



## SAMBHAAV MEDIA LIMITED

### BOARD OF DIRECTORS:

SHRI KIRAN B. VADODARIA  
SHRI MANOJ B. VADODARIA  
SHRI DILIP D PATEL  
SHRI N.R. MEHTA  
SHRI O.P. BHANDARI  
SHRI N.V.VASANI  
SHRI AMIT KUMAR RAY

CHAIRMAN & MANAGING DIRECTOR  
DIRECTOR  
DIRECTOR  
DIRECTOR  
DIRECTOR  
DIRECTOR  
DIRECTOR

### AUDITORS:

M/S. DHIRUBHAI SHAH & CO.  
CHARTERED ACCOUNTANTS  
AHMEDABAD

### BANKERS:

DENA BANK  
RELIEF ROAD  
AHMEDABAD.

### REGISTERED OFFICE:

"SAMBHAAV HOUSE"  
OPP: CHIEF JUSTICE'S BUNGALOW  
BODAKDEV, AHMEDABAD 380015  
GUJARAT.

### BOMBAY OFFICE:

105, MAKANI CENTRE,  
BEHIND NATIONAL COLLEGE,  
LINKING ROAD, 35TH ROAD,  
BANDRA -(W), MUMBAI - 400 050

### REGISTRARS & SHARE TRANSFER AGENTS

#### MCS LIMITED

101, FIRST FLOOR, SHATDAL COMPLEX  
OPP: BATA SHOW ROOM, ASHRAM ROAD  
AHMEDABAD - 380 009 [GUJARAT]

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## SAMBHAAV MEDIA LIMITED

### NOTICE

**NOTICE** is hereby given that the 23rd Annual General Meeting of the Members of Sambhaav Media Limited will be held on 06th July, 2013 at 10:30 a.m. at the Registered office of the Company at "Sambhaav House " opp. Chief justice's Bungalow, Bodakdev, Ahmedabad-380015 to transact the following business:

#### Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013, the Statement of Profit & Loss for the year ended on that date together with the Notes attached thereto forming part of final accounts, and the report of Auditor and Directors thereon.
2. To appoint a Director in place of Shri. Dilip D. Patel, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri. N R Mehta, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditor to hold office from the conclusion of this annual general meeting until the conclusion of the next annual General meeting and fix their remuneration.

#### SPECIAL BUSINESS:

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

"**RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309, 316 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and as recommended by the remuneration committee, Shri Kiran B. Vadodaria, be and is hereby re-appointed as Chairman & Managing Director of the Company for a further period of five years with effect from 9th February, 2013 on the remuneration and on the terms and conditions hereinafter appearing:

- 1) Period of Appointment: 5 years w.e.f. 9th February, 2013.
- 2) Basic Salary: Rs 1,00,000/- per month

**RESOLVED FURTHER THAT** in the event of there being loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Shri Kiran B. Vadodaria shall be the minimum remuneration payable to him in the terms of the provisions of Schedule XIII to the Companies Act, 1956

**RESOLVED FURTHER THAT** Shri Kiran B. Vadodaria shall also be entitled for the reimbursement of actual entertainment, traveling, boarding, and lodging expenses, telephone & mobile expenses, conveyances incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as any from time to time, be available to other Senior Executives of the Company.

#### 3) Other Terms and Conditions:

- A Shri Kiran B. Vadodaria shall, subject to the supervision and control of the Board of Directors; carry out such duties as may be entrusted to him from time to time by the Board of Directors of the Company.
- B The terms and conditions of the said appointment may be altered or varied from time to time by the Board as it may, in its discretion deem fit within the maximum amounts payable in accordance with Schedule XIII to the Act or any amendments made thereafter in this regard.
- C Shri Kiran B. Vadodaria will be entitled to leave according to the Company's Leave Rules

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

"**RESOLVED THAT** in accordance with provision of section 257 and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification or re-enactment thereof, Mr. Amit Kumar Ray, who was appointed as an Additional Director pursuant to the Section 260 of the Companies Act, 1956 and Article 137 of Article of Association of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

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

"**RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and as recommended by the remuneration committee, Mr. Amit Kumar Ray, be and is hereby appointed as Whole Time Director of the Company for a period of three years with effect from 9th February, 2013 on the remuneration and on the terms and conditions hereinafter appearing:

**SAMBHAAV MEDIA LIMITED**

- 1) Period of Appointment: 3 years w.e.f. 9th February, 2013.
- 2) Basic Salary: Rs 1,00,000/- per month

**RESOLVED FURTHER THAT** in the event of there being loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Mr. Amit Kumar Ray shall be the minimum remuneration payable to him in the terms of the provisions of Schedule XIII to the Companies Act, 1956.

**RESOLVED FURTHER THAT** Mr. Amit Kumar Ray shall also be entitled for the reimbursement of actual entertainment, traveling, boarding, and lodging expenses, incurred by him in connection with the Company's business and such other benefits / amenities and other privileges, as any from time to time, be available to other Senior Executives of the Company.

3) Other Terms and Conditions:

- A Mr. Amit Kumar Ray shall, subject to the supervision and control of the Board of Directors; carry out such duties as may be entrusted to him from time to time by the Board of Directors of the Company.
- B The terms and conditions of the said appointment may be altered or varied from time to time by the Board as it may, in its discretion deem fit within the maximum amounts payable in accordance with Schedule XIII to the Act or any amendments made thereafter in this regard.
- C Mr. Amit Kumar Ray will be entitled to leave according to the Company's Leave Rules.

**Date:** 21st May, 2013

**BY Order of the Board of Directors,**

**Place:** Ahmedabad

**Kiran B. Vadodaria**  
Chairman & Managing Director

**NOTES:**

1. A Member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and on behalf on him and the Proxy need not be a member of the company.
2. Proxies in order to be effective must be received at the registered office of the company not less than 48 hours before the time fixed for the meeting. A proxy form is enclosed.
3. Members are requested to bring their copy of Annual Report to the meeting, as no extra copies will be distributed at the meeting hall as a measure of economy.
4. Members desiring any information as regards accounts are requested to write to the Company at least 7 days before the meeting to enable the management to keep the information ready.
5. Members are requested to intimate change of registered address, if any, at the Registered Office of the Company or the Company's registrar and Shares Transfer Agents at their mentioned elsewhere in the report.
6. The Register of Members and shares Transfer Books of the Company shall remain closed from 2nd July, 2013 to 6th July, 2013 (both days inclusive) pursuant to clause 16 and 19 of the Listing Agreement and also in compliance of section 154 of the Companies Act, 1956
7. The Company has signed Tripartite Agreement with NSDL and CDSL for dematerializing of its Equity Shares. The ISIN allotted to your Company in INE699B01027.
8. The Company has initiated steps for implementing the "Green Initiative" in Corporate Governance as per the circular issued by the Ministry of Corporate Affairs ("MCA") as regards paperless compliances for service of documents through electronic mode. Henceforth the e mail indicated in your respective DP accounts which will be periodically downloaded from NSDL/CDSL will be deemed to be registered e mail address. We request you to register your e mail address with your DP, in case you have not registered the same. Members holding shares in physical mode are requested to update their e mail addresses by writing to the Company / RTA quoting their folio nos. In case a member wishes to receive a physical copy of the said documents, the same will be sent upon receipt of a communication from the member.



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9. Additional information in terms of Clause 49 of the Listing Agreement on Directors recommend for appointment / reappointment or seeking election at the AGM is given in the report on Corporate Governance.

### **Explanatory Statement pursuant to the Section 173 (2) of the Companies Act, 1956**

#### **Item No 5:**

Shri Kiran B Vadodaria has made immense contribution in the development of the company and the company has made remarkable progress under his guidance and control and anticipates further progress and development by various expansion and diversification plans in the coming period. The Board of Directors of the Company is of the opinion that Shri Kiran B. Vadodaria's able and competent leadership will provide further path for the future growth of the Company. Therefore the Board of Directors in its meeting dated 9th February, 2013 recommended his appointment as Chairman and Managing Director for a period five years commencing from 9th February, 2013.

