challenges in the roads to digital transformation. It is a collection of efforts and initiatives on the best practice that will bring us closer to Digital India.

## GOVERNANCE NOW PSU AUTOMATION (RPA) VIRTUAL MASTERCLASS for OIL & GAS Sector

28 May 2020



28th May 2020

The PSU Automation masterclass was organised to address the RPA concerns of Oil and Gas PSUs.



## GOVERNANCE NOW PSU AUTOMATION (RPA) VIRTUAL MASTERCLASS FOR ENERGY AND POWER SECTOR

25 June 2020



25th June 2020

The PSU Automation masterclass was organised for the public sector enterprises to address their Automation and AI concerns.

### OPPORTUNITIES AND THREAT:

#### Opportunities:

**Learning Curve:** The immense experience of the promoters in the media industry has proved to be an added advantage in understanding the taste of audience and producing differentiated contents.

**Digital, yet to Impact household leadership:** While the youth population might have shifted to the digital media, the age group of 35 years and above still prefer a physical copy. Easy accessibility, door-to-door delivery, affordability, comfort, the habit of reading a physical copy etc. are some factors that have kept the print players afloat in this digital era.

#### Challenges and Threats:

**Digitization:** Internet penetration is bound to grow exponentially in the near future. Vast plethora's of channels are available at viewer's disposal which has given rise to increased competition. Across the world, the print industry is adapting itself to opportunities presented by digital disruption and resulting economic shifts.

**Consistency:** Consistency of content quality is essential to maintain targeted revenues.

### FINANCIALS:

#### **Share Capital:**

As on March 31, 2020, the Authorized Share Capital of the Company stood at Rs. 1,103 lakh divided into 109.9 lakh Equity Shares of Rs. 10/- each and 0.4 lakh 0.01% Non-Convertible Non-cumulative Redeemable Preference Shares of Rs. 10/- each.

As on March 31, 2020, the Paid-up Share Capital of the Company stood at Rs. 1,049.37 lakh divided into Rs. 1,048.37 lakh comprising of 104.83 lakh Equity Shares of Rs. 10/- each full paid-up and Rs. 1 lakh comprising of 0.1 lakh 0.01% Non-Convertible Non-Cumulative Redeemable Preference Shares of Rs. 10/- each fully paid-up.

#### **Other Equity:**

The total Reserves and Surplus as at March 31, 2020, amounted to Rs. (700.62) lakh as per statement of Profit and Loss including Rs. (705.31) lakh as retained earnings and Rs. 4.69 lakh as other comprehensive income as per statement of Profit and Loss.

#### **Long Term Borrowing:**

The total long term borrowings stand as preferential shares liability as on March 31, 2020.

#### **Short Term Borrowing:**

The total short term unsecured loan as on March 31, 2020, stood at Rs. 127.35 lakh.

#### **Fixed Assets:**

Depreciation of Rs.83.45 lakh was charged to the statement of Profit and Loss. The Net Block of Tangible Fixed Assets and Intangible Fixed Assets as on March 31, 2020 is Rs.13.90 lakh and Nil respectively. The goodwill on demerger as on March 31, 2020 amounted to Rs.456.82 lakh.

**Investments:**

There are no investments as on March 31, 2020.

**Revenue:**

The Company earned total revenues of Rs. 201.96 lakh during the year ended March 31, 2020 through business activities.

**Expenses:**

The operating expenses of the Company for the year ended March 31, 2020 is Rs. 302.09 lakh.

**Critical accounting policies:**

The principles of revenue recognition are as under:

The Company earns its revenue in the form of subscription, advertisement, distribution and sponsorship. Subscription Income is recognized on straight line basis over a period of subscription. Other revenues are recognized when related event occurs upto the reporting date.

**Segment wise Performance:**

The Company is operating in single primary business segment i.e. Digital Media Websites & MICE. Accordingly, no segment reporting as per Accounting Standard – 17 has been reported.

**Internal Controls and Adequacy of those controls:**

Adequate systems of internal controls that commensurate with the size of operation and the nature of business of the Company have been implemented. Risks and controls are regularly viewed by senior and responsible officers of the company that assure strict adherence to budgets and effective use of resources. The internal control systems are implemented to safeguard Company's assets from unauthorized use or disposition, to provide constant check on cost structure, to provide financial and accounting controls and implement accounting standards.

**Human Resources:**

Human capital is a very important asset in a media Company. The Company has built up a human resource structure, which has enabled the Company to grow and take up challenges. The Company has a qualified team of professionals.

As on March 31, 2020, the Company had 9 (Nine) permanent employees on its payroll.

**Business Risks:****Change in Consumer Preference Risks:**

The Content published by the Company need not appeal the target audience always as the target audience preferences are bound to change. The level of creativity required for the audience targeted varies with the available options to the consumers.

**Revenue Risks:**

The Company earns revenue by advertising, sponsorship and On ground or Virtual conferences. Any change in the quality of the content or the ratio of advertisements or sponsorship can affect the revenues of the Company.

**Technological Risks:**

With broadband and smartphones penetrating the markets rapidly, there is an increase in usage of online availability of news and hence, the Company aims at improving the content displayed on its website [www.governancenow.com](http://www.governancenow.com) and also on digital course as such YouTube to compete with other publication houses.

**Regulatory Matters:**

The business may have a positive or a negative impact on the revenues in future due to changes in the regulatory framework and tax laws as compared to the current scenario.

Management continuously monitors and makes efforts to arrest decline or adverse output on any of these factors.

#### Outlook:

With the growing importance of digital media, e-magazines, smart phones and the convergence of media and technology, we are aiming at monetizing the Company's content through induction of emerging technology platforms and improvements, so as to offer next generation features on multiple-media including the digital media, web, smart phones, tablets, and other digital devices and e-commerce business. The Company is proactively planning to place its readers and advertisers at the cutting edge of technology.

The industry is undergoing transformation, driven by digital technologies, opportunities for further penetration of the billion strong markets, and an enabling regulatory framework. At the same time, it remains sensitive to the economic situation, and a lot will depend on its ability to manage the risks of continued shortage of skilled manpower, and ability to spur end user pricing across segments. The Company is proactively planning to place its readers and advertisers at the cutting edge of technology.

#### Details of significant changes in key financial ratios:

| Ratios                      | Formula Used  | FY 2020  | FY 2019  |
|-----------------------------|---|----------|----------|
| Debtors Turnover            | Revenue from operations / Average Debtors               | 95.21    | 229.36   |
| Inventory                   | COGS / Average Inventory Turnover                       | NA       | NA       |
| Interest Coverage Ratio     | Earnings before Interest and Tax / Interest Expense     | (670.21) | (267.17) |
| Current Ratio               | Current Assets / Current Liabilities                    | 0.31     | 0.3      |
| Debt Equity Ratio           | Debt / Equity   | 0.52     | 0.38     |
| Operating Profit Margin (%) | EBITDA / Revenue from operations                        | (0.07)   | (0.26)   |
| Net Profit Margin (%)       | PAT without exceptional items / Revenue from operations | (0.48)   | (0.55)   |
| Return on net worth (%)     | PAT without exceptional items / Total Equity            | (0.28)   | (0.35)   |

**Debtors Turnover Ratio:** During the current FY 2019-20 the Company was able to recover its receivables on time well within credit period thus the decrease in debtor turnover ratio.

**Interest Coverage Ratio:** The interest expense of the Company has reduced substantially during current FY 19-20 owing to repayment of its secured loans. This has resulted into a higher interest coverage ratio.

**Debt Equity Ratio:** During the current FY 2019-20, the Company obtains additional unsecured borrowing which resulted into increase in Debt Equity Ratio.

**Operating Profit Margin:** EBITDA has improved during the current FY 2019-20 as compared to previous FY 2018-19, which resulted into improvement in operating profit margin.

#### CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations may be "forward- looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/ supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

## ANNEXURE VI

### REPORT ON CORPORATE GOVERNANCE

#### 1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Corporate Governance is a set of standards which aims to improve Company's image, efficiency and effectiveness. Good Corporate Governance is about maximizing shareholders value on a sustainable basis while ensuring fairness to all stakeholders. It encourages to maintain the highest level of accountability, maximum standards of transparency in all its dealing, timely disclosure and to consider the needs of stakeholders.

The Company is conscious of the fact that the success of a corporation is a reflection of the professionalism, conduct and ethical values of its management and employees. In addition to compliance with regulatory requirements, the Company endeavors to confirm that highest standards of ethical and responsible conduct are met throughout the organization. The Company believes in maintaining good standard of quality and ethical conduct.

As per the requirements of Regulation 34 read with Chapter IV and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Directors hereby present the Report on Corporate Governance for the year ended March 31, 2020.

#### 2. BOARD OF DIRECTORS:

##### a) Composition and Category of Directors:

The Company is having an optimum combination of Executive, Non-Executive, Independent Directors and Woman Director on the Board as per the Regulation 17 of Listing Regulations read with Section 149 of the Companies Act, 2013 ("the Act"). The Directors of the Board are experienced, competent and highly renowned persons from the fields of Finance, Taxation, Law, Economics, Corporate Governance, Management, Publication, etc. The Board oversees the overall functions with the objective of protecting the interest of all stakeholders.

None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director in more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2020 have been made by the Directors and submitted to the Company. None of the Directors is related to each other except Mr. Markand Adhikari, Chairman and Mr. Kailasnath Adhikari, Managing Director.

The Composition of Board of Directors, their other directorship, committee positions as on March 31, 2020 is stated herewith:

| Sr. No. | Name of the Directors   | Category                                   | As on March 31, 2020                    |  |            |              |
|---------|-------------------------|--|---|--|------------|--------------|
|         |                         |  | (excluding the position in the Company) |  |            |              |
|         |                         |  | No. of Directorship                     | Name of the other listed entity and designation thereof  | Committee  |              |
|         |                         |  |   |  | Membership | Chairmanship |
| 1       | Mr. Markand Adhikari    | Promoter, Chairman, Non-Executive Director | 2                                       | 1. *Sri Adhikari Brothers Television Network Limited, Chairman & Managing Director;<br>2. TV Vision Limited, Chairman & Managing Director. | 4          | Nil          |
| 2       | Mr. Kailasnath Adhikari | Managing Director                          | Nil                                     | Nil  | Nil        | Nil          |
| 3       | Mr. Shailendra Mishra   | Non-Executive, Independent Director        | Nil                                     | Nil  | Nil        | Nil          |
| 4       | Dr. Ganesh P. Raut      | Non-Executive, Independent Director        | 2                                       | 1. *Sri Adhikari Brothers Television Network Limited, Independent Director;<br>2. TV Vision Limited, Independent Director.                 | 2          | 2            |

| Sr. No. | Name of the Directors         | Category                               | As on March 31, 2020                    |  |            |              |
|---------|-------------------------------|--|---|--|------------|--------------|
|         |                               |  | (excluding the position in the Company) |  |            |              |
|         |                               |  | No. of Directorship                     | Name of the other listed entity and designation thereof  | Committee  |              |
|         |                               |  |   |  | Membership | Chairmanship |
| 5       | Mr. Umakanth Bhyravajoshiyulu | Non-Executive, Independent Director    | 2                                       | 1. *Sri Adhikari Brothers Television Network Limited, Independent Director;<br>2. TV Vision Limited, Independent Director.       | 2          | 2            |
| 6       | Mrs. Latasha Jadhav           | Non-Executive Non Independent Director | 2                                       | 1. *Sri Adhikari Brothers Television Network Limited, Non- Executive Director;<br>2. TV Vision Limited, Non- Executive Director. | Nil        | Nil          |

*\* Sri Adhikari Brothers Television Network Limited is under Corporate Insolvency Resolution Process and the powers of the Board of Directors are suspended w.e.f. December 20, 2019 and the same have been vested with and are being exercised by the Resolution Professional.*

**Notes:**

- The Directorship/s held by Directors as mentioned above does not include Directorships in Foreign Companies, Companies incorporated under Section 8 of Act and Private Limited Companies.
- Membership/Chairmanship of only Audit Committee and Stakeholders' Relationship Committee of Public Limited companies are considered.
- None of the Directors on the Board holds directorships in more than ten public companies.
- None of the Independent Director, serves as an Independent Director in more than 7 (Seven) Listed Companies nor is a member in more than 10 (Ten) committees or acts as Chairman of more than 5 (Five) Committees.

**b) Attendance at the Board meetings and last Annual General Meeting:**

During the financial year 2019-20, the Board met 4 (Four) times on May 30, 2019, August 14, 2019, November 14, 2019 and February 12, 2020.

As stipulated, the gap between two Meetings of the Board did not exceed one hundred and twenty days.

The attendance of each Director at the meetings of Board held during their tenure, attendance at the last Annual General Meeting (AGM), inter-se relationship amongst directors and number of shares held by them is entailed below:

| Name of the Director          | No. of Board meetings held | No. of Board meetings attended | Attendance at Last AGM | Relationship Inter-se             | No. of shares held as on March 31, 2020            |
|-------------------------------|----------------------------|--------------------------------|------------------------|-----------------------------------|--|
| Mr. Markand Adhikari          | 4                          | 4                              | Yes                    | Father of Mr. Kailasnath Adhikari | Equity Shares: 14,81,589; Preference Shares: 9,810 |
| Mr. Kailasnath Adhikari       | 4                          | 4                              | Yes                    | Son of Mr. Markand Adhikari       | Nil  |
| Mr. Shailendra Mishra         | 4                          | 4                              | Yes                    | No Inter – se relationship        | Nil  |
| Dr. Ganesh P. Raut            | 4                          | 4                              | Yes                    | No Inter – se relationship        | Nil  |
| Mr. Umakanth Bhyravajoshiyulu | 4                          | 4                              | Yes                    | No Inter – se relationship        | Nil  |
| Mrs. Latasha Jadhav           | 4                          | 4                              | No                     | No Inter – se relationship        | Nil  |

**c) Disclosure for Non-Convertible Instruments held by Non-Executive Directors:**

During the financial year under review, the Company has not issued any non-convertible instruments. Further, none of the Non-Executive Directors holds any of non-convertible instruments of the Company.

**d) Separate Meeting of Independent Directors:**

As stipulated by the Code of Independent Directors under Schedule IV of the Act and Regulation 25 to the Listing Regulations, a separate meeting of the Independent Director of the Company was held on February 12, 2020 without the presence of Non-Independent Directors and members of management to discuss on the performance of Non-Independent Directors (including Chairman) and Board as a whole and also on the flow of information from and to the Board/ Management.

**e) Confirmation on Independent Directors:**

All the Independent Directors fulfill the conditions as specified under the Act and Listing Regulations and are independent to the management.

**f) Detailed reasons for the resignation of an Independent Director:**

During the financial year under review, no Independent Director has resigned from the Board of the Company.

**g) Director's Familiarization Programme:**

The Company undertakes and makes necessary provision for an appropriate induction programme of the new Directors and ongoing training for the existing Directors. At Board and Committee Meetings, the Independent Directors are on regular basis familiarized with the business model, regulatory environment in which it operates, strategy, operations, functions, policies and procedures of the Company. The Familiarization Programme formulated by the Company for Independent Directors has been made available on the Company's website at [http://www.governancenow.com/disclosure/Directors\\_Familiarization\\_Programmee\\_%20Done.pdf](http://www.governancenow.com/disclosure/Directors_Familiarization_Programmee_%20Done.pdf).

**h) Information placed before the Board Members:**

Matters discussed at meetings of the Board generally relate to Company's business, annual operating plans, capital budgets, quarterly / half yearly / annual results / annual financial statements, review of the reports of the Audit Committee, taking note of the minutes of the various other Committee meetings, and compliance with their recommendation(s), suggestion(s), status on compliance / non-compliance of any regulation, statutory or listing requirements, if any, etc.

As specified under Part A to Schedule II of the Listing Regulations the information as related/ applicable to the Company during the financial year 2019-20 was placed before the Board for their consideration.

**i) Code of Conduct:**

The Company has adopted a Code of Conduct for the Board of Directors including Independent Directors and Senior Management Personnel of the Company ("the Code"). The Code covers the Company's commitment to honest and ethical professional conduct, fair competition, corporate social responsibility, sustainable environment, health and safety, transparency and compliance of laws and regulations etc. Pursuant to provisions of Regulation 26(3) of Listing Regulations, all the Board members and Senior Management Personnel have confirmed compliance with the said code.

A declaration to that effect that the members of the Board and Senior Management Personnel have adhered to the same in respect of the financial year ended on March 31, 2020, signed by Mr. Kailasnath Adhikari, Managing Director is annexed to this Report.

A copy of said Code of Conduct is available on the website of the Company at <http://www.governancenow.com/disclosure/Code%20of%20Conduct%20Done.pdf>.

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information which was effective from April 01, 2019.

All the directors, designated persons and third parties such as auditors, consultants etc. who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window was closed during the time of declaration of results and occurrence of any material events as per the applicable regulations.



j) **Skills / Expertise / Competencies of the Board of Directors:**

The Board comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board members are committed to ensuring that the Board is in compliance with the highest standards of corporate governance.

The table below summarizes the key qualification, skills, and attributes which are taken into consideration while nominating candidates to serve on the Board:

|  |   |
|--|---|
| Strategy & Business                          | Brings the ability to identify and assess strategic opportunities and threats in the context of the business.   |
| Industry Expertise                           | Has expertise with respect to the sector the organization operates in. Has an understanding of the industry and recognizes the development of industry segments, trends, emerging issues and opportunities  |
| Financials                                   | Leadership in management of finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation, and financial reporting process, or experience in actively supervising accountant, auditor or person performing financial functions. |
| Leadership                                   | Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Strengths in developing talent, planning succession, and driving change and long-term growth.           |
| Technology                                   | Significant background in technology, resulting in knowledge of how to anticipate technological trends, generates disruptive innovation, and extends or create new business model.  |
| Board Services and Governance                | Service on a public company Board to develop insights about maintaining Board and management accountability, protecting shareholder interests, and observing appropriate governance practices.  |
| Sales and Marketing                          | Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance enterprise reputation.   |
| Gender, ethics, national, or other diversity | Representation of gender, ethics, geographic, cultural, or other perspective that expand the Board's understanding of the needs and viewpoints of our customers, partners, employees, governments, and other stakeholders worldwide.  |

The above list of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively, are available with the Board.

Name of the Director possessing the skills / expertise / competence:

| Particulars                                  | Mr. Markand Adhikari | Mr. Kailasnath Adhikari | Mr. Shailendra Mishra | Dr. Ganesh Raut | Mr. Umakanth Bhyravajoshiyulu | Mrs. Latasha Jadhav |
|--|----------------------|-------------------------|-----------------------|-----------------|-------------------------------|---------------------|
| Strategy & Business                          | ✓                    | ✓                       | ✓                     | ✓               | ✓                             |                     |
| Industry Expertise                           | ✓                    | ✓                       |                       |                 |                               |                     |
| Financials                                   | ✓                    | ✓                       | ✓                     | ✓               | ✓                             |                     |
| Leadership                                   | ✓                    | ✓                       | ✓                     | ✓               | ✓                             | ✓                   |
| Technology                                   |                      | ✓                       |                       |                 |                               |                     |
| Board Services and Governance                | ✓                    | ✓                       | ✓                     | ✓               | ✓                             | ✓                   |
| Sales and Marketing                          | ✓                    | ✓                       |                       |                 |                               |                     |
| Gender, ethics, national, or other diversity | ✓                    | ✓                       | ✓                     | ✓               | ✓                             | ✓                   |

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

## 3. AUDIT COMMITTEE:

Pursuant to provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations, the Audit Committee of the Company is duly constituted having majority of Independent Directors as members of the Committee including Chairman. The members possess sound knowledge on accounts, audit, finance, taxation, internal control, economics, banking, etc. The Committee undertakes and reviews matters as stipulated in Schedule II, Part C of the Listing Regulations and other matters as may be delegated by the Board from time to time.

During the financial year 2019-20, the Audit Committee met 4 (Four) times on the following dates:

|   |                 |   |                   |
|---|-----------------|---|-------------------|
| 1 | May 30, 2019    | 3 | November 14, 2019 |
| 2 | August 14, 2019 | 4 | February 12, 2020 |

As stipulated, the gap between any two meetings of the Audit Committee did not exceed one hundred and twenty days and the quorum was present for all meetings as required.

The composition as on March 31, 2020 of the Committee along with the attendance of the members at meetings held during their tenure of appointment, is stated herewith:-

### Composition and Attendance:

| Sr. No. | Name of the Member            | Category | No. of meetings held | No. of meetings Attended |
|---------|-------------------------------|----------|----------------------|--------------------------|
| 1       | Dr. Ganesh P Raut             | Chairman | 4                    | 4                        |
| 2       | Mr. Markand Adhikari          | Member   | 4                    | 4                        |
| 3       | Mr. Shailendra Mishra         | Member   | 4                    | 4                        |
| 4       | Mr. Umakanth Bhyravajoshiyulu | Member   | 4                    | 4                        |

Dr. Ganesh Raut, Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on September 30, 2019.

Mrs. Swity Gada, Company Secretary & Compliance Officer of the Company acts the Secretary to the Committee.

### Terms of reference of Audit Committee:

The terms of reference of the Audit Committee are as per the guidelines set out in the Listing Regulations and the Act. These broadly include:

- Develop an annual plan for Committee
- Review of financial reporting processes
- Review of risk management, internal financial controls and governance processes
- Review and discussions on quarterly, half yearly and annual financial statements and auditors' report before submission to the Board for approval.
- Interaction with statutory, internal and cost auditors
- Recommendation for appointment, remuneration and terms of appointment of auditors
- Risk management framework concerning the critical operations of the Company
- Appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc.
- Periodical review of Internal Audit Reports
- Scrutiny of inter-corporate loans.
- Utilization of loans/advances /investment made 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. (w.e.f April 01, 2019 as per amended Listing Regulations).

### In addition to the above, the Audit Committee also reviews the following:

- Matter to be included in the Director's Responsibility Statement.
- Changes, if any, in the accounting policies.
- Major accounting estimates and significant adjustments in financial statement.

- Disclosures in financial statement including related party transactions.
- Modified opinion in the Audit report.
- Compliance with the listing and other legal requirements concerning financial statements.
- Letters of Statutory Auditors to management on internal control weakness, if any.
- Recommend to the Board the appointment, re-appointment and, if required the replacement or removal of statutory auditors considering their independence and effectiveness, and recommend the audit fees.
- Review the functioning of the Vigil Mechanism / Whistle Blower Policy.
- Management Discussions & Analysis of the Company's operations.

All the recommendations made by the Audit Committee during the year were accepted and approved by the Board.

#### 4. NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, the Nomination and Remuneration Committee of the Company is duly constituted having majority of Independent Directors as members of the Committee including Chairman of the Committee. The Committee identifies persons to be appointed in senior management in accordance with the criteria laid down, recommends to the Board their appointment and removal and carries out performance evaluation of every Director.

During the financial year 2019-20, the Committee met 3 (three) times on the following dates:

|   |                 |   |                   |
|---|-----------------|---|-------------------|
| 1 | May 30, 2019    | 3 | November 14, 2019 |
| 2 | August 14, 2019 |   |                   |

The composition as on March 31, 2020 of the Committee along with the attendance of the members at meetings during their tenure of appointment is stated herewith:-

##### i. Composition and Attendance:

| Sr. No. | Name of the Member    | Category | No. of meetings held | No. of meetings Attended |
|---------|-----------------------|----------|----------------------|--------------------------|
| 1       | Mr. Shailendra Mishra | Chairman | 3                    | 3                        |
| 2       | Mr. Markand Adhikari  | Member   | 3                    | 3                        |
| 3       | Dr. Ganesh P Raut     | Member   | 3                    | 3                        |

Mr. Shailendra Mishra, Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on September 30, 2019.

Mrs. Swity Gada, Company Secretary & Compliance Officer acts as Secretary to the Committee.

##### ii. Terms of reference of the Nomination and Remuneration Committee:

The Committee is empowered to

- Formulate criteria for determining qualifications, positive attributes and independence of Directors and evaluating the performance of the Board of Directors.
- Identify potential individuals with expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors/ Independent Directors on the Board and as Key Managerial Personnel.
- Formulate and recommend the Board a policy relating to remuneration for the Directors, Committee and also the Senior Management Employees.
- Determine terms and conditions for appointment of Independent Directors. The same is also available on the website of the Company at <http://www.governancenow.com/disclosure/terms-of-appointment-of-independent-director.pdf>
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.

### iii. Performance Evaluation criteria for Independent Directors:

Pursuant to the provisions of Section 178 of the Act, read with Schedule IV to the Act and Regulation 17(10) and Regulation 19 of the Listing Regulations and Schedule II to the Listing Regulations, the Nomination and Remuneration Committee has formulated a policy on Board Evaluation and evaluation of individual directors and the Board has carried performance evaluation of the Independent Directors:

The evaluation is based on various factors which are follows:

- a) Attendance at Board and Committee Meetings;
- b) Level of Participation;
- c) Contribution to the development of strategies and Risk Assessment and Management;
- d) Overall interaction with the other members of the Board.

## 5. REMUNERATION POLICY:

The Company follows a comprehensive policy for selection, recommendation, appointment/re-appointment of Directors and other senior managerial employees and also on the remuneration, and such other related provisions as applicable.

### i. Selection:

- a) Any person to be appointed as a Director on the Board of the Company or as Key Managerial Personnel (KMP) or Senior Management Personnel, including Independent Directors, shall possess appropriate skills, experience and knowledge in one or more fields of sciences, actuarial sciences, banking, finance, economics, law, management, sales, marketing, administration, research, corporate governance or technical operations.
- b) Any person to be appointed as a Director on the Board of the Company shall possess the relevant experience and shall be able to provide policy directions to the Company, including directions on good corporate governance.
- c) While appointing any person as Chief Executive Officer, Managing Director or a Whole-time Director of the Company, his / her educational qualification, work experience, industry experience, etc. shall be considered.

### ii. Remuneration of Executive Directors:

- a) At the time of appointment or re-appointment, the Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination and Remuneration Committee and the Board of Directors) and the Managing Director within the overall limits prescribed under the Act.
- b) The remuneration shall be subject to the approval of the Members of the Company at General Meeting.
- c) The fixed compensation shall comprise of salary, allowances, perquisites, amenities and retiral benefits. The variable component shall comprise of performance bonus.
- d) In determining the remuneration (including the fixed increment and performance bonus) the Nomination and Remuneration Committee shall consider the following:
  - The relationship of remuneration and performance benchmarks is clear;
  - Balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
  - Responsibility of the Managing Directors and the industry benchmarks and the current trends;
  - The Company's performance vis-à-vis the annual budget achievement and individual performance.

### iii. Remuneration of Non-Executive Directors:

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him/her not exceeding the sum as may be approved by the Board of Directors within the overall limits prescribed under the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Non-Executive Directors had no pecuniary relationship or transactions with the Company during the financial year 2019-20.

The Independent Directors of the Company shall not be entitled to participate in Stock Option Scheme of the Company, if any, introduced by the Company.

**iv. Remuneration of Senior Management Employees:**

In determining the remuneration of the Senior Management Employees which includes Key Managerial Personnel (KMP's), the Nomination and Remuneration Committee shall consider the following:

- The correlation of remuneration and performance yardstick is clear;
- The fixed pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
- The components of remuneration includes salaries, perquisites and retirement benefits and the remuneration including annual increment and performance incentive is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, industry benchmark and current compensation trends in the market.

The Company has adopted a policy i.e. Criteria for Appointment of Directors, KMPs and Senior Management Personnel as per the Listing Regulations.