It is proposed to seek members' approval for the reappointment of Shri Kiran B. Vadodaria as Managing Director in terms of the applicable provisions of the Companies Act, 1956.

*This may be treated as an abstract of the terms and conditions of appointment including remuneration of Managing Director under the provision of Section 302 of the Companies Act, 1956*

None of the Directors other than Shri Manoj B. Vadodaria being relative and Shri Kiran B. Vadodaria himself are interested in the resolution of Item No 5.

#### **Item No 6:**

The Board of Director of the Company, at its meeting held on 9th February, 2013 appointed Mr. Amit Kumar Ray as an Additional Director pursuant to provision of Section 260 of the Companies Act, 1956 read with Article 137 of the Articles of Association of the Company. In terms of Section 260 of the Companies Act, 195, Mr. Amit Kumar Ray holds office upto the date of ensuing Annual General Meeting. The Company has received a notice in writing from a member along with deposit of Rs. 500/- for proposing the candidature of Mr. Amit Kumar Ray for the office of Director of the Company under the provision of Section 257 of the Companies Act, 1956.

Mr. Amit Kumar Ray is not disqualified from being appointed as Director in terms of Section 274 (1) (g) of the Companies Act, 1956 and the Company has received the requisite Form "DD-A" from Mr. Amit Kumar Ray, in terms of Companies (Disqualification of Directors under section 274(1) (g) of the Companies Act, 1956) Rules, 2003, confirming his eligibility for such appointment.

It is proposed to seek Members' approval for the appointment of Mr. Amit Kumar Ray as a Director, in terms of the applicable provision of the Companies Act, 1956

None of the Director other than Mr. Amit Kumar Ray himself is interested in the resolution of Item No. 6

#### **Item No: 7**

Mr. Amit Kumar Ray has graduated in Commerce from Calcutta University. He possesses extensive experience of more than 30 years in the filed of social work, marketing, advertising, communication and broadcasting. He has worked for many reputed organizations like McCann Ericson, Lintas, Clarion, JwT, DDB Mudra, MarCom, Reliance Infocomm, BAG Network and International Mission of Hope. He was Joint Chairman of Technical Committee at Media Research User's Council (MRUC) which is an Apex body for conducting the world's largest readership study IRS. Your Directors are of the opinion that the expertise and experience of Mr. Amit Kumar Ray will help the Company to achieve new highs of growth more particularly for Company's Public Entertainment System project awarded by the GSRTC.

It is proposed to seek Members' approval for the appointment of Mr. Amit Kumar Ray as the Whole Time Director, in terms of the applicable provision of the Companies Act, 1956.

*This may be treated as an abstract of the terms and conditions of appointment including remuneration of Managing Director under the provision of Section 302 of the Companies Act, 1956*

None of the Director other than Mr. Amit Kumar Ray himself is interested in the resolution of Item No. 7

**DIRECTORS' REPORT**

To,  
The Members,  
**Sambhaav Media Limited**

Your Directors have pleasure in presenting herewith 23rd Annual Report together with the audited statement of accounts of the Company for the year ended on 31st March, 2013.

**FINANCIAL RESULTS:**

(₹ in Lacs)

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
Revenue from Operations	3442.99	3326.80
Other Income	140.65	119.31
Total Revenue	3583.64	3446.11
Profit before Depreciation & Amortization and Exceptional Item and Tax	895.57	762.28
Less: Depreciation & Amortization	559.93	444.51
Operative Profit before Exceptional Item and Tax	335.64	317.77
Less: Exceptional items Income/(Expenses)(Net)	(31.02)	(127.93)
Profit Before Tax	304.62	189.84
Less: Tax Expense		
Income Tax	117.00	75.00
Deferred Tax	26.57	39.81
Profit /(Loss) after Tax	161.05	75.03

**DIVIDEND:**

As a matter of sound accounting practice and management philosophy, your Directors are of the opinion to make sound and strong economic base for the Company and in order to conserve the resources; your Directors do not recommend any dividend for the current year.

**OPERATIONS AND BUSINESS OVERVIEW:**

**Print Media:**

Your Company publishes "Sambhaav Metro" a multi colour tabloid Gujarati noon newspaper and "Abhiyaan" a Gujarati weekly magazine from Ahmedabad. Both these publications are having remarkable readership appreciation during the last couple of years.

The weekly magazine "Abhiyaan" is also available on newly launched website at [www.abhiyaanmagazine.com](http://www.abhiyaanmagazine.com) and receiving overwhelming response from national and International readers.

Your Company is also proposing to add some more job work assignments in our job work division in the ensuing period which is expected to enhance the job wok revenue also.



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### **Out of Home Media:**

The instant year was under stress for the outdoor advertisement industry due to the slow down in the economy. Despite, your Company has comparatively achieved good business. Your Company has considered cost vs benefit principle and some non viable hoardings and sites have been surrendered in order to reduce the fixed overhead. The Company has in past made impressive presence in the industry and is constantly endeavoring to capture the maximum market shares by obtaining prime location hoardings and sites.

You Company is also endeavoring to identify other players in the market for joint venture or other arrangements to boost up the inorganic growth.

### **Public Entertainment System (PES Project):**

As you are well aware that your Company has been awarded a tender from GSRTC of implementing and running "Public Entertainment System" (PES) in the 7500 buses and at 50 bus stands. The Company has successfully installed PES in 2000 buses and 50 bus stands under the brand name "WISE TV" (Wireless Interactive Smart Entertainment). Your Company is in the process of installing PES in additional 1000 buses during the current year. Your Company has also launched a separate website [www.wisetv.co.in](http://www.wisetv.co.in) during the year under review. For the entertainment programs to be telecasted for Wise TV, the company has tied up and acquired the rights from various sources and is negotiating with channels and telecasting rights owner for the program. The company has also established its own studio for producing in house program for Wise TV.

Wise TV is a first and unique transit channel in the country which is non satellite TV channel providing entertainment with update of news, sports and stock market index. Hence "WISE TV" has become a house hold name in the passengers of buses operated by GSRTC. Similarly, it has become very popular amongst our clients and advertising agencies.

### **PUBLIC DEPOSITS:**

During the year under review, your Company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956.

### **INSURANCE:**

All the existing properties including plant and machinery, building, stocks, assets of Out of Home and GSRTC Project etc. are adequately insured.

### **DIRECTORATE:**

Pursuant to Section 256 of the Companies Act, 1956, Shri Dilip D. Patel and Shri N R Mehta, Directors of the Company retire by rotation at the ensuing AGM of the Company and being eligible offer themselves for reappointment.

The Board of Directors of your Company has reappointed Shri Kiran B. Vadodaria as a Chairman & Managing Director w.e.f 9th February, 2013 for a period of five years subject to the approval of members of the Company. The members are requested to pass necessary special resolution at the AGM.

Your Company has appointed Mr. Amit Kumar Ray as a Whole Time Director w.e.f 9th February, 2013 for a period of three years subject to the approval of members of the Company. The members are requested to pass necessary special resolution at the AGM.

### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Section 217(2AA) of the Companies Act, your Directors confirm:

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with

proper explanation relating to material departures.

2. That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss account of the Company for the period.
3. That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities.
4. That they have prepared the annual accounts on a going concern basis.

### **LISTING OF SHARES:**

The Equity shares of the Company are presently listed at the Bombay Stock Exchange Ltd (BSE), and National Stock Exchange of India Ltd (NSE). The Company has duly paid the annual listing fees for the year 2013-14 to BSE and NSE. Adequate care is being taken to comply with almost all the norms and guidelines as per the applicable provisions of the listing agreement.

The Company's equity shares are under 'compulsory demat'. The ISIN allotted to the Company is INE699B01027. As required by the SEBI's circular, the Company has appointed M/s MCS Limited as its Registrar & Share Transfer Agent also to undertake transfer of physical share certificates besides acting as Electronic Registrars.

### **CORPORATE GOVERNANCE:**

The Company has generally implemented the procedure and adopted practices in conformity with the code of Corporate Governance as enumerated in clause 49 of the listing agreement with the stock exchanges. The management discussion & analysis and corporate governance report are made a part of the annual report. A certificate from the company secretary in practice regarding compliance of the conditions of corporate governance is given in annexure, which is attached hereto and forms part of the Directors' report.