**v. Details of remuneration/sitting fees paid during the financial year 2019-20 are as follows:**

(₹ in Lakh)

| Name of Director              | Salary | Contribution to Provident fund | Other Perquisites | Sitting Fees | Total |
|-------------------------------|--------|--------------------------------|-------------------|--------------|-------|
| Mr. Markand Adhikari          | -      | -                              | -                 | -            | -     |
| Mr. Kailasnath Adhikari       | -      | -                              | -                 | -            | -     |
| Mr. Shailendra Mishra         | -      | -                              | -                 | 1.20         | 1.20  |
| Dr. Ganesh P. Raut            | -      | -                              | -                 | 1.20         | 1.20  |
| Mr. Umakanth Bhyravajoshiyulu | -      | -                              | -                 | 1.20         | 1.20  |
| Mrs. Latasha Jadhav           | -      | -                              | -                 | -            | -     |

Note:

- The Company has not granted any Stock Options.
- There are no separate service contracts with any of the directors. The current tenure of office of the Managing Director is for three years from his respective date of appointment. There is no separate provision for payment of severance fees.
- Apart from the above mentioned remuneration or fees paid, there are no other fixed components and performance linked incentives based on the performance criteria.

**6. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The composition of the Stakeholders' Relationship Committee of the Company is in accordance with the provisions of Section 178 of the Act read with Rules made thereunder and Regulation 20 of Listing Regulations.

This Committee is empowered to oversee the redressal of investors' complaints pertaining to Share transfers, non-receipt of annual reports, declared dividends, issue of duplicate certificates, transfer/transmission/demat/remat of shares and other miscellaneous complaints. This Committee is responsible for the satisfactory redressal of investors' complaints and recommends measures for overall improvement in the quality of investor services.

During the financial year 2019-20, Stakeholders' Relationship Committee met 4 (Four) times on the following dates:

|   |                 |   |                   |
|---|-----------------|---|-------------------|
| 1 | May 30, 2019    | 3 | November 14, 2019 |
| 2 | August 14, 2019 | 4 | February 12, 2020 |

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

The Composition of the Committee as on March 31, 2020 and attendance of the members at the meeting during their tenure in the Company is stated herewith:-

## i. Composition and Attendance:

| Sr. No. | Name of the Member      | Category | No. of meetings held | No. of meetings attended |
|---------|-------------------------|----------|----------------------|--------------------------|
| 1       | Mr. Shailendra Mishra   | Chairman | 4                    | 4                        |
| 2       | Mr. Markand Adhikari    | Member   | 4                    | 4                        |
| 3       | Mr. Kailasnath Adhikari | Member   | 4                    | 4                        |

Mr. Shailendra Mishra, Chairman of the Stakeholders' Relationship Committee was present at the last Annual General Meeting of the Company held on September 30, 2019.

Mrs. Swity Gada, Company Secretary & Compliance Officer of the Company oversees the redressal of the investors' grievances.

## ii. Status of Investors' Complaint during the financial year 2019-20 is stated herewith:

| Opening at the beginning of the year | Received during the year | Resolved during the year | Pending at the end of the year |
|--------------------------------------|--------------------------|--------------------------|--------------------------------|
| Nil                                  | Nil                      | Nil                      | Nil                            |

## 7. GENERAL BODY MEETINGS:

### a) Annual General Meetings:

Details with respect to the date, time and location of preceding 3(Three) Annual General Meetings (AGMs) are given below:

| Financial Year | AGM             | Date of AGM        | Time       | Location  |
|----------------|-----------------|--------------------|------------|---|
| 2018-19        | 6 <sup>th</sup> | September 30, 2019 | 3.45 p.m.  | VVM Banquets, Venue Hub Compound, Vidya Vikas Mandal, Near Recreation Club, Next to Bhavan's College, Andheri (West), Mumbai - 400058 |
| 2017-18        | 5 <sup>th</sup> | September 25, 2018 | 02.45 p.m. | GMS Banquets, D N Nagar, New Link Road, Andheri (West), Mumbai – 400053.  |
| 2016-17        | 4 <sup>th</sup> | September 25, 2017 | 01.30 p.m. | Celestial Banquets, B-47, Paramount, New Link Road, Oshiwara, Andheri (West), Mumbai – 400053.  |

### Details of Special Resolutions passed in the preceding three AGMs:

| Date of AGM        | Purpose of Special Resolutions   |
|--------------------|--|
| September 30, 2019 | Authority to the Board of Directors to create, offer, issue & allot further securities of the company    |
| September 25, 2018 | No special resolution was passed.  |
| September 25, 2017 | Approval of the Employee Stock Option Scheme 2017 and grant of the Employee Stock Options Under the Plan |

### b) Postal Ballot:

During the financial year under review, no resolutions were passed by means of Postal Ballot.

None of the business proposed to be transacted in the ensuing AGM require passing of Special Resolution through Postal Ballot.



## 8. MEANS OF COMMUNICATION

- In accordance with the Listing Regulations, the Financial Results of the Company are submitted to the Stock Exchanges and are published in English newspaper in "Financial Express" and Marathi newspaper in "Mumbai Mitra".
- The Financial Results are also available on website of the Company i.e. <http://www.governancenow.com/financial> and newspaper publications of said results are available at <http://www.governancenow.com/announcement> and also on websites of BSE Limited i.e. [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited i.e. [www.nseindia.com](http://www.nseindia.com).
- The Annual Financial Statements of the Company are posted on the website of the Company <http://www.governancenow.com/annual-report>
- The Management Discussion and Analysis forms part of the Report on Corporate Governance which forms part of this Annual Report.
- The Company has not made any presentations/press release to institutional Investors or to the Analysts during the financial year under review.

## 9. GENERAL INFORMATION FOR SHAREHOLDERS:

|       |  |  |
|-------|--|--|
| i.    | <b>Date, Time, Venue of Annual General Meeting</b>           | Date : September 28, 2020<br>Day : Monday<br>Time : 4.30 p.m.<br>Mode : Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")<br>Venue: The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated May 5, 2020 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.                      |
| ii.   | <b>Financial Year</b>  | April 01, 2019 to March 31, 2020   |
| iii.  | <b>Financial Calendar (April 01, 2020 to March 31, 2021)</b> | Tentative Dates<br>i) First Quarter Results - On August 12, 2020;<br>ii) Second Quarter Results - On or before November 14, 2020;<br>iii) Third Quarter Results - On or before February 14, 2021;<br>iv) Fourth Quarter / Yearly Results - On or before May 30, 2021 (Audited Results).  |
| iv.   | <b>Dividend payment date</b>                                 | No dividend is declared for the financial year 2019-20.  |
| v.    | <b>Date of Book Closure</b>                                  | Tuesday, September 22, 2020 to Monday, September 28, 2020 (both days inclusive)  |
| vi.   | <b>Cut-off date for E-voting</b>                             | The e-voting/voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off Date i.e. Monday, September 21, 2020.   |
| vii.  | <b>Listing on Stock Exchanges</b>                            | <b>BSE Limited</b><br>Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001<br><b>Scrip Code: 540081</b><br><b>National Stock Exchange of India Limited</b><br>Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051<br><b>Symbol: SABEVENTS</b><br>The Company has paid listing fees for the financial year 2020-21 to BSE Limited and National Stock Exchange of India Limited. |
| viii. | <b>ISIN and CIN</b>  | <b>ISIN:</b> INE860T01019<br><b>CIN:</b> L22222MH2014PLC254848   |
| ix.   | <b>Dematerialization of shares and liquidity</b>             | About 99.87% of the Equity Shares of the Company have been dematerialized as on March 31, 2020.  |
| x.    | <b>Registrar and Share Transfer Agent</b>                    | <b>M/s. Sharex Dynamic (India) Private Limited</b><br>C-101, 247 Park, L B S Marg, Vikroli West, Mumbai 400 083<br>Tel.: 91-22-2851 5606<br>Fax: 91-22-2851 2885<br>E-mail: <a href="mailto:support@sharexindia.com">support@sharexindia.com</a><br>Website: <a href="http://www.sharexindia.com">www.sharexindia.com</a>  |

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

|       |  |   |
|-------|--|---|
| xii.  | <b>Outstanding ADRs, GDRs or any convertible instruments, conversion date and impact on Equity</b> | The Company has not issued any ADRs, GDRs or any convertible instruments during the financial year 2019-20.   |
| xiii. | <b>Commodity price risk or foreign exchange risk and hedging activities</b>                        | Not Applicable  |
| xiv.  | <b>Plant Locations and address for correspondence.</b>   | Registered office of the Company is situated at 7 <sup>th</sup> Floor, Adhikari Chambers, Oberoi Complex, New Link Road, Andheri- (West), Mumbai- 400053. |
| xv.   | <b>Credit rating</b>   | Not Applicable  |

## xv. Share Transfer System

All shares sent or transferred in physical form, if any are registered by the Registrar & Share Transfer Agent within prescribed time, if documents are found in order. Shares under objection, if any are returned within prescribed time limit. All requests for dematerialization of shares processed and the confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) within 21 days.

The Company obtains, from a Practicing Company Secretary, a half-yearly Certificate of Compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations entered into with Stock Exchanges and files a copy of the said certificate with the concerned Stock Exchanges.

However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 01, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

## xvi. Market Price Data

The monthly high and low quotations of closing prices of shares traded on BSE Limited and National Stock Exchange Limited during the financial year 2019-20 is as follows:

| Month           | BSE Limited* |      | National Stock Exchange of India Limited** |      |
|-----------------|--------------|------|--|------|
|                 | Price (₹)    |      | Price (₹)                                  |      |
|                 | High         | Low  | High                                       | Low  |
| April 2019      | 1.92         | 1.84 | 1.60                                       | 1.45 |
| May 2019        | 1.83         | 1.66 | 1.50                                       | 0.90 |
| @June 2019      | 1.58         | 1.38 | 1.05                                       | 0.90 |
| July 2019       | 1.58         | 1.38 | 0.85                                       | 0.85 |
| August 2019     | 1.32         | 1.26 | 0.85                                       | 0.80 |
| @September 2019 | 1.31         | 1.31 | 0.90                                       | 0.85 |
| October 2019    | 1.31         | 1.31 | 0.85                                       | 0.75 |
| @November 2019  | 1.25         | 1.25 | 0.75                                       | 0.65 |
| @December 2019  | 1.25         | 1.25 | 0.65                                       | 0.65 |
| @January 2020   | 1.25         | 1.25 | 0.65                                       | 0.60 |
| @February 2020  | 1.25         | 1.25 | 0.60                                       | 0.45 |
| March 2020      | 1.25         | 1.25 | 0.45                                       | 0.45 |

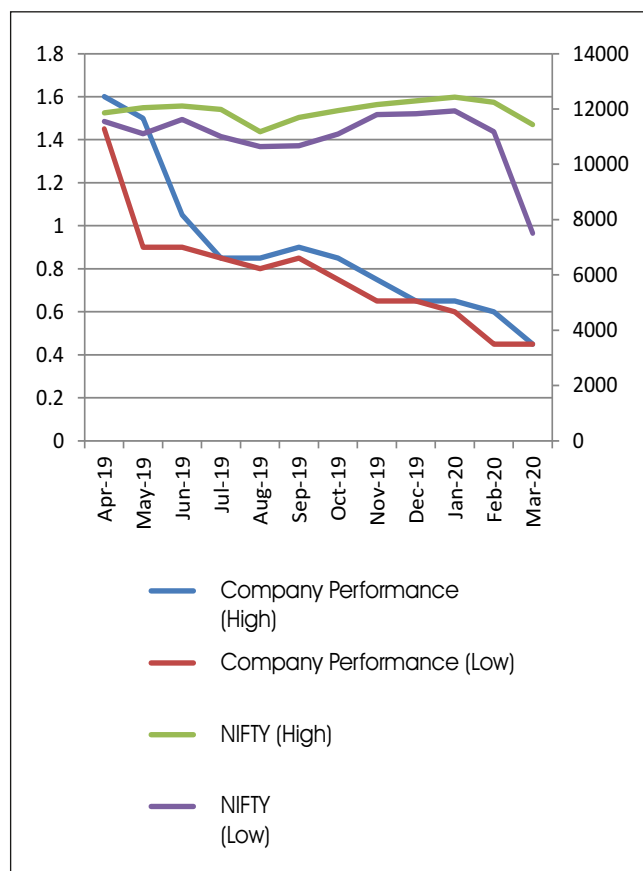
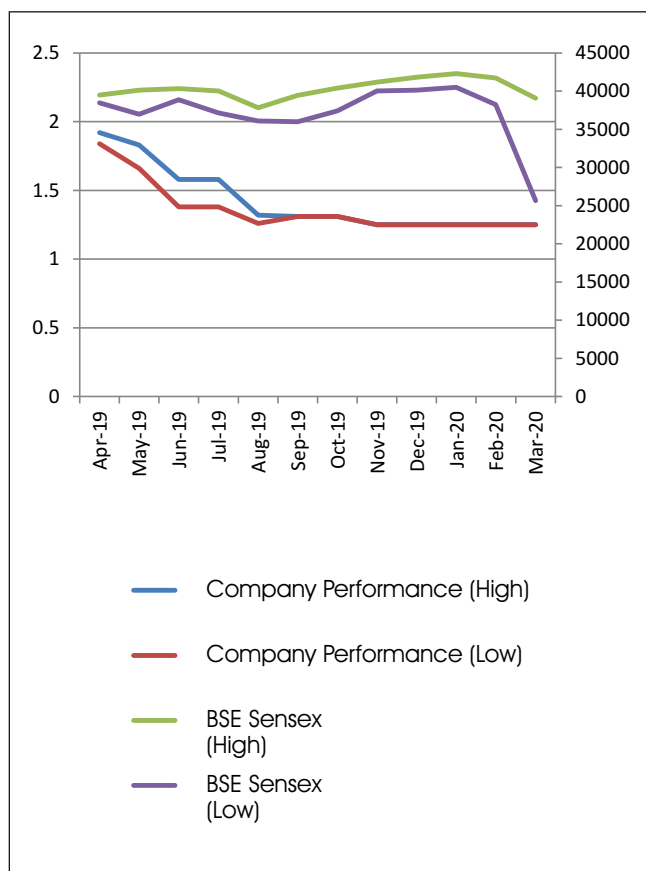
\*Source: [www.bseindia.com](http://www.bseindia.com)

\*\*Source: [www.nseindia.com](http://www.nseindia.com)

@ Prices are taken on the basis of following month as data for particular month is not available on website of BSE Limited

**xvii. Performance in comparison to SENSEX and NIFTY**

The performance of the Company's Equity shares relative to the BSE Sensitive Index (BSE Sensex) and NSE Nifty is given in the chart below:


**xviii. Categories of equity shareholding as on March 31, 2020**

| Category                        | No. of Equity shares (of Rs. 10/- each) | Percentage of Shareholding (%) |
|---------------------------------|---|--------------------------------|
| Promoter and Promoter Group     | 37,71,214                               | 35.972                         |
| Mutual Funds/ UTI               | 270                                     | 0.003                          |
| Financial Institutions/ Banks   | 15,43,767                               | 14.725                         |
| Insurance Companies             | 60,703                                  | 0.579                          |
| Trusts                          | 168                                     | 0.002                          |
| Foreign Institutional Investors | 330                                     | 0.003                          |
| Bodies Corporate                | 21,77,951                               | 20.775                         |
| Individuals                     | 28,10,064                               | 26.804                         |
| Non Resident Indians            | 16,478                                  | 0.157                          |
| Clearing Members                | 6,053                                   | 0.578                          |
| Hindu Undivided Family          | 96,713                                  | 0.923                          |
| <b>TOTAL</b>                    | <b>1,04,83,711</b>                      | <b>100.000</b>                 |

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

## xix. Distribution of shareholding as on March 31, 2020

| Nominal value of Shares | Number of shareholders | % of total number of shareholders | Nominal Value Shares ( in ₹ ) | % of Total Nominal Value of shares |
|-------------------------|------------------------|-----------------------------------|-------------------------------|------------------------------------|
| 1 to 5000               | 7,267                  | 92.573                            | 39,71,400                     | 3.788                              |
| 5001 to 10000           | 271                    | 3.452                             | 22,20,300                     | 2.118                              |
| 10001 to 20000          | 137                    | 1.745                             | 20,83,290                     | 1.987                              |
| 20001 to 30000          | 53                     | 0.675                             | 13,90,490                     | 1.326                              |
| 30001 to 40000          | 21                     | 0.268                             | 7,63,510                      | 0.728                              |
| 40001 to 50000          | 23                     | 0.293                             | 10,54,760                     | 1.006                              |
| 50001 to 100000         | 23                     | 0.293                             | 16,70,490                     | 1.593                              |
| 100001 and above        | 55                     | 0.701                             | 9,16,82,870                   | 87.453                             |
| <b>TOTAL</b>            | <b>7,850</b>           | <b>100.000</b>                    | <b>10,48,37,110</b>           | <b>100.000</b>                     |

## xx. Address for investor Correspondence

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares, please write to the RTA (address mentioned at point (x)) or below mentioned address:

**Company Secretary & Compliance Officer**  
**SAB Events & Governance Now Media Limited**

7<sup>th</sup> Floor, Adhikari Chambers,  
Oberoi Complex, New Link Road,  
Andheri (West), Mumbai – 400053.  
Tel - 91-22-4023 0673  
Fax – 91-22-2639 5459  
Email – [cs@governancenow.com](mailto:cs@governancenow.com)  
Website: [www.governancenow.com](http://www.governancenow.com)

## 10. OTHER DISCLOSURES:

### i. Related Party Transactions:

The material transaction which was approved by the members of the Company in its previous Annual General Meeting held on September 30, 2019 was transacted during the financial year 2019-20. Further, the prescribed details of related party transaction in Form AOC-2, in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is given in the "Annexure III" to the Boards' Report. The transactions with the related parties, as per the requirements of the Accounting Standard (AS) 18, are disclosed in the Notes on Accounts, forming part of the Annual Report. All the transactions entered with related party(ies) were on arms' length basis.

The Company has adopted a policy on dealing with Related Party Transactions which is available on Company's website at [http://www.governancenow.com/disclosure/RPT\\_Policy.pdf](http://www.governancenow.com/disclosure/RPT_Policy.pdf).

### ii. Disclosure for Compliances relating to listing entity and Capital Market:

The Company has complied with the requirements of the Stock Exchanges, Securities and Exchange Board of India (SEBI) and other statutory authorities on all matters relating to capital market during the last three years, except that the Company was unable to appoint a Woman Director on the Board within the time prescribed by the Listing Regulations. As such the Company received letters dated October 31, 2018 from BSE Limited and National Stock Exchange of India Limited imposing a penalty of Rs. 5,42,800/- from each authority for non-compliance under Regulation 17(1) of the Listing Regulations i.e. non-appointment of Woman Director on the Board. After rigorous search, the Board appointed Mrs. Latasha Jadhav as Non-executive Woman Director of the Company in the Meeting of the Board of Directors held on October 01, 2018.

The Company has paid the penalty to National Stock Exchange of India Limited on July 25, 2019.

The Company has inadvertently delayed the payment of Annual Listing Fees for financial year 2019-20 to National Stock Exchange of India Limited and BSE Limited by July 24, 2019.

**iii. Vigil Mechanism / Whistle Blower Policy:**

With the rapid expansion of business, various risks associated with the business have also increased considerably. Some such risks identified are the risk of fraud, misconduct and unethical behavior. To ensure fraud-free work and ethical environment, the Company has laid down a Vigil Mechanism / Whistle Blower Policy in line with the provisions of Section 177 of the Act and Regulation 22 of the Listing Regulations, by which the Company provides a platform to all the employees, vendors and customers to report any suspected or confirmed incident of fraud, misconduct, unethical behavior, etc. through any of the following reporting protocols:

Chairman of Audit Committee : Dr. Ganesh P. Raut  
E-mail : [cs@governancenow.com](mailto:cs@governancenow.com)  
Phone No. : +91-022-4023 0673  
Fax Number : +91-022 2639 5459  
Written Communication to : 7<sup>th</sup> Floor, Adhikari Chambers,  
Oberoi Complex, New Link Road,  
Andheri (West), Mumbai – 400053.

The mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and direct access to the Chairman of the Audit Committee is also available in exceptional cases. Vigil Mechanism/Whistle Blower Policy is also available on the website of the Company at [http://www.governancenow.com/disclosure/Whistle-Blower-Policy\\_done.pdf](http://www.governancenow.com/disclosure/Whistle-Blower-Policy_done.pdf)

We affirm that during the financial year 2019-20, no personnel were denied access to the Audit Committee.

**iv. A certificate from a Company Secretary in practice:**

A certificate received from M/s. Shweta Mundra & Associates, Practicing Company Secretaries, Mumbai is attached in this report stating that none of the Directors on the Board of the company have been debarred or disqualified from being appointed or to continue as Directors of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

**v. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of SEBI ( Listing Obligations and Disclosure Requirements) Regulation, 2015:**

During the financial year 2019-20, the Company has not raised any funds through preferential allotment or qualified institutions placement.

**vi. Recommendation by Committee:**

The Board has accepted all recommendations from all the committees of the Board, which is mandatorily required, during the financial year under review.

**vii. Total fees for all services paid by the listed entity, to the Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part.**

Details relating to fees paid to the Statutory Auditors are given in Note 27 to the Audited Financial Statements.

| Sr. No | Particulars           | Amount (in Rs.) |
|--------|-----------------------|-----------------|
| 1      | Statutory Audit Fees* | 35,000          |
| 2      | Tax Audit Fees        | 25,000          |
|        | <b>Total</b>          | <b>60,000</b>   |

\*Excludes applicable taxes thereon.

**viii. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

| Sr. No. | Particulars  | No. of Complaints |
|---------|--|-------------------|
| 1       | Number of complaints filed during the financial year         | Nil               |
| 2       | Number of complaints disposed of during the financial year   | Nil               |
| 3       | Number of complaints pending as on end of the financial year | Nil               |

**ix. Disclosure of Accounting Treatment**

Pursuant to SEBI Circular dated July 5, 2016, the Company has adopted Indian Accounting Standards ("Ind AS") which is applicable w.e.f April 1, 2017 and accordingly the financial statements have been prepared in accordance with recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder. The Accounting policies followed by the Company to the extent relevant, are set out elsewhere in this Annual Report.

**x. Disclosure on subsidiaries**

As on March 31, 2020, the Company does not have any Subsidiary, Associate or Joint Venture Companies.

**xi. Disclosure of Risk Management**

The Company has created a separate Risk Management Policy which includes procedure to inform Board members about the risk assessments and minimization procedure which is periodically reviewed by the Audit Committee and the Board.

**xii. CEO/CFO Certification**

As required under Regulation 17(8) of the Listing Regulations, Mr. Kailasnath Adhikari, Managing Director and Mr. Suresh Satpute, Chief Financial Officer of the Company certifying that the financial Statements for the financial year 2019-20 represents true and fair view of the Company's affairs, was placed before the Board for their consideration.

**xiii. Details of Compliance with Mandatory and Non-Mandatory Requirements under Listing Regulations:**

The Company has complied with all mandatory requirements as per the provisions under Regulation 27 of the Listing Regulations. The Company has also complied with the requirements of Part C (Corporate Governance Report) of sub-paras (2) to (10) of Schedule V of the Listing Regulations. The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation 2 of Regulation 46 of the Listing Regulations and necessary disclosures thereof have been made in this report except the following:

- a. The Company has delayed in payment of listing fees to National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

The Company inadvertently delayed the said payment, however the Company has duly made the payment to National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for the year under review on July 24, 2019.

- b. The Company has not appointed Internal Auditors during the period under review.

The Company is in process of appointing an appropriate candidate for the said position.

The details of the discretionary requirements under Regulation 27 and Part E of Schedule II of the Listing Requirements is provided below:

- a. **The Board:** There are separate posts for Chairman and Managing Director in the Company. The Chairman is a Non-executive Director.
- b. **Shareholders rights:** Unaudited/Audited Quarterly/half yearly/annual financial results are published in leading newspapers, viz. Financial Express and vernacular newspaper i.e. Mumbai Mitra and also made available on the website of the Company at <http://www.governancenow.com/financial>.
- c. **Modified opinion in Audit Report:** The Auditor's Report is with modified opinion.
- d. **Reporting of Internal Auditor:** The Company does not have an Internal Auditor in the Company.

**xiv. Disclosure with respect to demat suspense account/unclaimed suspense account**

The Company does not have shares lying in unclaimed suspense account arising out of public/bonus/rights issues as at March 31, 2020. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters does not arise.

**xv. Auditors' Certificate on compliance with the provisions relating to Corporate Governance**

Auditors' Certificate on compliance of conditions of the Listing Regulations relating to Corporate Governance by the Company is annexed to this Report.

**DECLARATION REGARDING COMPLIANCE WITH CODE OF CONDUCT**

I, Kailasnath Adhikari, Managing Director of the Company hereby declare that the Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct of the Company during the financial year 2019-20.

**Place: Mumbai**  
**Date: August 12, 2020**

**Kailasnath Adhikari**  
**Managing Director**  
**DIN: 07009389**



# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

## 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**  
**SAB Events & Governance Now Media Limited**  
7<sup>th</sup> Floor, Adhikari Chambers,  
Oberoi Complex, New Link Road,  
Andheri - West,  
Mumbai-400053

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SAB Events & Governance Now Media Limited** having **CIN L22222MH2014PLC254848** and having registered office at 7<sup>th</sup> Floor, Adhikari Chambers, Oberoi Complex, New Link Road, Andheri (West), Mumbai - 400053 MH (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with 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 March 31, 2020 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. Markand Navnitlal Adhikari  | 00032016 | March 21, 2014                 |
| 2       | Mr. Kailasnath Markand Adhikari | 07009389 | February 10, 2016              |
| 3       | Mr. Shailendra Omprakash Mishra | 07373830 | February 10, 2016              |
| 4       | Dr. Ganesh Prasad Raut          | 08047742 | January 17, 2018               |
| 5       | Mr. Umakanth Bhyravajoshiyulu   | 08047765 | January 17, 2018               |
| 6       | Mrs. Latasha Laxman Jadhav      | 08141498 | October 01, 2018               |

Ensuring the eligibility of 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 Shweta Mundra & Associates**  
**Company Secretaries**

**Date: August 12, 2020**  
**Place: Mumbai**  
**UDIN: A038115B000573936**

**Shweta Mundra**  
**Membership No. A38115, CP: 15387**

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members,  
Sab Events & Governance Now Media Limited

1. We have examined the records concerning Compliance of the conditions of Corporate Governance by **SAB EVENTS & GOVERNANCE NOW MEDIA LIMITED** ("the Company"), for the year ended March 31, 2020, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").
2. The compliance of conditions of Corporate Governance is responsibility of the Management. Our examination was limited to 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 the opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.
4. On the basis of relevant records and documents maintained and furnished to us and the information and explanations given to us by the Company's Management, to the best of our knowledge and belief, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the Listing Regulations for the year ended March 31, 2020 except for the following:
  1. The Company has delayed in payment of listing fees to National Stock Exchange of India Limited (NSE) and BSE Limited (BSE);
  2. The Company has not appointed Internal Auditors during the period under review.
5. We further state that such compliance is neither an assurance as to the viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**FOR SHWETA MUNDRA & ASSOCIATES**  
Practicing Company Secretaries

**Shweta Mundra**  
M. No. 38115  
(COP: 15387)

**UDIN: A038115B000608311**  
Place: Mumbai  
Date: August 12, 2020

## INDEPENDENT AUDITORS' REPORT

To,  
The Members,  
SAB Events & Governance Now Media Limited

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

#### Qualified Opinion

We have audited the accompanying standalone financial statements of **SAB Events & Governance Now Media Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, statement of changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss, changes in equity and its cash flows for the year ended on that date.