### **STATUTORY AUDITORS:**

M/s. Dhirubhai Shah & Co., Chartered Accountants, Ahmedabad retires at the ensuing annual general meeting and is eligible for reappointment. The Company has received a certificate from them that their appointment if approved by the shareholders would be within the ceiling prescribed under section 224 (1B) of the Companies Act, 1956. The members are requested to appoint auditors to hold office until the conclusion of the next annual general meeting of the Company.

### **AUDITORS' REPORT:**

The auditors' report for the year ended 31st March, 2013 and the notes forming part of the accounts referred to in the auditors' report are self-explanatory and give complete information.

### **SECRETARIAL AUDITOR'S REPORT:**

M/s R S Sharma & Associates, Company Secretaries, Ahmedabad had carried out secretarial audit of the compliance of the rules and regulations of various corporate and securities laws and their report for the year is annexed to this report.

### **COST AUDIT COMPLIANCE CERTIFICATE:**

Your Company has, in compliance of the provisions of the Companies (Cost Accounting Record) Rules 2011, read with rules and regulation made there under by the cost audit branch of the Ministry of Corporate Affairs; obtain compliance certificates from M/s J B Mistri & Co., cost accountants, Ahmedabad.



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### **AUDIT COMMITTEE:**

The audit committee constituted in accordance with clause 49 of the listing agreement reviewed the internal control system, scope of internal audit and compliance of related regulations. The audit committee also reviewed at length and approved the financial statements before the same were considered by the Board of Directors of the Company.

### **EMPLOYEES:**

During the year under review, no employee of the Company was in receipt of remuneration in excess of the limits prescribed in Section 217 (2A) of the Companies Act, 1956.

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

Details of foreign exchange earnings and outgo form part of notes to the Balance Sheet for the period under review. Conservation of energy has always been of immense importance to your Company and all the equipments consuming energy have been placed under continuous and strict monitoring. In view of the nature of the operations, no report on the other matters is required to be made under Sections 217(1) (e) of the Companies Act, 1956 read with The Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

### **BORROWING:**

Your Company has made arrangement for various financial facilities with the bankers to meet its day to day working capital and other long and medium term fund requirement and its outstanding balance is Rs. 2168.59 Lacs as on 31st March, 2013.

### **MATERIAL CHANGES:**

No material changes have taken place since the closure of the financial accounts up to the date of the report, which may substantially affect the financial performance, or the statement of the Company.

### **ACKNOWLEDGMENTS:**

Your Directors take this opportunity to acknowledge with gratitude for the trust reposed in the Company by the shareholders, investors, customers, corporations and government authorities. Directors of your Company specifically express their gratitude to the sole banker of the Company, Dena Bank who has extended immense support to the Company for implementation of all the projects in time. Further, your Directors also keenly appreciate the dedicated commitment of the employees without which the sustained progress of the Company would not have been the reality.

**Date:** 21st May, 2013

**Place:** Ahmedabad

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

**Kiran B. Vadodaria**

Chairman & Managing Director



## MANAGEMENT DISCUSSIONS & ANALYSIS

(As per the requirement of the provisions of the Listing Agreement, as part of the Director's report or in addition thereto a Management Discussion & Analysis Report forming part of the Annual Report to the Members is given below discussing the key issues).

### THE ECONOMIC SCENARIO:

According to the Economic Survey 2012-13 the economy grew at 5.0 per cent in 2012-13 and is expected to grow at 6.1-6.7 per cent in the next fiscal year. The International Monetary Fund has also lowered its forecast on India's economic growth at 6.2% to 6.3% in the coming year. No doubt the economy is going through a gloomy period on account of slow down in the global economies.

India's economic troubles are reflected in its gaping fiscal deficit, persistently high inflation and pessimism among businesses and consumers. This has driven down investments and demand. The country's import bill has swelled, leading to a record-high current account deficit at 6.7% of GDP in the October-December quarter. India has been trying to attract foreign capital to narrow the current account gap. However the government's recent reform measures, improving external demand and a better monsoon season may boost economic activity in time to come. Since September, the Govt. has accelerated the reform process such as reducing fuel subsidies, easing foreign investment restrictions in retail and civil aviation, and setting up a ministerial panel to fast-track industrial projects. These have improved sentiment although more steps especially to facilitate infrastructure and industrial development are necessary to revive investment and boost growth.

### THE INDUSTRY:

The Indian media industry mainly comprises of print media, Out of Home, television, film industry and digitization. The momentum of spends on media and entertainment has also been affected due to slow down in economy in last financial year.

#### Print Media:

India's media and entertainment industry is poised to double in size by 2017, according to a report put out by FICCI-KPMG. According to the report the industry, whose current size is estimated at Rs 91,700 crores, is expected to touch Rs 1,66,000 crores by 2017. The size of the advertising industry in India is estimated to be Rs 36,200 crores and Print media continues to account for a larger share at 44.7% followed by TV at 38.2%. By 2017. It is estimated that the size of the Indian advertising industry would be Rs 63,000 crores with both print and TV having a share of 38-40% each. Digital advertising is estimated to post a robust 32.1% growth to reach Rs 8,720 crores from the current level of Rs 2,170 crores.

The revenue of the print media organizations are mainly depends upon circulation and advertisements. The traditional Print Media Industry is passing through consolidation phase due to competition with other segment of media industry, as most of the advertisers have curtailed their budget for the advertisement on account of slow down in economy. Secondly cost of input materials of print media are also gone up substantially thereby increased cost of material.

#### Out of Home Media:

The present worldwide slow down and uncertainty in the international market and domestic economic has affected the OOH industry including our company.

The OOH industry is highly fragmented mainly denominated by unorganized regional players. There is no common platform in outdoor where all stakeholders can come together to address the various issues. There is no common regulatory platform, and every region has its own governed body and issues of each region is tackled by that particular governing body. To start off, the industry should work towards getting out of local municipal corporations and forming a consolidated national body. Measurability issue can be tackled only when investments flow in. There are many agencies working towards that as well.

OOH as a mass advertising medium has been present for years. Whether as a political medium, an art form or for commercial brand communications, posters or billboards are an established and expected part of urban environment. The evolution for OOH has been gradual, but it has definitely become an integral part of most campaigns and plans.



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LED and LCD hoardings in OOH are becoming more and more eminent and the industry is shifting towards digitization. The faster the integration of OOH with digital equipments, it will help OOH and be a big growth driver. By 2020, Marc Prensky predicts people across the globe will be plugged into the 'AORTA,' -- Always On Real Time Access. A future in which people are constantly able to access information and news from anywhere on the planet. OOH will have no choice but to synergise this.

Transit media will grow speedily as and when public transportation will become more sophisticated; brands have already started ticking transit media in their outdoor media plans in a big way. There are five major reasons for that - one, because it is extremely economically; two, it can be time-lined; three, it can be mass as well as niche; four, it can be engaging; and lastly, it can be highly innovative.

### **Bus Shelters - an effective OOH medium**

Looking for a cost-efficient medium with high brand recall and healthy Return on Investments (ROIs) to advertise the product, one should head to the nearest bus stop. The bus shelters, strategically placed in areas with the target group travelling either by foot or in a vehicle, are fast becoming coveted advertising mediums. FMCG brands, television channels and retail brands have increasingly started using bus shelters as a medium to deliver their brand message as advertisement placed at bus shelter make it easy to see the brand.

Many advertisers prefer to go for bus shelter advertising as it is cost-efficient and has a high brand recall, especially in the metros like Mumbai, Delhi and Chennai. Bus shelter advertising contributes approximately 10-15 per cent of the overall OOH advertising spends.

Bus shelters are primarily service-oriented street furniture item. They also proved to be a very effective OOH format as they offer an efficient channel for the brands to reach out to the consumers in every nook and corner of the city. Advertisers have acknowledged this medium as very cost-effective, offering best in class ROIs. Bus shelters also provide widespread exposure to their campaigns, catering to a wide range of target groups.