#### Basis for Qualified Opinion

The Company had acquired its publication and MICE business in FY 2015-16 and during such acquisition the company had paid for goodwill amounting to Rs. 788.69 Lakhs. The carrying value of Goodwill as on March 31, 2020 is Rs. 456.82 lakhs. However, the Company has not been able to generate sufficient income from its publication and MICE business since last four years and has incurred losses of Rs. 94.87 lakhs during the year ended on March 31, 2020 and during the preceding financial year of Rs. 150.65 Lakhs. Also considering the further impact on the business of the company due to COVID 19 restrictions imposed by the Government and discontinuance of publication of its magazine 'Governance Now' as stated in Note 29 to the financial statements, in our view this indicates impairment in the value of Goodwill. However, as stated in Note 30 to the financial statements, based on the current estimates, the Company expects to recover the carrying amount of its intangible assets. Since the Company has not carried out impairment testing on goodwill and in the absence of working for impairment we are unable to quantify the amount of impairment provision required and its possible effects on the financial statements.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with the ethical requirements that are relevant to our audit of the 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the 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 financial statements of the current period. These matters were addressed in the context of our audit of the 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.

Except for the matter described in the Basis for Qualified Opinion paragraph, we have determined that there are no other key audit matters to communicate in our report.

#### Material Uncertainty related to Going Concern

We draw attention to Note 29 to financial statements, due to the outbreak of the COVID-19 pandemic, the ground events business operations of the company have come to halt and the company doesn't foresee ground events picking up until Q4 FY 2020-21 and the fact that company's current liability are 3.18 times of current assets and exceeds by Rs. 111.72 Lakhs indicates material uncertainty with respect to company's ability to continue as going concern in the event company's plan of remodelling the event vertical into webinars and growing the digital portal does not achieve the desired cash flows and

profitability. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### **Responsibilities of Management 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of The Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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.

Those Board of Directors are also 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.

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

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 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

As required by the Companies (Auditor's Report) Order, 2016, issues by the Central Government of India in terms of sub section (11) of the section 143 of the Companies Act, 2016, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 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 financial statements comply with the Accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except as described in the Basis for Qualified Opinion paragraph.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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".
- g) 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, in our opinion and to the best of our information and according to the explanations given to us:
  - I. According to the information and explanation given to us, the Company does not have any pending litigations at the year end.
  - II. According to the information given to us, the company has not entered into any long-term contracts including derivative contracts.
  - III. According to the information and explanation given to us, the Company is not required to transfer any amount to Investor Education and Protection Fund.

**For A. R. Sodha & Co.**  
**Chartered Accountants**  
**FRN 031878**

**A.R. Sodha**  
**Partner**  
**M No.: 031878**

**Place: Mumbai**  
**Date: June 27, 2020**  
**UDIN: 20031878AAAAV4961**

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

1. a. The Company has generally maintained proper records of fixed assets showing full particulars, including quantitative details and situation of fixed assets.
- b. According to information given to us, fixed assets have been physically verified by the management at reasonable intervals and no material discrepancy was noticed on such verification.
- c. According to the information and explanation given to us and on the basis of records furnished before to us, the company does not have any immovable property and accordingly, Clause 3(i)(c) of the Companies (Auditor's Report) Order, 2016 is not applicable.
2. The company is not having inventory of material amount during the year hence the matters specified in clause 3(ii) of Companies (Auditor's Report) Order, 2016 has not been reported.
3. According to the information and explanation given to us and on the basis of records furnished before us, company has not granted any loans to any party covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly Clauses 3(iii)(a), (b) and (c) of Companies (Auditor's Report) Order, 2016 are not applicable.
4. According to the information and explanation given to us and on the basis of records furnished before us, the company has not given any loan or made any investment or given any guarantee or security during the year for which compliance under section 185 and 186 is required. Accordingly Clause 3(iv) of Companies (Auditor's Report) Order is not applicable.
5. The company has not accepted deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under. Accordingly Clause 3(v) of Companies (Auditor's Report) Order, 2016 is not applicable.
6. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 in respect of Services dealt with by the Company.
7. a. The company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance. However the Company is generally irregular in payment of Income Tax, Goods and Service Tax and Cess. No undisputed statutory dues as stated above is outstanding as at 31<sup>st</sup> March, 2020 for more than six months from the date they become payable.
- b. According to information and explanation given to us, there are no disputed statutory dues including Sales Tax, Service Tax, Custom Duty, Duty of Excise, Value added Tax, Cess and any other statutory dues which have not been deposited on account of dispute.
8. According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank as at the Balance Sheet date.
9. According to information and explanation given to us and records examined by us the company has neither raised any money by way of public offers nor raised any term loan during the year. Accordingly, Clause 3(ix) of Companies (Auditor's Report) Order is not applicable.
10. During the course of our examination of the books and records of the company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the company noticed or reported by its officers or employees during the year nor we have been informed of such instances by the management.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the

## 7<sup>TH</sup> ANNUAL REPORT 2019-2020

---

provisions of the Section 197 read with Schedule V of the Companies Act, 2013.

12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly clause 3(xii) of Companies (Auditor's Report) Order 2016 is not applicable.
13. According to the information and explanation provided to us and based on our examination of the records of the Company, the transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in financial statements as required by the applicable accounting standards.
14. According to the information and explanation provided 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. Accordingly the clause 3(xiv) of the Companies (Auditor's Report) Order 2016 is not applicable.
15. According to the information and explanation provide to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transaction with directors or persons connected with him. Accordingly clause 3(xv) of the Companies (Auditor's Report) Order 2016 is not applicable.
16. According to the books of accounts and records of the company examined by us, in our opinion the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For A. R. SODHA & Co.**  
**Chartered Accountant**  
**FRN 110324W**

**A. R. Sodha**  
**Partner**  
**M. No.: 31878**

**Place: Mumbai**  
**Date: June 27, 2020**  
**UDIN: 20031878AAAAAV4961**



## ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

### **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 SAB Events & Governance Now Media Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year 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 Companies Act, 2013.

#### **Auditors' 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 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 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

## 7<sup>TH</sup> ANNUAL REPORT 2019-2020

---

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 March 31, 2020, 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 ICAI.

**For A. R. SODHA & Co.**  
**Chartered Accountant**  
**FRN 110324W**

**A. R. Sodha**  
**Partner**  
**M. No.: 31878**

**Place: Mumbai**  
**Date: June 27, 2020**  
**UDIN: 20031878AAAAAV4961**

## BALANCE SHEET AS AT MARCH 31, 2020

| Particulars                          | Notes | As at<br>March 31, 2020<br>(₹) | As at<br>March 31, 2019<br>(₹) |
|--------------------------------------|-------|--------------------------------|--------------------------------|
| <b>ASSETS</b>                        |       |                                |                                |
| <b>Non-Current Assets</b>            |       |                                |                                |
| a. Property, Plant and Equipment     | 2     | 13,89,949                      | 21,53,225                      |
| b. Intangible Assets                 | 2     | -                              | 3,448                          |
| c. Goodwill on Demerger              | 2     | 4,56,81,990                    | 5,35,69,373                    |
| d. Financial Assets                  |       |                                |                                |
| (i) Long term Loans and Advances     | 3     | 2,00,000                       | 9,59,375                       |
| e. Other Non- Current Assets         | 4     | 3,14,615                       | 3,14,615                       |
| <b>Total Non Current Assets</b>      |       | <b>4,75,86,555</b>             | <b>5,70,00,036</b>             |
| <b>Current Assets</b>                |       |                                |                                |
| a. Financial Asset                   |       |                                |                                |
| (i) Trade Receivables                | 5     | 25,75,745                      | 14,85,207                      |
| (ii) Cash and Cash Equivalents       | 6     | 7,17,505                       | 3,63,211                       |
| (iii) Short Term Loan & Advances     | 7     | 15,599                         | 1,65,223                       |
| b. Other Current Assets              | 8     | 18,10,988                      | 22,66,582                      |
| <b>Total Current Assets</b>          |       | <b>51,19,837</b>               | <b>42,80,223</b>               |
| <b>Total Assets</b>                  |       | <b>5,27,06,394</b>             | <b>6,12,80,261</b>             |
| <b>EQUITY AND LIABILITIES</b>        |       |                                |                                |
| <b>Equity</b>                        |       |                                |                                |
| a. Equity Share Capital              | 9     | 10,48,37,110                   | 10,48,37,110                   |
| b. Other Equity *                    |       | (7,00,61,715)                  | (6,05,74,705)                  |
| <b>Total Equity</b>                  |       | <b>3,47,75,395</b>             | <b>4,42,62,405</b>             |
| <b>Liabilities</b>                   |       |                                |                                |
| <b>Non Current Liabilities</b>       |       |                                |                                |
| a. Financial Liabilities             |       |                                |                                |
| (i) Long Term Borrowings             | 10    | 1,00,000                       | 1,00,000                       |
| b. Long Term Provisions              | 11    | 15,38,980                      | 24,35,208                      |
| c. Deferred Tax Liabilities (net)    | 25    | -                              | -                              |
| <b>Total Non Current Liabilities</b> |       | <b>16,38,980</b>               | <b>25,35,208</b>               |
| <b>Current Liabilities</b>           |       |                                |                                |
| a. Financial Liabilities             |       |                                |                                |
| (i) Short Term Borrowings            | 12    | 1,27,35,000                    | 78,50,000                      |
| (ii) Trade Payables                  | 13    | 4,35,333                       | 23,55,038                      |
| b. Other Current Liabilities         | 14    | 28,74,405                      | 42,17,587                      |
| c. Short Term Provisions             | 15    | 2,47,281                       | 60,023                         |
| <b>Total Current Liabilities</b>     |       | <b>1,62,92,019</b>             | <b>1,44,82,648</b>             |
| <b>Total equity and Liabilities</b>  |       | <b>5,27,06,394</b>             | <b>6,12,80,261</b>             |

\* Refer Statement of Changes in Equity

Significant Accounting Policies

1

**The accompanying notes form an integral part of the Financial Statements.**

**As per our report on even date**

**For A. R. Sodha & CO.**

Chartered Accountants

FRN : 110324W

**For and on behalf of the Board of Director**

**A.R.Sodha**

Partner

M.No : 31878

**Markand Adhikari**

Chairman

DIN: 00032016

**Kailasnath Adhikari**

Managing Director

DIN:07009389

Place: Mumbai

Date: June 27, 2020

**Suresh Satpute**

Chief Financial Officer

**Swity Gada**

Company Secretary &  
Compliance Officer

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2020

| Particulars  | Notes | For the Year Ended<br>March 31, 2020<br>(₹) | For the Year Ended<br>March 31, 2019<br>(₹) |
|--|-------|---|---|
| <b>INCOME</b>  |       |   |   |
| <b>Revenue form Operations</b>   |       |   |   |
| Sales  |       | 2,01,95,729                                 | 2,82,98,651                                 |
| Other Income   | 16    | 2,39,691                                    | 88,410                                      |
| <b>Total</b>   |       | <b>2,04,35,420</b>                          | <b>2,83,87,061</b>                          |
| <b>EXPENSES</b>  |       |   |   |
| Direct Expenses  | 17    | 32,95,379                                   | 71,07,860                                   |
| Employee Benefit Expenses  | 18    | 69,58,139                                   | 1,30,97,873                                 |
| Other Expenses   | 19    | 1,15,96,361                                 | 1,54,30,754                                 |
| Finance Cost   | 20    | 14,561                                      | 58,413                                      |
| Depreciation and Amortisation  | 2     | 83,44,546                                   | 83,56,575                                   |
| <b>Total</b>   |       | <b>3,02,08,986</b>                          | <b>4,40,51,474</b>                          |
| <b>Profit/(Loss) Before Tax</b>  |       | <b>(97,73,566)</b>                          | <b>(1,56,64,413)</b>                        |
| <b>Tax Expenses</b>  |       |   |   |
| Current Tax  |       | -   | -   |
| Deferred Tax   |       | -   | -   |
| <b>Total</b>   |       | <b>-</b>                                    | <b>-</b>                                    |
| <b>Profit/(Loss) After tax</b>   |       | <b>(97,73,566)</b>                          | <b>(1,56,64,413)</b>                        |
| <b>Other Comprehensive Income</b>  |       |   |   |
| <b>Items that will not be reclassified to Profit &amp; Loss</b>                |       |   |   |
| a) Re-measurment of defined benefit obligation                                 |       | 2,86,556                                    | 5,99,294                                    |
| b) Income Tax relating to items that will not be reclassified to Profit & Loss |       | -   | -   |
| <b>Total</b>   |       | <b>2,86,556</b>                             | <b>5,99,294</b>                             |
| <b>Items that will be reclassified to Profit &amp; Loss</b>                    |       |   |   |
| a) Income Tax relating to items that will be reclassified to Profit & Loss     |       | -   | -   |
| <b>Total</b>   |       | <b>2,86,556</b>                             | <b>5,99,294</b>                             |
| <b>Total Comprehensive Income for the period</b>                               |       | <b>(94,87,010)</b>                          | <b>(1,50,65,119)</b>                        |
| <b>Earning per share (Basic &amp; Diluted) (refer note 24)</b>                 |       | <b>(0.93)</b>                               | <b>(1.49)</b>                               |

Significant Accounting Policies

1

The accompanying notes form an integral part of the Financial Statements.

As per our report on even date

For A. R. Sodha & CO.

Chartered Accountants

FRN : 110324W

For and on behalf of the Board of Director

A.R.Sodha

Partner

M.No : 31878

Markand Adhikari

Chairman

DIN: 00032016

Kailasnath Adhikari

Managing Director

DIN:07009389

Place: Mumbai

Date: June 27, 2020

Suresh Satpute

Chief Financial Officer

Swity Gada

Company Secretary &  
Compliance Officer

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

### a. EQUITY SHARE CAPITAL

| Particulars                     | Amount (Rs.) |
|---------------------------------|--------------|
| As at 1 April, 2019             | 10,48,37,110 |
| Changes in equity share capital | -            |
| As at 31 March, 2020            | 10,48,37,110 |

### b. OTHER EQUITY

| Particulars                             | Other Equity        |                 |                      |                            |                      |
|---|---------------------|-----------------|----------------------|----------------------------|----------------------|
|   | Reserve and Surplus |                 |                      | Other Comprehensive Income | Total other Equity   |
|   | Securities Premium  | General Reserve | Retained Earnings    |                            |                      |
| As at 1 April, 2019                     | -                   | -               | (6,07,57,191)        | 1,82,486                   | (6,05,74,705)        |
| Total Comprehensive Income for the year | -                   | -               | (97,73,566)          | 2,86,556                   | (94,87,010)          |
| <b>As at 31st March, 2020</b>           | -                   | -               | <b>(7,05,30,757)</b> | <b>4,69,042</b>            | <b>(7,00,61,715)</b> |

As per our report on even date  
For **A. R. Sodha & CO.**  
Chartered Accountants  
FRN : 110324W

**A.R.Sodha**  
Partner  
M.No : 31878

Place: Mumbai  
Date: June 27, 2020

For and on behalf of the Board of Director

**Markand Adhikari**  
Chairman  
DIN: 00032016

**Suresh Satpute**  
Chief Financial Officer

**Kailasnath Adhikari**  
Managing Director  
DIN:07009389

**Swity Gada**  
Company Secretary &  
Compliance Officer

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

| Particulars   | For the Year Ended<br>March 31, 2020<br>(₹) | For the Year Ended<br>March 31, 2019<br>(₹) |
|---|---|---|
| <b>A Cash Flow from Operating Activities:</b>                               |   |   |
| Net Profit before Tax as per Statement of Profit and Loss                   | (97,73,566)                                 | (1,56,64,413)                               |
| <b>Adjustment for:</b>  |   |   |
| Depreciation and Amortisation   | 83,44,546                                   | 83,56,575                                   |
| Assets Written off  | 3,09,560                                    |   |
| Loss on sale of fixed assets  |   | 3,45,325                                    |
| Finance Cost  | 14,561                                      | 58,413                                      |
| Operating Profit before Working Capital changes                             | (11,04,898)                                 | (69,04,101)                                 |
| <b>Adjustment for change in working capital:</b>                            |   |   |
| (Increase) / Decrease in Trade Receivables                                  | (10,90,538)                                 | 15,46,896                                   |
| (Increase) / Decrease in Advances & Other Current Assets                    | 13,64,593                                   | 13,55,083                                   |
| Increase / (Decrease) in Non Current and Current Liabilities and Provisions | (34,82,894)                                 | 10,64,754                                   |
| Cash generated from Operations  | (43,13,737)                                 | (29,37,368)                                 |
| Direct Taxes (Paid)/Refund  |   | -   |
| <b>Net Cash generated from in Operating Activities</b>                      | <b>(43,13,737)</b>                          | <b>(29,37,365)</b>                          |
| <b>B Cash Flow from Investing Activities:</b>                               |   |   |
| Addition to Fixed Assets  | -   | -   |
| Sale of Fixed Assets  | -   | 80,000                                      |
| <b>Net Cash used in Investing Activities</b>                                | <b>-</b>                                    | <b>80,000</b>                               |
| <b>C Cash Flow from Financing Activities:</b>                               |   |   |
| Repayment of Long-Term Borrowings   | (2,02,408)                                  | (6,16,663)                                  |
| Increase/(decrease) in Short Term Borrowing                                 | 48,85,000                                   | 15,00,000                                   |
| Finance Cost paid   | (14,561)                                    | (58,413)                                    |
| <b>Net Cash generated from Financing Activities</b>                         | <b>46,68,031</b>                            | <b>8,24,924</b>                             |
| <b>Net increase in Cash and Cash equivalents</b>                            | <b>3,54,294</b>                             | <b>(20,32,441)</b>                          |
| Opening balance of Cash and Cash equivalents                                | 3,63,211                                    | 23,95,655                                   |
| <b>Closing balance of Cash and Cash equivalents</b>                         | <b>7,17,505</b>                             | <b>3,63,211</b>                             |

As per our report on even date

For A. R. Sodha & CO.

Chartered Accountants

FRN : 110324W

For and on behalf of the Board of Director

A.R.Sodha

Partner

M.No : 31878

Markand Adhikari

Chairman

DIN: 00032016

Kailasnath Adhikari

Managing Director

DIN:07009389

Place: Mumbai

Date: June 27, 2020

Suresh Satpute

Chief Financial Officer

Swity Gada

Company Secretary &  
Compliance Officer

## SIGNIFICANT ACCOUNTING POLICIES NOTES TO THE FINANCIAL STATEMENTS

### 1. Significant Accounting Policies

#### 1.1 General:

The financial statements of the Company comprising of Balance Sheet, Statement of Profit and Loss, Statement of changes in Equity and Cash Flow Statement together with the notes have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") as amended.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies stated out below.

#### 1.2 Use of Estimates:

The preparation of financial statements requires management to exercise judgment in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures including disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future periods affected.

#### 1.3 Provisions, contingent liabilities and Contingents Assets:

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset and is recognised as an asset.

#### 1.4 Fixed Assets:

##### Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost of acquisition as reduced by accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and attributable cost for bringing the asset to its working condition for its intended use.

##### Intangible Assets:

Intangible Fixed Assets are carried at cost less accumulated amortisation and impairment losses, if any. The Cost of intangible assets comprises of cost of purchase, production cost and any attributable expenditure on making the asset ready for its intended use.



## NOTES TO THE FINANCIAL STATEMENTS

### 1.5 Depreciation/Amortisation:

#### Property, Plant and Equipment:

Depreciation on Property, Plant and Equipment has been provided on a straight line basis based on the useful life as follows:

| No. | Category               | Estimated Useful Life |
|-----|------------------------|-----------------------|
| 1   | Computer               | 6 years               |
| 2   | Furniture and Fixtures | 10 Years              |
| 3   | Plant and Machinery    | 15 Years              |
| 4   | Vehicles               | 8 years               |

#### Intangible Fixed Assets:

Software is amortised over a period of 3 years on pro-rata basis

#### Goodwill on Demerger:

Goodwill on Demerger is amortised over a period of 10 years on pro-rata basis from the date of creation.

### 1.6 Revenue Recognition:

The Company earns its revenue in the form of subscription, advertisement, distribution and sponsorship. Subscription Income is recognized on straight line basis over a period of subscription. Other revenues are recognised when the related event occurs.

### 1.7 Employee Benefits:

#### Defined Benefit Plan:

Long term Employee benefits for Defined benefit schemes, such as leave encashment and gratuity, are provided on the basis of actuarial valuation taken at the end of each year.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability/ (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability/ (asset) comprising actuarial gains and losses (excluding interest on the net defined benefit liability/ (asset)) are recognised in Other Comprehensive Income (OCI). Such remeasurements are not reclassified to the statement of profit and loss, in the subsequent periods.

Other short-term employee benefits are charged to profit & loss account on accrual basis.

### 1.8 Borrowing Cost:

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the EIR.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on these preference shares is recognised as finance costs in the Statement of Profit and Loss.

Borrowing costs directly attributable to development of qualifying asset are capitalized till the date qualifying asset is ready for put to use for its intended purpose. All other Borrowing costs are recognized as expense and charged to profit & loss account.

## NOTES TO THE FINANCIAL STATEMENTS

### 1.9 Leases:

#### Finance lease:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

#### Operating Lease:

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating Lease payments / revenue are recognised on straight line basis over the lease period in the statement of profit and loss account unless increase is on account of inflation.

### 1.10 Financial Instruments:

#### l) Financial Assets:

##### a Initial recognition and measurement:

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

##### b Subsequent Measurement:

Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised 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.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI 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.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

##### d Impairment of financial assets:

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- ii) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to

## NOTES TO THE FINANCIAL STATEMENTS

determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

### **e De-recognition of financial instruments:**

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 de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is de-recognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

## **II) Financial Liabilities:**

### **a Initial Recognition and Measurement:**

All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost, Fee of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

### **b** For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

## **1.11 Taxes on Income:**

Tax expense comprises both current and deferred taxes. Current Tax provision as per Income Tax Act, 1961, is made based on the tax liability computed after considering tax allowances and exemptions at the balance sheet date.

Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax asset is recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits.

The carrying amount of Deferred Tax Assets are reviewed at each balance sheet date and written down or written up, to reflect the amount that is reasonably / virtually certain, as the case may be, to be realized.

## **1.12 Earning Per Share:**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculation diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## **1.13 Impairment of Assets :**

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.



## NOTES TO THE FINANCIAL STATEMENTS

### 2 FIXED ASSETS

| Particulars                          | GROSS BLOCK          |           |                 | DEPRECIATION/AMORTISATION |                  |                 | NET BLOCK            |                      |
|--------------------------------------|----------------------|-----------|-----------------|---------------------------|------------------|-----------------|----------------------|----------------------|
|                                      | As at April 01, 2019 | Additions | Deductions      | As at March 31, 2020      | For the Year     | Adjustment      | As at March 31, 2020 | As at March 31, 2019 |
| <b>Property, Plant and Equipment</b> |                      |           |                 |                           |                  |                 |                      |                      |
| Computer                             | 38,12,412            | -         | 70,649          | 37,41,763                 | 1,38,937         | 34,813          | 1,56,263             | 3,31,036             |
| Furniture & fixtures                 | 1,35,403             | -         | 1,35,403        | -                         | 14,857           | 90,833          | -                    | 59,426               |
| Plant and Machinery                  | 16,01,558            | -         | 4,85,620        | 11,15,938                 | 1,07,132         | 2,56,465        | 8,48,107             | 11,84,394            |
| Vehicles                             | 13,73,039            | -         | -               | 13,73,039                 | 1,92,790         | -               | 3,85,579             | 5,78,369             |
| <b>Sub-total</b>                     | <b>69,22,412</b>     | <b>-</b>  | <b>6,91,672</b> | <b>62,30,740</b>          | <b>4,53,715</b>  | <b>3,82,112</b> | <b>13,89,949</b>     | <b>21,53,225</b>     |
| Previous Year                        | 74,54,068            | -         | 5,31,656        | 69,22,412                 | 4,60,452         | 1,06,331        | 21,53,226            | -                    |
| <b>Intangible Assets</b>             |                      |           |                 |                           |                  |                 |                      |                      |
| Computer Software                    | 4,16,902             | -         | 4,16,902        | -                         | 3,448            | 4,16,902        | -                    | 3,448                |
| <b>Sub-total</b>                     | <b>4,16,902</b>      | <b>-</b>  | <b>4,16,902</b> | <b>-</b>                  | <b>3,448</b>     | <b>4,16,902</b> | <b>-</b>             | <b>3,448</b>         |
| Previous Year                        | 4,16,902             | -         | -               | 4,16,902                  | 8,740            | -               | 3,450                | -                    |
| Goodwill on Demerger                 | 7,88,69,243          | -         | -               | 7,88,69,243               | 78,87,383        | -               | 4,56,81,990          | 5,35,69,373          |
| <b>Sub-total</b>                     | <b>7,88,69,243</b>   | <b>-</b>  | <b>-</b>        | <b>7,88,69,243</b>        | <b>78,87,383</b> | <b>-</b>        | <b>4,56,81,990</b>   | <b>5,35,69,373</b>   |
| <b>Previous Year</b>                 | <b>7,88,69,243</b>   | <b>-</b>  | <b>-</b>        | <b>7,88,69,243</b>        | <b>78,87,383</b> | <b>-</b>        | <b>5,35,69,373</b>   | <b>6,14,56,756</b>   |

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

## NOTES TO THE FINANCIAL STATEMENTS

| Particulars   | As at<br>March 31, 2020<br>(₹) | As at<br>March 31, 2019<br>(₹) |
|---|--------------------------------|--------------------------------|
| <b>3 Long-term Loans and Advances</b><br>(Unsecured, Considered Good) |                                |                                |
| Advances & Deposits   | 2,00,000                       | 9,59,375                       |
|   | <b>2,00,000</b>                | <b>9,59,375</b>                |
| <b>4 Other Non- Current Assets</b>                                    |                                |                                |
| MAT Credit Entitlement  | 3,14,615                       | 3,14,615                       |
|   | <b>3,14,615</b>                | <b>3,14,615</b>                |
| <b>5 Trade Receivables (Unsecured)</b><br><b>Over Six Month</b>       |                                |                                |
| Considered Goods  | 7,15,750                       | 5,45,250                       |
| <b>Others</b>   |                                |                                |
| Considered Goods  | 18,59,995                      | 9,39,957                       |
|   | <b>25,75,745</b>               | <b>14,85,207</b>               |
| <b>6 Cash and Cash Equivalents</b>                                    |                                |                                |
| Cash-on-Hand  | 3,30,057                       | 1,92,658                       |
| Balances with Banks - In Current Accounts                             | 3,87,448                       | 1,70,554                       |
|   | <b>7,17,505</b>                | <b>3,63,211</b>                |
| <b>7 Short Term Loans and Advances</b><br>(Unsecured, Consider Good)  |                                |                                |
| Advances recoverable in cash or kind                                  | 15,599                         | 1,65,223                       |
|   | <b>15,599</b>                  | <b>1,65,223</b>                |
| <b>8 Other Current Assets</b>   |                                |                                |
| Other receivables   | 18,10,988                      | 22,66,582                      |
|   | <b>18,10,988</b>               | <b>22,66,582</b>               |