Further since billboards and hoardings are now facing government restrictions, bus shelter advertising, which is high-impact and high-frequency advertising, is bound to grow further. Bus shelter and likewise street furniture would be the future of OOH advertising, as these serve the dual purpose of being a utility as well as an ad revenue stream. Thus the growth potential in case of bus shelter advertising is huge and it will continue to grow as more and more cities adapt to these service-oriented formats. Globally, bus shelters are already a very popular communication vehicle in the world's best cities.

## **THE COMPANY - BUSINESS MODEL AND OVERVIEW**

Sambhaav Media Ltd is an enterprise of unique business model of diversified activities of printing and publication of newspapers, magazines, Out of Home advertisement, and Public Entertainment System. Over a period of time the Company has developed unique brand name in the media industry.

Apart from print media and OOH activities, SML has acquired the project of implementing and running Public Entertainment System (PES) of Gujarat State Road Transport Corporation (GSRTC). The project is to install PES in the entire fleet of 7500 buses and 50 Bus Stands and also to maintain and operate the same for 10 years on Built, Operate and Own (BOO) basis. In the first phase GSRTC has issued the work order for 2000 buses and 50 bus stands. SML has successfully finished the installation for the same. SML has acquired the rights for audio- video rights for playing entertainment programs from Star India and other content providers for Hindi Comedy programs, laughter shows, Hindi filmy songs, Gujarati comedy shows etc. The PES programs are successfully being run under the brand name "WISE TV".

As per terms for the above project, SML is entitled to release the advertisement for 15 minutes per hour of program. This is expected to generate good revenue in the years to come. SML is also concentrating with its best efforts for the voluminous and qualitative job work operations and timely implementations of the order to facilitate the Company's revenue growth. Further, the Company is constantly endeavoring to explore the other optional sources to add and enhance for more income to minimize the adverse marketing trends and effects.

### **OPPORTUNITIES, RISK AND CHALLENGES:**

The macro factors such as rising literacy, increasing penetration in semi-urban and rural areas and stable newsprint prices in future are likely to ensure profitable growth for the print media sector. Future growth is largely driven by semi-urban and rural areas on account of increasing commercial activity, higher spending power and rising literacy. With the language print medium dominating in these areas, language newspapers are preferred over English newspapers. Language newspapers will emerge stronger from the recent slowdown owing to the strong business model. Increase in advertisement expenditure by consumer-oriented companies and emergence of newer advertisement-spending industries such as education, organized retail, telecom, and financial services are likely to ensure healthy advertising revenues.

The "Public Entertainment System" project with Gujarat State Road Transport Corporation (GSRTC), a unique and first of its kind in Asian region is expected generate more revenue which may ultimate results in our profitability. Growth of the overall industry shall create various kind of opportunities for the Company in future.

### **INTERNAL CONTROLS AND THEIR ADEQUACY:**

SML is having constant improved mechanism for establishment and independent, effective and adequate Internal Control System and further ensures for effective improvement and development in the coming period. All the assets, owned properties as well as licensed properties acquired and used by the Company are properly safeguarded by suitable Insurance policies giving protection against all losses from contingencies, risk factors and unauthorized uses and disposition and all transaction are properly and suitably recorded, authorized and reported in the MIS report in the weekly, regular fortnightly and monthly monitoring meetings. Deviations are being properly checked, rectified, reported and controlled. Further, suitable and adequate professional approach with managerial control on the Company's day to day operations are being implemented as effective tools and measures for the desired level of efficiency of the Company's business operations to be achieved.

### **DISCUSSION ON FINANCIAL PERFORMANCE:**

During the year under review Company's turnover reached to the level of ₹ 3583.64 Lacs compared to the Previous Year of ₹ 3446.11 Lacs. The Company's profit before tax is ₹ 304.62 Lacs compared to the Previous Year of ₹ 189.84 Lacs. The Company's Management constantly envisaging for better working results inspite of prevailing adverse market conditions with satisfactory growth level in the coming years.

### **HUMAN RESOURCES:**

Employees are our vital and most valuable assets. The Company has created a favorable work environment that encourages innovation. The Company has also set up a scalable recruitment and performance appraisal process, which enables to attract and retain high caliber employees.

### **CAUTIONARY STATEMENT:**

*Statement in the Management Discussion and Analysis describing the company's analysis, objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable security laws and regulations. Actual results may differ materially from those expressed or implied. Shareholders and readers are cautioned that in the case of data and information external to the company, no representation is made on its accuracy and comprehensiveness though the same are based on sources believed to be reliable. Utmost care has been taken to ensure that the opinion expressed by the management herein contains its perception on the material impact on the company's operations but it is not exhaustive.*



# SAMBHAAV MEDIA LIMITED

## REPORT ON CORPORATE GOVERNANCE

[Pursuant to Clause 49 of the Listing Agreement]

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

The philosophy of the Board and the management of the Company is to reach for the better corporate governance practices, enabling the Board to manage and control the affairs of the Company in an efficient and effective manner.

As per the Clause 49 of the Listing Agreement, the Company has implemented the Code of Corporate Governance. Further with the formation of various Sub- Committees of the Board, the Company is complying with various provisions of the Companies Act, 1956, the Securities and Exchange Board of India [SEBI] and the Listing Agreements executed with Bombay Stock Exchange and National Stock Exchange [the Stock Exchanges].

### 2. BOARD OF DIRECTORS

#### 2.1 Composition of the Board:

The Company has an optimum combination of executive and non executive Directors. At the end of the year the Board consists of seven Directors comprising of one Executive Chairman, one Non Executive Director, one Executive Director and four other Non Executive Independent Directors. The appointment of four Non Executive Independent Directors is in conformity with the provisions of Clause 49 of the listing agreement entered with the stock exchanges by the Company. There are two Promoter Directors out of which one is Executive Director and the other one is Non Executive Director. There is no Nominee Director on the Board.

#### 2.2 Directors' Profile:

**Brief Profile of all the Board Members, nature of their expertise and the number of companies in which they hold directorships and memberships / chairmanship of Board or Committees of Board are as under:**

[1] Shri Kiran Vadodaria is a Mechanical Engineer from L.D. Engineering College, Ahmadabad. He possesses varied experience and exposure base in corporate. He has developed unique insight and judgmental capabilities about the socio political dynamics. He is a Member of Indian Newspaper Society [INS], Chairman of Gujarat Regional Committee-INS, President of Gujarat Daily Newspaper Association [GDNA], Member of National Integration Council of Government of India, and President of L.D. College of Engineering, Alumni Association. He has been appointed as Part Time Non Executive Director of United Bank of India.

[2] Shri Manoj Vadodaria is a Commerce Graduate and self-made businessman. His induction into the business world was at a very early age. He combated harsh realities and adversities of business life successfully. This experience culminated into maturity and fervour of a rare kind. The practical school of business has made him a financial wizard backed by his sharp business instincts. This unique blend has been a tremendous source of benefit to the Group in meeting financial challenges and carving out ambitious expansion plans.

[3] Shri Dilip D. Patel possesses vast experience of management education, training and consultancy for more than 25 years. He is the founder faculty of S.P. Jain Institute of Management Research, Mumbai- one of the top 10 Business Schools in the country. He is being consulted by the number of Indian and multinational companies and has also offered training to senior managers in leading companies. He is currently Advisor to the Board of many companies in India and Overseas.

[4] Dr. N. V. Vasani has been awarded Hon. Degree by Florida Atlantic University, U.S.A. and Hon. Fellowship by Indian Society for Technical Education, New Delhi for his outstanding contributions in the field of technical education in the country. He was also Advisor, Science & Technology to Hon. Chief Minister of Gujarat. The prestigious projects of SCIENCE CITY and INFOCITY were planned and implemented during his tenure as Advisor. He has served as Chairman of Sardar Vallabhbhai Patel National Institute of Technology, Surat. He is the Executive Chairman of Nirma Education & Research Foundation and the First Vice Chancellor of Nirma University of Science & Technology.