## NOTES TO THE FINANCIAL STATEMENTS

| Particulars   | As at<br>March 31, 2020<br>(₹) | As at<br>March 31, 2019<br>(₹) |
|---|--------------------------------|--------------------------------|
| <b>9 Share Capital</b>  |                                |                                |
| <b>Authorized</b>   |                                |                                |
| 10,990,000 (P.Y.10,990,000) Equity Shares of Rs. 10/- each.               | <b>10,99,00,000</b>            | 10,99,00,000                   |
| 40,000 (P.Y.40,000) Preference Shares of Rs. 10/- each.                   | <b>4,00,000</b>                | 4,00,000                       |
|   | <b><u>11,03,00,000</u></b>     | <b><u>11,03,00,000</u></b>     |
| <b>Issued, Subscribed and Paid-Up</b>                                     |                                |                                |
| 104,83,711 (P.Y.104,83,711) Equity Shares of Rs. 10/- each fully paid-up. | <b><u>10,48,37,110</u></b>     | <b><u>10,48,37,110</u></b>     |
| <b>Total</b>  | <b><u>10,48,37,110</u></b>     | <b><u>10,48,37,110</u></b>     |

### Terms and Rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share.

The reconciliation of the number of shares outstanding and the amount of share capital as at 31st March 2020 is set out below:

| Particulars                        | As at March 31, 2020 |                     | As at March 31, 2019 |              |
|------------------------------------|----------------------|---------------------|----------------------|--------------|
|                                    | Numbers              | Rs.                 | Numbers              | Rs.          |
| At the beginning of the Year       | <b>1,04,83,711</b>   | <b>10,48,37,110</b> | 1,04,83,711          | 10,48,37,110 |
| Add: During the period             | -                    | -                   | -                    | -            |
| Outstanding at the end of the year | <b>1,04,83,711</b>   | <b>10,48,37,110</b> | 1,04,83,711          | 10,48,37,110 |

The details of shareholder holding more than 5% shares as at March 31, 2020 is set out below:

| Name of the shareholder             | As at March 31, 2020 |               | As at March 31, 2019 |        |
|-------------------------------------|----------------------|---------------|----------------------|--------|
|                                     | Numbers              | %             | Numbers              | %      |
| Markand Adhikari                    | <b>14,81,859</b>     | <b>14.13%</b> | 14,81,859            | 15.61% |
| Gautam Adhikari                     | <b>12,53,639</b>     | <b>11.96%</b> | 12,53,639            | 11.96% |
| Indian Overseas Bank                | <b>12,45,000</b>     | <b>11.88%</b> | 12,45,000            | 11.88% |
| Assent Trading Pvt. Ltd.            | -                    | -             | 4,66,861             | 4.45%  |
| Kalash Trading And Investment P.Ltd | <b>7,56,000</b>      | <b>7.21%</b>  | 7,56,000             | 7.21%  |
| Global Showbiz Pvt.Ltd              | <b>5,70,000</b>      | <b>5.44%</b>  | 5,70,000             | 5.44%  |
| Aranav Trading And Investment P.Ltd | <b>6,95,464</b>      | <b>6.63%</b>  | 6,95,464             | 6.63%  |

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

## NOTES TO THE FINANCIAL STATEMENTS

| Particulars  | As at<br>March 31, 2020<br>(₹) | As at<br>March 31, 2019<br>(₹) |
|--|--------------------------------|--------------------------------|
| <b>10 Long Term Borrowing</b>  |                                |                                |
| <b>Secured</b>   |                                |                                |
| Vehicle Loan*  | -                              | 2,02,408                       |
| Less : Current Maturity (Included in Other Current Liabilities)  | -                              | 2,02,408                       |
|  | -                              | -                              |
| <b>Unsecured</b>   |                                |                                |
| Preference Share   |                                |                                |
| 10,000 (P.Y.10,000) 0.01% Non-Convertible Non-Cumulative Redeemable Preference Shares of Rs.10/-each fully paid up.  | 1,00,000                       | 1,00,000                       |
|  | 1,00,000                       | 1,00,000                       |
|  | 1,00,000                       | 1,00,000                       |
| Terms and Rights attached to Preference Shares   |                                |                                |
| The Company has only one class of preference shares at the end of the year having a par value of Rs. 10/- per share. These shares do not carry any voting rights.  |                                |                                |
| These shares are non cumulative, non convertible, non participating and are carrying 0.01 % per annum rate of dividend. These shares are redeemable at par and the redemption would be at the discretion of Board of Directors of the Company at any time after the 7th Anniversary but not later than the 10th Anniversary. |                                |                                |
| <b>11 Long Term Provisions</b>   |                                |                                |
| Provision for Employee Benefits  |                                |                                |
| - Provision for compensated absences   | 9,14,866                       | 16,99,347                      |
| - Provision for Gratuity   | 6,24,114                       | 7,35,861                       |
|  | 15,38,980                      | 24,35,208                      |
| <b>12 Short Term Borrowing</b>   |                                |                                |
| <b>Unsecured</b>   |                                |                                |
| From Director  | 67,35,000                      | 78,50,000                      |
| Intercompany Deposit   | 60,00,000                      | -                              |
|  | 1,27,35,000                    | 78,50,000                      |
| <b>13 Trade Payables</b>   |                                |                                |
| Other than Acceptances   | 4,35,333                       | 23,55,038                      |
|  | 4,35,333                       | 23,55,038                      |
| <b>14 Other Current Liabilities</b>  |                                |                                |
| Current Maturities of Long Term Borrowings   | -                              | 2,02,408                       |
| Other Payables   | 28,74,405                      | 40,15,179                      |
|  | 28,74,405                      | 42,17,587                      |
| <b>15 Short Term Provisions</b>  |                                |                                |
| Provision for Expenses   | 2,47,281                       | 60,023                         |
|  | 2,47,281                       | 60,023                         |



## NOTES TO THE FINANCIAL STATEMENTS

| Particulars                                      | For the year ended<br>March 31, 2020<br>(₹) | For the year ended<br>March 31, 2019<br>(₹) |
|--|---|---|
| <b>16 Other Income</b>                           |   |   |
| Miscellaneous Income                             | 2,39,691                                    | 88,410-                                     |
|  | <u>2,39,691</u>                             | <u>88,410</u>                               |
| <b>17 Direct Expenses</b>                        |   |   |
| Magazine Printing & Designing Charges            | 3,87,500                                    | 24,23,283                                   |
| News Subscription and Story Contribution Charges | 2,71,372                                    | 9,76,333                                    |
| Event Related Expenses                           | 26,36,507                                   | 37,08,244                                   |
|  | <u>32,95,379</u>                            | <u>71,07,860</u>                            |
| <b>18 Employee Benefit Expenses</b>              |   |   |
| Salary and Allowances                            | 68,98,043                                   | 1,38,02,729                                 |
| Leave Encashment Expenses                        | (1,65,550)                                  | (10,39,981)                                 |
| Gratuity Expenses                                | 1,90,782                                    | 1,63,047                                    |
| Staff Welfare Expenses                           | 34,864                                      | 1,72,078                                    |
|  | <u>69,58,139</u>                            | <u>1,30,97,873</u>                          |
| <b>19 Others Expenses</b>                        |   |   |
| Communication Expenses                           | 4,37,296                                    | 5,49,753                                    |
| Rent, Rates & Taxes                              | 43,65,336                                   | 53,52,938                                   |
| Annual Listing & Custodian Fees                  | 11,00,583                                   | 6,39,340                                    |
| Repairs & Maintenance                            | 3,45,343                                    | 5,18,910                                    |
| Legal & Professional Charges                     | 26,35,849                                   | 39,19,921                                   |
| Printing & Stationery                            | 62,505                                      | 2,23,991                                    |
| Insurance Charges                                | 20,021                                      | 21,292                                      |
| General Expenses                                 | 5,13,136                                    | 10,98,184                                   |
| Travelling & Conveyance                          | 13,74,992                                   | 16,88,314                                   |
| Electricity Expenses                             | 1,25,119                                    | 3,30,250                                    |
| Sundry Debit Balance w/off                       | 52,394                                      | 5,28,514                                    |
| Audit Fees(Refer Note 27)                        | 60,000                                      | 60,000                                      |
| Assets Written off                               | 3,09,560                                    | -   |
| Business Promotion Expenses                      | -   | 3,09,924                                    |
| Distribution Expenses                            | 35,566                                      | 1,89,423                                    |
| Advertisement & Marketing Expenses               | 1,58,660                                    | -   |
|  | <u>1,15,96,361</u>                          | <u>1,54,30,754</u>                          |
| <b>20 Finance Cost</b>                           |   |   |
| Bank Charges                                     | 5,781                                       | 19,665                                      |
| Bank Interest                                    | 8,780                                       | 38,748                                      |
|  | <u>14,561</u>                               | <u>58,413</u>                               |

## NOTES TO THE FINANCIAL STATEMENTS

### 21 Segment Reporting:

The Company has only one operating segment i.e. Publication & MICE. Accordingly no segment reporting as per Ind AS 108 has been reported.

### 22 Related Party Disclosures:

#### a) List of Related Parties & Relationship:-

##### i Key Management Personnel (KMP):

|                     |  |
|---------------------|--|
| Kailasnath Adhikari | Managing Director  |
| Markand Adhikari    | Chairman   |
| Payal Garg          | Company Secretary & Compliance Officer<br>(Resigned w.e.f. November 14, 2019)  |
| Swity Gada          | Company Secretary & Compliance Officer<br>(Appointed w.e.f. November 14, 2019) |
| Suresh Satpute      | Chief Financial Officer  |

##### ii Others

|   |  |
|---|--|
| Sri Adhikari Brothers Television Network Ltd. | Directors having significant influence |
| TV Vision Limited                             | Directors having significant influence |

#### b) Transaction with Related Parties:

| Nature of Transaction                             |       | KMP         | Others        | Total         |
|---|-------|-------------|---------------|---------------|
| Sale of Services                                  |       | -           | 90,00,000     | 90,00,000     |
|   | (P.Y) | -           | (1,50,00,000) | (1,50,00,000) |
| Payment towards service/ remuneration             |       | 13,15,354   | 23,08,344     | 36,23,698     |
|   | (P.Y) | (12,00,000) | (11,26,020)   | (23,26,020)   |
| Advance/Deposit Given                             |       | -           | -             | -             |
|   | (P.Y) | (-)         | (2,00,000)    | (2,00,000)    |
| Outstanding balance included in Current Asset     |       | -           | 2,00,000      | 2,00,000      |
|   | (P.Y) | (-)         | (2,00,000)    | (2,00,000)    |
| Advance/Loan taken (net)                          |       | -           | -             | -             |
|   | (P.Y) | (15,00,000) | (35,00,000)   | (50,00,000)   |
| Outstanding balance included in Current Liability |       | 67,35,000   | 28,00,000     | 95,35,000     |
|   | (P.Y) | (78,50,000) | (35,00,000)   | (1,13,50,000) |

### 23 Employee Benefits Plan:

#### Defined Benefit Plan:

Employees gratuity and leave encashment scheme is defined benefit plan. The present value of obligation is determined based on actuarial valuation using projected unit credit method which recognised each period of service as giving rise to additional need of employee benefit entitlement and measures each unit separately to build up the final obligation.

## NOTES TO THE FINANCIAL STATEMENTS

| Particulars |  | Gratuity -<br>UnFunded | Gratuity -<br>UnFunded | Leave<br>Encashment -<br>UnFunded | Leave<br>Encashment -<br>UnFunded |
|-------------|--|------------------------|------------------------|-----------------------------------|-----------------------------------|
|             |  | March 31,<br>2020      | March 31<br>2019       | March 31<br>2020                  | March 31<br>2019                  |
| <b>A)</b>   | <b>Reconciliation of Opening and closing balance of defined benefit obligation</b> |                        |                        |                                   |                                   |
|             | Defined Benefit obligation at the beginning of the year                            | 7,35,861               | 11,72,108              | 16,99,347                         | 29,15,280                         |
|             | Current Service Cost   | 1,35,069               | 72,209                 | 9,07,403                          | 2,69,368                          |
|             | Interest Cost  | 55,713                 | 90,838                 | 92,830                            | 2,25,757                          |
|             | Remeasurements- Due to Demographic Assumptions                                     | (317)                  |                        | (182)                             |                                   |
|             | Remeasurements- Due to Financial Assumption  | 43,970                 | 70,794                 |                                   |                                   |
|             | Remeasurements- Due to Experience Adjustments                                      | (3,30,209)             | (6,70,088)             | (12,10,341)                       | (15,37,663)                       |
|             | Acturial (Gain)/Loss   |                        | -                      | 44,740                            | 2,557                             |
|             | Benefits Paid  |                        | -                      | (4,47,646)                        | (1,75,952)                        |
|             | Defined Benefit Obligation at year end   | 6,40,087               | 7,35,861               | 10,86,151                         | 16,99,347                         |
| <b>B)</b>   | <b>Reconciliation of Opening and closing balance of fair value of assets</b>       |                        |                        |                                   |                                   |
|             | Fair Value of Plan assets at the beginning of the year                             |                        |                        |                                   |                                   |
|             | Expected return on plan assets   |                        |                        |                                   |                                   |
|             | Acturial Gain/(Loss)   |                        | NA                     |                                   | NA                                |
|             | Employer Contribution  |                        |                        |                                   |                                   |
|             | Benefits Paid  |                        |                        |                                   |                                   |
|             | Fair Value of Plan assets at year end  |                        |                        |                                   |                                   |
|             | Actual Return on Plan assets   |                        |                        |                                   |                                   |
| <b>C)</b>   | <b>Reconciliation of Fair Value of assets and Obligation</b>                       |                        |                        |                                   |                                   |
|             | Fair Value of Plan Assets as at March 31   | -                      | -                      | -                                 | -                                 |
|             | Present Value of obligation as at March 31   | 6,40,087               | 7,35,861               | 10,86,151                         | 58,56,408                         |
|             | Amount Recognised in Balance Sheet   | 6,40,087               | 7,35,861               | 10,86,151                         | 58,56,408                         |
| <b>D)</b>   | <b>Expenses recognised during the year</b>   |                        |                        |                                   |                                   |
|             | <b>In Income Statement</b>   |                        |                        |                                   |                                   |
|             | Current Service Cost   | 1,35,069               | 72,209                 | 9,07,403                          | 2,69,368                          |
|             | Interest Cost  | 55,713                 | 90,838                 | 92,830                            | 2,25,757                          |
|             | Net Value of remeasurements on the obligations and plan assets                     | -                      | -                      | (11,65,783)                       | -                                 |
|             | Acturial (Gain)/Loss   |                        | -                      | -                                 | -                                 |
|             | <b>Net Cost</b>  | 1,90,782               | 1,63,047               | (1,65,550)                        | 4,95,125                          |
|             | <b>In Other Comprehensive Income</b>   |                        |                        |                                   |                                   |
|             | Remeasurements- Due to Demographic Assumptions                                     | 317                    | -                      | 182                               | -                                 |
|             | Remeasurements- Due to Financial Assumptions                                       | (43,970)               | (70,794)               | (44,740)                          | (2,557)                           |
|             | Remeasurements- Due to Experience Adjustments                                      | 3,30,209               | 6,70,088               | 12,10,341                         | 15,37,663                         |
|             | Net Income /( Expense) for the period recognised in Other Comprehensive Income     | 2,86,556               | 5,99,294               | 11,65,783                         | 15,35,106                         |

# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

## NOTES TO THE FINANCIAL STATEMENTS

| Particulars |  | Gratuity -<br>UnFunded                                       | Gratuity -<br>UnFunded                                       | Leave<br>Encashment -<br>UnFunded                            | Leave<br>Encashment -<br>UnFunded                            |
|-------------|--|--|--|--|--|
|             |  | March 31,<br>2020  | March 31<br>2019   | March 31<br>2020   | March 31<br>2019   |
| <b>E)</b>   | <b>Investment Details</b><br>LIC Group Gratuity Cash Accumulation Policy   | NA   | NA   | NA   | NA   |
| <b>F)</b>   | <b>Actuarial Assumption</b><br>Mortality Table (LIC)   | Indian<br>Assured<br>Lives Mortality<br>2006-08)<br>Ultimate | Indian<br>Assured<br>Lives Mortality<br>2006-08)<br>Ultimate | Indian<br>Assured<br>Lives Mortality<br>2006-08)<br>Ultimate | Indian<br>Assured<br>Lives Mortality<br>2006-08)<br>Ultimate |
|             | Discount Rate (Per Annum)  | 6.85%  | 7.70%  | 6.85%  | 7.70%  |
|             | Expected Rate of Return on Plan Assets (Per Annum)   | NA   | NA   | -  | -  |
|             | Rate of Escalation in Salary (Per Annum)   | 5.00%  | 4.00%  | 5.00%  | 5.00%  |
| <b>G)</b>   | <b>Sensitivity Analysis</b><br>Discount Rate, Salary Escalation Rate and Withdrawal Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below: |  |  |  |  |
|             | <b>Particulars</b>   | <b>DBO</b>   | <b>% Change</b>  | <b>DBO</b>   | <b>% Change</b>  |
|             | Under Base Scenario  | 6,40,087   | 0.00%  | 10,86,151  | 0.00%  |
|             | Salary Escalation - Up by 0.5%   | 6,68,387   | 4.42%  | 11,14,583  | 2.62%  |
|             | Salary Escalation - Down by 0.5%   | 6,13,136   | 4.42%  | 10,58,812  | -2.52%   |
|             | Withdrawal Rates - Up by 10%   | 6,40,392   | 0.05%  | 10,87,114  | 0.09%  |
|             | Withdrawal Rates - Down by 10%   | 6,39,764   | -0.05%   | 10,85,171  | -0.09%   |
|             | Discount Rates - Up by 0.5%  | 6,13,714   | -4.12%   | 10,59,401  | -2.46%   |
|             | Discount Rates - Down by 0.5%  | 6,68,019   | 4.36%  | 11,14,214  | 2.58%  |

### 24 Earning Per Share:

| Particulars  | March 31, 2020     | March 31, 2019 |
|--|--------------------|----------------|
| Profit/(Loss) for the Year attributable to Equity Shares               | <b>(97,73,566)</b> | (1,56,64,413)  |
| Weighted Average Number of Equity Shares (Face Value Rs. 10 per Share) | <b>1,04,83,711</b> | 1,04,83,711    |
| Basic and Diluted Earnings Per Share (Rupees)                          | <b>(0.93)</b>      | (1.49)         |

## NOTES TO THE FINANCIAL STATEMENTS

### 25 Deferred Tax Liability:

| Particulars   | March 31, 2020   | March 31, 2019 |
|---|------------------|----------------|
| <b>Tax effect of items constituting Deferred Tax Liability</b>                          |                  |                |
| On difference between book balance and tax balance of Fixed Assets                      | <b>47,90,145</b> | 63,43,878      |
|   | <b>47,90,145</b> | 63,43,878      |
| <b>Tax effect of items constituting Deferred Tax Assets:</b>                            |                  |                |
| Leave Encashment  |                  |                |
| Gratuity  | <b>6,07,543</b>  | 6,40,785       |
| Others  | -                | 60,250         |
| On Unabsorbed Depreciation and Business Loss(Recognised to the extent of net liability) | <b>41,82,602</b> | 56,42,842      |
|   | <b>47,90,145</b> | 63,43,878      |
| Net Deferred Tax Liability  | -                | -              |

### 26 Financial Risk Management:

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a core Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

#### A) Liquidity risk:

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2018 and March 31, 2017. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis. The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

#### B) Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings and deposits.

##### Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This risk exist mainly on account of borrowings of the Company. However, all these borrowings are at fixed interest rate and hence the exposure to change in interest rate is insignificant.

##### Foreign Currency Risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is not exposed to significant foreign currency risk as at the respective

## NOTES TO THE FINANCIAL STATEMENTS

reporting dates.

### C) Credit Risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and other financial assets.

#### I) Trade Receivables:

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major trade receivables.

#### II) Other Financial Assets:

Credit risk from balances with banks and financial institutions is managed by the Company in accordance with the Company's policy.

### D) Excessive Risk Concentration:

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

### 27 Payment to Auditors (Excluding Tax):

| Particulars          | March 31, 2020 | March 31, 2019 |
|----------------------|----------------|----------------|
| Statutory Audit Fees | 35,000         | 35,000         |
| Tax Audit Fees       | 25,000         | 25,000         |
| <b>Total</b>         | <b>60,000</b>  | 60,000         |

### 28 Capital and Other Commitment:

As on Balance sheet date there is no outstanding Capital and Other Commitment.

- 29 Due to the Global outbreak of COVID 19, the Government of India had imposed nationwide lockdown across the country from March 24, 2020 and extended upto May 31, 2020. All airline, road, and railway travel was suspended and hotels, auditoriums, offices, factories, schools, universities, restaurants, cinema, sports facilities & retail outlets, etc were closed, except for a few essential services/supplies like grocery stores, pharmacies, etc. There has been a partial lifting of the stringent measures in June 2020.

Due to the outbreak of COVID-19 pandemic, the ground events business operations of the company have come to halt and the company doesn't foresee ground events picking up until Q4 FY 20-21. But having said that it doesn't deter the company's operations as the company has remodelled its event vertical into doing live webinars.

During the financial year company discontinued its print operations owing to heavy costs and having a futuristic view of the industry it shall now focus on growing its digital portal [www.governancenow.com](http://www.governancenow.com) as well its event vertical for achieving profitability.

## NOTES TO THE FINANCIAL STATEMENTS

- 30** The Company has assessed the potential impact of Covid-19 on the carrying value of property, plant & equipment, intangible assets, trade receivables, and other current assets appearing in the financial statements of the Company. In developing the assumptions and estimates relating to the future uncertainties in the economic conditions because of this pandemic, the Company as at the date of approval of these Financial statements has used internal and external sources of information and based on current estimates, expects to recover the carrying amounts of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.
- 31** Present economic condition and the fact that company's current liability are 3.18 times of current assets indicates material uncertainty with respect to company's ability to continue as going concern in the event company's plan of remodelling the event vertical into webinars and growing the digital portal does not achieve the desired cash flows and profitability
- 32 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:**
- Company has not received any confirmation from its vendors that whether they are covered under the Micro, Small and Medium Enterprises Development Act, 2006, hence the amounts unpaid at the year end together with interest paid / payable under this Act cannot be identified.
- 33 Previous Year figures:**
- Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

**As per our report on even date**  
**For A. R. Sodha & CO.**  
Chartered Accountants  
FRN : 110324W

**A.R.Sodha**  
Partner  
M.No : 31878

Place: Mumbai  
Date: June 27, 2020

**For and on behalf of the Board of Director**

**Markand Adhikari**  
Chairman  
DIN: 00032016

**Suresh Satpute**  
Chief Financial Officer

**Kailasnath Adhikari**  
Managing Director  
DIN:07009389

**Swity Gada**  
Company Secretary &  
Compliance Officer



# 7<sup>TH</sup> ANNUAL REPORT 2019-2020

| Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020 (Standalone)<br>[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] |   |   |   |   |
|---|---|---|---|---|
| I.  | Sl. No.   | Particulars   | Audited Figures<br>(as reported<br>before adjusting<br>for qualifications)<br>Rs. In Lakh | Adjusted Figures<br>(audited figures<br>after adjusting<br>for qualifications)<br>Rs. In Lakh   |
|   | 1.  | Turnover/Total income   | 204.35  | The management has not carried out impairment testing for Goodwill and hence the same was not quantified in the audit report and accordingly audited figures after adjustment of qualification cannot be determined |
|   | 2.  | Total Expenditure   | 299.22  |   |
|   | 3.  | Net Profit/(Loss) before tax  | (94.87)   |   |
|   | 4.  | Earnings Per Share  | 0.90  |   |
|   | 5.  | Total Assets  | 527.06  |   |
|   | 6.  | Total Liabilities   | 179.31  |   |
|   | 7.  | Net Worth   | 347.75  |   |
|   | 8.  | Any other financial item(s) (as felt appropriate by the management) | -   |   |
| II.   | Audit Qualification (each audit qualification separately):  |   |   |   |
| 1   | a. Details of Audit Qualification: Impairment of Goodwill:  |   |   |   |
|   | b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion                    |   |   |   |
|   | c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: Repetitive |   |   |   |
|   | d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: NA             |   |   |   |
|   | e. For Audit Qualification(s) where the impact is not quantified by the auditor:                                |   |   |   |
|   | i. Management's estimation on the impact of audit qualification: NIL  |   |   |   |
|   | ii. If management is unable to estimate the impact, reasons for the same:                                       |   |   |   |
|   | iii. Auditors' Comments on (i) or (ii) above: The management needs to carry out impairment of Goodwill          |   |   |   |
| III.  | Signatories:  |   |   |   |
|   | • Managing Director   |   |   | Sd/-  |
|   | • Audit Committee Chairman  |   |   | Sd/-  |
|   | • Chief Financial Officer   |   |   | Sd/-  |
|   | • Statutory Auditor   |   |   | Sd/-  |
|   | Place: Mumbai<br>Date: June 27, 2020  |   |   |   |

[illegible]



**SAB EVENTS AND  
GOVERNANCE NOW**  
Media Ltd

**CIN: L22222MH2014PLC254848**

**Registered Office:** 7th Floor, Adhikari Chambers, Oberoi Complex, New Link Road, Andheri (West), Mumbai – 400053.

**Phone:** 91-22-40230711, **Fax:** 91-22-26395459

**Email:** [cs@governancenow.com](mailto:cs@governancenow.com) **Website:** [www.governancenow.com](http://www.governancenow.com)

**FOR KIND ATTENTION OF SHAREHOLDERS**

**Dear Shareholders,**

As per the provisions of Section 88 of the Companies Act, 2013 read with the Companies (Management & Administration) Rules, 2014, the Company needs to update its 'Register of Members' to incorporate certain new details, as required under the said provisions. Further, as per the "Green Initiative in the Corporate Governance" initiated by the Ministry of Corporate Affairs (MCA), vide its Circular No. 17/2011 dated 21/04/2011, the Company proposes to send all the notices, documents including Annual Report in electronic form to its members.

We, therefore request you to furnish the following details for updation of Register of Members and enable the Company to send all communication to you through electronic mode:

|   |  |
|---|--|
| <b>Registered Folio / DP ID &amp; Client ID</b>                                   |  |
| <b>Name of the Shareholder(s)</b>   |  |
| <b>Father's / Mother's / Spouse's Name</b>  |  |
| <b>Address (Registered Office Address in case the Member is a Body Corporate)</b> |  |
| <b>E-mail ID</b>  |  |
| <b>PAN or CIN (in case of Body Corporate)</b>                                     |  |
| <b>UIN (Aadhar Number)</b>  |  |
| <b>Occupation</b>   |  |
| <b>Residential Status</b>   |  |
| <b>Nationality</b>  |  |
| <b>In case member is a minor, name of the guardian</b>                            |  |
| <b>Date of birth of the Member</b>  |  |

Note: Members holding shares in DEMAT mode may furnish these details to their respective depositories.

Place: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
**Signature of the Member**

**Kindly submit the above details duly filled in and signed at the appropriate place to the Registrar & Share Transfer Agent of the Company viz. "Sharex Dynamic (India) Pvt. Ltd.; C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083.**

The E-mail ID provided shall be updated subject to successful verification of your signature.

Thanking you,

**For SAB Events & Governance Now Media Limited**

**Kailasnath Adhikari**  
**Managing Director**  
**DIN: 07009389**

THIS PAGE IS INTENTIONALLY KEPT BLANK



# GOVERNANCE **now** LET'S MAKE IT WORK

## EVENTS





# NOW RIDING SUCCESSFUL ON THE DIGITAL JOURNEY.



A SRI ADHIKARI BROTHERS ENTERPRISE

SAB Events & Governance Now Media Limited  
7th floor, Adhikari Chambers, Oberoi Complex, New Link  
Road, Andheri West, Mumbai - 400053. India  
Tel: 022-26246701 Fax: 022-26235134  
Email: [cs@governancenow.com](mailto:cs@governancenow.com)  
Website: [www.governancenow.com](http://www.governancenow.com)