[5] Shri O.P. Bhandari is having more than 25 years of varied experience in the field of auditing, taxation, merchant banking

## SAMBHAAV MEDIA LIMITED

and financial matters. He is having an outstanding exposure as Practicing Chartered Accountants with various prominent Groups of Industries in Ahmedabad as well as in other parts of the States of Gujarat and Rajasthan.

[6] Mr. N.R. Mehta has about 40 years of experience and out of this, 30 years were at the Indian Express Group. Mr. Mehta is having an outstanding exposure in financial matters and is actively involved in the financial matters of the Group.

[7] Mr. Amit Kumar Ray has graduated in Commerce from Calcutta University. He possesses extensive experience of more than 30 years in the filed of social work, marketing, advertising, communication and broadcasting. He has worked for many reputed organizations like McCann Ericson, Lintas, Clarion, JwT, DDB Mudra, MarCom, Reliance Infocomm, BAG Network and International Mission of Hope. He was Joint Chairman of Technical Committee at Media Research User's Council (MRUC) which is an Apex body for conducting the world's largest readership study IRS.

**The name and category of the Directors on the Board, their attendance at Board Meetings held during the year and the number of directorships and committee chairmanships/memberships held by them in other companies are given below.**

Sr. No.	Name of Director	Position	Attendance Particulars		No of Directorship in other Public Companies	Committee Memberships/ Chairmanships of other Companies
			Board Meetings	Last AGM		
1.	*Kiran Vadodaria	Executive Chairman & Managing Director	5	Yes	2	2
2.	*Manoj Vadodaria	Non Executor Director	5	Yes	1	Nil
3.	**Dilip Patel	Non Executive Independent Director	1	No	1	3
4.	**O.P. Bhandari	Non Executive Independent Director	5	Yes	Nil	Nil
5.	**N.V. Vasani	Non Executive Independent Director	Nil	No	2	Nil
6	**Navinchandra R. Mehta	Non Executive Independent Director	5	Yes	Nil	Nil
7.	***Amit Kumar Ray	Executive Director	Nil	No	Nil	Nil

\* PD - Promoter Director; \*\* NPD - Non-Promoter Director. # appointed w.e f 09.02.2013



## SAMBHAAV MEDIA LIMITED

### Details of the Board Meetings held during the year 2012-13

Date of Board Meetings	Board Strength	No. of Directors Present
11th May, 2012	6	5
7th August, 2012	6	4
10th November, 2012	6	4
12th December, 2012	6	4
9th February, 2013	7	4

### Board and Committee Meetings:

The procedure with respect to the Board and the Committees meetings are in compliance with the requirements of the Companies Act, 1956, Secretarial Standards (SS-1) prescribed for the Board Meetings by the Institute of Company Secretaries of India, Listing Agreements with Stock Exchanges and other applicable laws and regulations.

### Code of Conduct for the Board of Directors and Senior Management Personnel:

In terms of Clause 49 of the Listing Agreement, the Board has adopted the Code of Conduct for the Board of Directors and senior management personnel of the Company. This Code of Conduct is a comprehensive code which is applicable to all Directors and senior management personnel. A copy of the Code has been put on the Company's website and has been circulated to all the Board Members and all senior management personnel. The compliance of the said Code has been affirmed by them annually. A declaration signed by the Managing Director of the Company forms part of this Report.

### Declaration by the Managing Director:

This is to confirm that the Company has adopted a Code of Conduct for its Board Members and the senior management personnel and the same is available on the Company's website. I confirm that the Company has in respect of the financial year ended on 31st March, 2013, received from the senior management personnel of the Company and the members of the Board a declaration of compliance with Code of Conduct applicable to them.

**Date:** 21st May, 2013

**Place:** Ahmedabad

**Kiran B. Vadodaria**

Chairman & Managing Director

### Board Procedure:

Pursuant to the Listing Agreements, Stock Exchanges are being informed about the convening of the Board Meetings at least 7 clear days in advance. The agenda is prepared by the Secretarial Department in consultation with the Chairman of the Board. The information as required under the Annexure I to Clause 49 of the Listing Agreement is made available to the Board. The agenda for the meeting of the Board and its Committees together with the appropriate supporting documents and papers are circulated well in advance of the meeting to enable the Board to take informed decisions. The Stock Exchanges are informed about the outcome of the Board Meeting as soon as the Meeting concludes.

The meetings of the Board and its various Committees are generally held at the Registered Office of the Company at Ahmedabad.

### 3. AUDIT COMMITTEE

#### 3.1. Composition and Terms of Reference of the Audit Committee:

The Audit Committee of the Board is comprised of three Directors. All the three Directors are Non Executive Independent Directors. The constitution of the Audit Committee is in line with Clause 49 of the Listing Agreements executed with the Stock Exchanges read with Section 292A of the Companies Act, 1956. Shri N.R. Mehta is the Chairman of the Audit Committee. He possesses adequate financial and accounting knowledge. Shri O.P. Bhandari and Shri Dilip D. Patel are the other two members of the Audit Committee. The primary objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and the integrity and quality of the financial reporting.

The terms of reference of the Audit Committee are in accordance with that specified in Clause 49 of the Listing Agreement.

#### 3.2 Attendance at the Audit Committee Meetings

Four Audit Committee meetings were held during the year on 11th May, 2012, 7th August, 2012, 10th November, 2012 and 9th February, 2013. The time gap between the two Audit Committee meeting was not more than four months. The names of the members of the Audit Committee, and its Chairman and details of meetings attended by them are stated hereunder.

Name	Designation	No. of Meetings	
		Held	Attended
N.R.Mehta	Chairman	4	4
O.P.Bhandari	Member	4	4
Dilip D. Patel	Member	4	1

### 4. DETAILS OF THE REMUNERATION COMMITTEE AND REMUNERATION TO DIRECTORS

The remuneration committee of the Company comprises of three members and all are Non Executive Independent Directors. Shri N R Mehta is the Chairman and Shri O P Bhandari and N V Vasani are other two members of the Committee.

The remuneration paid to the Directors is in accordance with the provisions of sections 198, 269 and 309 read with Schedule XIII of the Companies Act, 1956.

The details of the remuneration and the sitting fees paid to the Directors during 2012-2013 are as under.

Sr No	Name of Directors	Salary (₹)	Perquisites (₹)	Bonus/Commission (₹)	Sitting fees (₹)	Total (₹)
1	Kiran B. Vadodaria	1200000	239324	Nil	Nil	1439324
2	Manoj B. Vadodaria	Nil	Nil	Nil	5000	5000
3	Dilip D. Patel	Nil	Nil	Nil	Nil	Nil
4	O.P.Bhandari	Nil	Nil	Nil	5000	5000
5	N.V.Vasani	Nil	Nil	Nil	Nil	Nil
6	N.R.Mehta	Nil	Nil	Nil	5000	5000
7	Amit Kuma Ray	200000	Nil	Nil	Nil	200000



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### 5. SHARE TRANSFER & INVESTORS' GRIEVANCE

#### 5.1 Constitution of the Committee

The Share Transfer and Investors' Grievance Committee consists of two members. Shri N.R.Mehta is the Chairman of the Committee and Shri Manoj B. Vadodaria is the other member. The Share Transfer & Investors' Grievance Committee is constituted in line with the requirement of Listing Agreement.

Sr. No	Name of the Director	Designation
1	N.R.Mehta	Chairman
2	Manoj B. Vadodaria	Member

#### 5.2 Terms of reference of the Committee

The Share Transfer & Investors' Grievance Committee approves transfer, transmission, transposition, name deletion, consolidation and splitting of shares of the Company. It issues duplicate share certificates and redresses complaints and grievances of the investors in time.

5.3. Number of shareholders' complaints received during the year: 1

5.4 Number of complaints not solved to the satisfaction of shareholders: Nil

5.5 Number of pending Complain: Nil

### 6. General Body Meetings

#### 6.1 Location and time of last three Annual General Meetings:

Year	Venue	Date	Time
2009-10	1st Floor , " Sambhaav House", Opp Chief Justice's Bungalow, Bodakdev, Ahmedabad	21st June, 2010	10.00. am
2010-11	1st Floor , " Sambhaav House", Opp Chief Justice's Bungalow, Bodakdev, Ahmedabad	16th July, 2011	10.30 am
2011-12	1st Floor , " Sambhaav House", Opp Chief Justice's Bungalow, Bodakdev, Ahmedabad	15th September,2012	04.00 pm

#### 6.2 Special Resolution passed at last 3 AGMs:

- a) 2009-10 : No special resolution was passed
- b) 2010-11 : No Special Resolution was passed
- c) 2011-12 : No Special Resolution was passed

#### 6.3 Postal Ballot:

No resolution was passed during the year 2012-13 by Postal Ballot

No resolution is proposed to be passed at the ensuing AGM by Postal Ballot

### 7. DISCLOSURES:



### **7.1 Materially Significant Related Party Transaction:**

The transaction between the Company and the Directors and Companies in which the directors are interested are disclosed in Note no. 35 to the notes forming part of accounts are in compliance with the Accounting Standards relating to "Related Party Disclosures". There is no materially significant Related Party Transaction that may have potential conflict with the interest of the Company at large.

The Directors regularly make full disclosures to the Board of Directors regarding nature of their interest in the Companies in which they are directors or members.

### **7.2 Statutory Compliances, Penalties and Strictures:**

There were no instances of non compliances nor have any penalties, strictures been imposed by Stock Exchanges or SEBI or any other statutory authority during the last years on any matter related to the capital market.

### **7.3 Code of Conduct:**

The Company has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel of the Company and all have affirmed their adherence to the Code of Conduct. The Code of Conduct has been posted on the Company's website.

### **7.4 Listing Agreement Compliances:**

The Company complies with all the requirements of the Listing Agreement including the mandatory requirements of Clause 49 of the Agreement.

### **7.5 Risk Management:**

Business risk management and management of affairs is an ongoing process within the Company. The Audit Committee, Risk Management Team and the Board of Directors regularly review the risk management policy and procedures. The Company is in the process of setting up a system to appraise the Board of Directors of the Company on the key risk assessment areas and suggestive risk mitigation mechanism.

## **8. MEANS OF COMMUNICATIONS:**

**8.1 Quarterly Results:** Normally quarterly results of the Company are published in Business Standard (English) and Jansatta Loksatta (Gujarati).

**8.2 Website of the Company:** [www.sambhaav.com](http://www.sambhaav.com)

**8.3 Whether it also displays official news release and presentation made to institutional investors or to the analyst:** No

**8.4 Half yearly reports:** Half yearly report have not been sent to shareholders

## **9. General Shareholders Information:**

### **9.1 Day, Date, time and venue of the 23rd Annual General Meeting:**

Day: Saturday

Date: 6th July, 2013

Time: 10:30 am

Venue: 1st Floor, "Sambhaav House", Opp: Chief Justice's Bungalow  
Bodakdev, Ahmedabad-380015



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**9.2 Financial Year:** 1st April to 31st March

**9.3 Financial Calendar:** Tentative and subject to change for the financial year 2013-2014

Quarter Ending	Release of Results
30th June, 2013	Mid of August, 2013
30th Sept, 2013	Mid of November, 2013
31st Dec, 2013	Mid of February, 2014
31st March, 2014	Mid of May, 2014

**9.4. Date of Book Closure:** from 2nd July, 2013 to 6th July, 2013 [both days inclusive]

### 9.5 Listing on stock exchanges and payment of listing fees

Shares of the Company are listed on Bombay Stock Exchange (BSE) and National Stock Exchange of India Limited (NSE). Listing Fees required to be paid has been paid in time to both the Stock Exchanges.

**9.6a Stock Code:** BSE: 511630, NSE: SAMBHA AV

**9.6b** ISIN in National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL]: **INE699B01027**

### 9.7 Market Price Data:

The monthly high / low and the volume of the Company's shares trades on Bombay Stock Exchanges and the monthly high/low of the said exchange are as under:

Month	Company			BSE	
	High (₹)	Low (₹)	Volume (Nos)	BSE Sensex High	BSE Sensex Low
April 2012	1.58	0.82	259728	17664.10	17010.16
May 2012	2.40	1.55	525916	17432.33	15809.71
June 2012	2.60	2.05	275385	17448.48	15748.98
July 2012	3.19	2.35	1247198	17631.19	16598.48
August 2012	2.45	1.97	465700	17972.54	17026.97
September 2012	2.64	1.90	107079	18869.94	17250.80
October 2012	2.68	2.00	267501	19137.29	18393.42
November 2012	2.65	1.98	181207	19372.70	18255.69
December 2012	2.36	2.05	72863	19612.18	19149.30
January 2013	2.25	1.70	14488	20203.66	19508.93
February 2013	1.65	1.44	773	19966.69	18793.97
March 2013	1.44	1.05	120363	19754.66	18568.43

### 9.8. Distribution of share holding as on 31st March, 2013

Shareholding of nominal value of		Number of Shares		Number of Holders	
₹	₹	Nos	% of total	Nos	% of total
Upto	- 500	299837	0.21	1251	24.13
501	- 1000	2167473	1.48	2201	42.45
1001	- 2000	1125310	0.77	606	11.69
2001	- 3000	739994	0.51	264	5.09
3001	- 4000	513245	0.35	134	2.58
4001	- 5000	1009459	0.69	204	3.93
5001	- 10000	1889877	1.29	240	4.63
10001	- 50000	4218158	2.89	212	4.09
50001	- 100000	1735037	1.19	24	0.46
100001	and Above	132412450	90.62	49	0.95
<b>Total</b>		<b>146110840</b>	<b>100.00</b>	<b>5185</b>	<b>100.00</b>

### 9.9. Shareholding Pattern as on 31st March, 2013:

Category	No. of shares held	% of total share capital
Promoters' Holding	88758282	60.75
Public holding		
<b>Institutions</b>	33000	0.02
<b>Non Institutions</b>		
Bodies Corporate	24853651	17.01
Individuals	29395945	20.12
HUF	1579815	1.08
Non Resident Indians	1490147	1.02
<b>Total</b>	<b>146110840</b>	<b>100.00</b>

### 9.10. Dematerialization of Shares:

Trading in the Company's shares is permitted only in dematerialization form for all investors. The Company has established connectivity with CDSL and NSDL through the Registrar, M/s MCS Ltd, whereby the investors have the option to dematerialize their shares with either of the depositories.

As on 31st March, 2013. 96.35 % of the paid up share capital has been dematerialized.

### 9.11 The Company has no outstanding GDR/ADR/Warrants or any convertible instrument.

### 9.12 Address for Correspondence:

All enquires; clarifications and correspondence should be addressed at the following address:

The Compliance Officer

Sambhaav Media Ltd

"Sambhaav House" Opp: Chief justice's Bungalow,

Bodakdev, Ahmedabad-380015

E mail: secretarial@sambhaav.com Fax No: 079-26873922, Phone: 079-26873914/15



## SAMBHAAV MEDIA LIMITED

### 10. SECRETARIAL AUDIT FOR CAPITAL RECONCILIATION:

As stipulated by SEBI, a Secretarial Audit is carried out by an Independent Practicing Company Secretary on quarterly basis to confirm reconciliation of the issued and listed capital, shares held in dematerialized and physical mode and the status of the register of members.

### 11. SECRETARIAL AUDIT REPORT:

Secretarial Audit has been carried out by an Independent Practicing Company Secretary at the end of the financial year to ensure timely compliances of all applicable acts, laws, guidelines, rules and regulations.

## CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To

The Members,

**Sambhaav Media Limited.**

In accordance with Clause 49 of the Listing Agreement entered into by Sambhaav Media Limited ("the Company") with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited, we have examined all relevant records of the Company relating to its compliance of condition of Corporate Governance as stipulated in Clause 49 for the financial year ended 31st March, 2013.

It is responsibility of the Company to prepare and maintain the relevant necessary record under the SEBI guidelines, Listing Agreement and other application Laws. Our responsibility is to carry out an examination on the basis of our professional judgment so as to award a reasonable assurance of the correctness and completeness of the records for the purpose of this certificate.

We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of this certificate and have been provided with such records documents certificates etc as had been required by me.

We certify that from the records produced and the explanation given to us by the Company for the Purpose of this certificate and to the best of our information, the Company has complied with all the mandatory requirement of the said clause 49 of the listing agreement.

**For, R.S.Sharma & Associates**

**Company Secretaries**

**R.S.Sharma**

Membership No: 3126 CP No: 2118

Date: 21st May, 2013

Place: Ahmedabad

## CEO AND CFO CERTIFICATION

We, Kiran B. Vadodaria, Managing Director and Kamlesh G. Shah, Chief Finance Officer of the Company hereby certify that:

- (a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2013 and to the best of my knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws & regulations.
- (b) To the best of our knowledge and belief, no transaction entered into by the Company during the year ended 31st March, 2013 are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept the responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed deficiencies to the auditors and audit committee.
- (d) We have indicated to the Auditors and to the Audit Committee:
  - (I) Significant change in the internal control over financial reporting during the year.
  - (II) Significant change in the accounting policies during the year and that the same has disclosed in the notes to the financial statements; and
  - (III) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**Kiran B. Vadodaria**

**Kamlesh G. Shah**

Date: 21st May, 2013

Place: Ahmedabad

Managing Director

Chief Finance Officer

## SECRETARIAL AUDIT REPORT

To,  
The Members,  
**Sambhaav Media Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sambhaav Media Limited ("the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the books, forms and returns filed and other records maintained by the company and also the information provide by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has during the audit period covering the financial year ended on 31st March, 2013 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.

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2013 according to the provisions of:

- (I) The companies act, 1956 and the rules made there under;
  - (II) The securities contracts (Regulation) act, 1956 ('SCRA') and rules made there under;
  - (III) The Depositories Act , 1996 and the Regulations and Bye - Law framed there under;
  - (IV) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Oversees Direct Investment and External Commercial Borrowings;
  - (V) The following regulation 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, 1997;
    - 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) Regulation, 2009
    - d) The Securities and Exchange Board of India (Employee Stock- Purchase Scheme) Guideline, 1999
    - e) The Securities and Exchange Board on India (issue and Listing of Debt Securities) Regulations, 2008
    - f) The Securities and Exchange Board of India (Registrars to an issue and Shares Transfer Agents) Regulation, 2008;
    - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
    - h) The Securities and Exchange Board on India (Buyback of Securities) Regulations, 1998
1. Based on my examination and verification of the registers, records and documents produced to me and according to the information and explanations given to me by the management of the Company, **I report that** the company has, in my opinion complied with the provisions of the Companies Act, 1956 ("The Act") and the Rules made under the Act, Accounting Standards and Memorandum and Articles of Association of the company with regard to:
- (a) Maintenance of statutory registers and record and necessary entries are therein;
  - (b) Closure of Register on Members;
  - (c) Submission of forms, returns, documents and resolutions required to be filed with the Registrar of Companies;
  - (d) Service of documents by the Company on its Members, and registrar of companies;
  - (e) Notice of Board meetings and Committee meetings of Directors;
  - (f) Notice of General Meeting and Extra Ordinary General Meetings of the Company;
  - (g) Minutes of proceedings of General Meetings and Board and other meetings;
  - (h) Approvals of shareholder , the Board of Directors, the committee of the Directors and government, retirement and re-appointment of Directors;
  - (i) Remuneration of Director including the Managing Director and Whole- time directors;
  - (j) Transfers, transmissions and sub division of the Company's Shares and issue and delivery of original and duplicates shares certificates;
  - (k) Appointment and remuneration of Auditors;



## SAMBHAAV MEDIA LIMITED

- (l) Constitution of the board of director and appointment and retirement and re-appointment of directors;
- (m) Form of balance sheet as prescribed under part I of Schedule VI to the Act and requirements as to profit & Loss Account as per Part II of the said schedule;
- (n) Borrowing and registration, modification and satisfaction of charges;
- (o) Investment of the Company's fund including inter corporate loans and investments;
- (p) Giving guarantees in connection with loans taken by subsidiaries and associate companies;
- (q) Contracts, affixing of common seal, registered office and publication of name of the Company; and
- (r) All other applicable provisions of the act and the rules/ regulation made thereunder.
2. **I further report that:**
- (a) The director of the company have obtained director identification number as per section 266A of the Act.
- (b) The director have complied with the requirements as to disclosure of interest and concerns in contracts and arrangements, shareholdings and directorships in other companies and interest in other entities.
- (c) The directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with code of business conduct & ethics for directors and management personnel.
- (d) The company has obtained all necessary approvals of the central government and / or other authorities, under the Act.
- (e) There was no prosecution initiated against or show cause notice received by, the Company and no fines or penalties were imposed on the company under the companies act, SEBI Act, SCRA, Depositories Act, Listing Agreement and rules, regulations and guidelines framed under these acts against the company, its director and officers.
3. **I further report that** the company has complied with the provisions of Depositories act, 1996 and regulations and the Bye laws framed there under with regard to dematerialize securities with all securities issued by the company.
4. **I further report that** , the Company has complied with:
- (a) The requirements under the equity listing agreements entered into with the Stock Exchanges.
- (b) The provision of the securities and exchange board of India (substantial acquisition of shares and takeovers) regulations, 1997 with regard to the disclosures and maintained of records requires under the regulations.
- (c) The provisions of the securities and exchange board of India (prohibition of insider trading) regulations, 1992 of records required under the regulations.
5. **I further report that** the board of directors of the company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The change in the composition of the Board of Director that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 1956. Adequate notice is given to all directors to schedule the Board Meeting agenda and detailed notes on agenda are sent at least seven days in advance , system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' view are captured and recorded as part of the minutes.
6. **I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For, R.S.Sharma & Associates**  
Company Secretaries

Date: 21st May, 2013  
Place: Ahmedabad

**R.S.Sharma**  
M. No: 3126  
CP No: 2118

## **Auditors' Report to the Members of Sambhaav Media Limited**

### **Report on the Financial Statements**

We have audited the attached Balance Sheet of Sambhaav Media Limited as at 31st March, 2013 and the related Profit and Loss Account and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of The Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2013;
- (ii) in the case of the statement of profit and loss, of the profit for the year ended on that date; and
- (iii) in the case of the cash flow statement, of the cash flows for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; and
  - e. On the basis of written representations received from the directors as on 31 March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For and on behalf of  
Dhirubhai Shah & Co.  
Chartered Accountants**

**Harish B. Patel  
Partner  
Membership No.: 014427**

**Place : Ahmedabad  
Date : 21st May, 2013**

## SAMBHAAV MEDIA LIMITED

### Annexure to the Auditors' Report

With reference to the annexure referred to in paragraph 3 of the Auditors' Report to the Members of Sambhaav Media Limited on the accounts for the year ended 31st March, 2013, we report that:

1.
  - (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals. In our opinion, the programme of verification is reasonable having regard to the size of the company and the nature of its assets. We have been informed that no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, the company has not disposed off any substantial part of its fixed assets so as to affect its going concern.
2.
  - (a) As explained to us, the inventories have been physically verified during the year by the management except inventories lying with the third parties, which have been confirmed and stock in transit which have been subsequently received. In our opinion, the frequency of verification is reasonable.
  - (b) As explained to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) On the basis of our examination of the inventory records, we are of the opinion that, the company is maintaining proper records of inventory. Discrepancies noticed on physical verification of inventory as compared to book records were not material and the same have been properly dealt with in the books of account.
3.
  - (a) As explained to us, the company has not granted any loans, secured or unsecured to the companies, firms or other parties covered in the register maintained under section 301 of the Act.
  - (b) Not applicable in the view of (a) above.
  - (c) Not applicable in the view of (a) above.
  - (d) Not applicable in the view of (a) above.
  - (e) As explained to us, the company has not taken any loans, secured or unsecured from the companies, firms or other parties covered in the register maintained under section 301 of the Act.
  - (f) Not applicable in the view of (e) above.
  - (g) Not applicable in the view of (e) above.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
5.
  - (a) We have been informed that particulars of contracts or arrangements required to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
  - (b) In our opinion and according to the information and explanations given to us, all the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the company has not accepted any fixed deposits from the public within the meaning of section 58A and 58AA of the Companies Act, 1956 and rules framed there under.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act, and are of the opinion that prima facie, the prescribed



## SAMBHAAV MEDIA LIMITED

accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

9. (a) The Company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues with appropriate authorities.

There are no undisputed statutory dues outstanding as at 31.03.2013 for a period for more than six months from the date they became payable.

- (b) According to the information and explanations given to us, the details disputed statutory dues are as follows

There are no undisputed statutory dues outstanding as at 31.03.2013 for a period for more than six months from the date they became payable.

- (c) According to the information and explanation given to us, the details disputed statutory dues are as follows.

Particulars	Amount	Matters where Pending
Income Tax Demand for the A.Y. 2005 - 06	₹ 11 44 739/-	Gujarat High Court

10. The Company has no accumulated losses as at 31.03.2013. The company has not incurred cash losses during the financial year covered by our audit and also during the immediately preceding financial year.
11. According to the information and explanations given to us, Company has not defaulted in repayment of debt to financial institutions and debenture holders during the year.
12. According to the information and explanations given to us, and the representations made by the management, the company has not given any guarantee for loans taken by others from any bank or financial institution.
13. In our opinion, the company is not a chit fund or Nidhi/ mutual benefit/ society. Therefore clause 4(xiii) of the Companies (Auditors Report) Order, 2003 is not applicable to the company.
14. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditors Report) Order, 2003 is not applicable to the company.
15. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
16. The term loan obtained by the company has been applied for the purpose for which it was raised.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.
18. According to the information and explanations given to us, the company has not made preferential allotment of shares during the year under audit.
19. According to the information and explanations given to us, the company has not issued any debentures during the year under audit.
20. According to the information and explanations given to us, the company has not raised any money by way of public issue during the year under audit.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For Dhirubhai Shah & Co.**  
Chartered Accountants

Date : 21st May, 2013  
Place : Ahmedabad

**Harish B. Patel**  
Partner  
Membership No.: 014427



# SAMBHAAV MEDIA LIMITED

## BALANCE SHEET

as at 31st March, 2013

	Note No.	As at 31st March, 2013 (In ₹)	As at 31st March, 2012 (In ₹)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	14 61 10 840	14 61 10 840
Reserves and Surplus	3	33 63 80 381	32 02 75 788
<b>Non-Current Liabilities</b>			
Long- term borrowings	4	9 62 41 315	9 02 32 309
Deferred tax Liabilities (Net)	5	1 73 15 296	1 46 58 146
Other Long Term Liabilities	6	1 31 54 560	1 17 28 348
Long Term Provisions	7	19 46 632	19 90 868
<b>Current Liabilities</b>			
Short term borrowings	8	12 06 18 176	11 89 94 830
Trade Payables	9	4 18 03 213	2 97 85 333
Other Current Liabilities	10	1 67 52 847	67 27 361
Short Term Provisions	11	1 89 63 997	12 24 362
<b>TOTAL</b>		<b>80 92 87 257</b>	<b>74 17 28 185</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed assets	12		
Tangible assets		44 30 25 096	35 99 43 305
Intangible Assets		30 000	1 02 000
Capital work-in-progress		21 69 902	4 37 33 821
Non-current investments	13	2 19 457	2 40 093
Long term loans and advances	14	2 76 84 839	3 09 43 894
Other Non-Current Assets	15	2 61 276	1 56 76 930
<b>Current assets</b>			
Inventories	16	48 44 209	99 89 545
Trade Receivables	17	27 41 36 321	16 38 87 079
Cash and Bank balances	18	26 38 104	23 29 783
Short Term Loans and Advances	19	4 97 38 097	10 08 45 737
Other Current Assets	20	45 39 956	1 40 35 998
<b>TOTAL</b>		<b>80 92 87 257</b>	<b>74 17 28 185</b>

The Notes form an integral part of these financial statements 1 to 39

As per our Report of even date

**FOR AND ON BEHALF OF THE BOARD**

**FOR DHIRUBHAI SHAH & CO.,**

Chartered Accountants  
Firm Registration Number 102511W

**KIRAN B VADODARIA**  
Chairman & Mg. Director

**MANOJ B VADODARIA**  
Director

**HARISH B PATEL**

Partner  
Membership No.: 014427  
Place: Ahmedabad  
Date : 21st May, 2013

**N.R. MEHTA**  
Director  
Place: Ahmedabad  
Date : 21st May, 2013

**KAMALESH SHAH**  
Chief Finance Officer

## SAMBHAAV MEDIA LIMITED

### STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2013

	Note No.	Year Ended 31st March, 2013 (In ₹)	Year Ended 31st March, 2012 (In ₹)
<b>Revenue</b>			
Revenue from Operations	21	34 42 98 545	33 26 80 184
Other Income	22	1 40 65 949	1 19 31 402
<b>Total Revenue</b>		<b>35 83 64 494</b>	<b>34 46 11 586</b>
<b>Expenses</b>			
Cost of Materials Consumed	23	3 17 59 917	2 83 47 803
Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade	24	(51 769)	2 86 273
Employee Benefits Expense	25	3 29 34 231	2 77 80 301
Finance Costs	26	3 43 23 692	4 41 94 873
Depreciation and Amortization Expense	27	5 59 93 208	4 44 51 328
Other Expenses	28	16 98 41 657	16 77 73 803
<b>Total Expenses</b>		<b>32 48 00 936</b>	<b>31 28 34 381</b>
<b>Profit before Exceptional Items and Tax</b>		<b>3 35 63 558</b>	<b>3 17 77 205</b>
Exceptional items	29	31 01 815	1 27 93 320
<b>Profit before tax</b>		<b>3 04 61 743</b>	<b>1 89 83 885</b>
<b>Less : Tax expense:</b>			
Current tax		1 17 00 000	75 00 000
Deferred tax		26 57 150	39 80 763
<b>Profit for the year from Continuing Operations after tax</b>		<b>1 61 04 593</b>	<b>75 03 122</b>
Profit for the year from discontinuing operations		-	-
Tax Expense of discontinuing operations		-	-
<b>Profit from discontinuing operations after tax</b>		<b>-</b>	<b>-</b>
<b>Profit for the year</b>		<b>1 61 04 593</b>	<b>75 03 122</b>
<b>Earnings per equity share of ₹-1 each</b>			
Basic	32	<b>0.11</b>	0.05
Diluted		<b>0.11</b>	0.05

The Notes form an integral part of these financial statements

1 to 39

As per our Report of even date

FOR AND ON BEHALF OF THE BOARD

**FOR DHIRUBHAI SHAH & CO.,**

Chartered Accountants

Firm Registration Number 102511W

**HARISH B PATEL**

Partner

Membership No.: 014427

Place: Ahmedabad

Date : 21st May, 2013

**KIRAN B VADODARIA**

Chairman & Mg. Director

**N.R. MEHTA**

Director

Place: Ahmedabad

Date : 21st May, 2013

**MANOJ B VADODARIA**

Director

**KAMALESH SHAH**

Chief Finance Officer



# SAMBHAAV MEDIA LIMITED

## CASH FLOW STATEMENT

for the year ended 31st March, 2013

( In ₹ )

	As at 31st March 2013	As at 31st March 2012
<b>A. Cash flow from operating Activities</b>		
Net Profit/ (Loss) Before Tax and Extra Ordinary Items	3 04 61 743	1 89 83 885
Adjustments For:		
Depreciation	4 51 83 358	4 22 73 757
Decrease in the value of Investment	20 636	26 778
Interest & Financial Charges	3 43 23 692	4 41 94 872
Provision for Leave Encashment	-	25 757
Sundry Balance Written off	50 46 032	1 22 85 658
Foreign Exchange Fluctuation	(81 916)	5 12 178
Loss on sales of assets	(18 81 591)	6 499
Amortization of Patents & rights	30 000	30 000
Amortisation	1 07 79 850	21 47 571
<b>Less : Income</b>	(66 48 712)	(50 66 183)
Interest		
Prior period Depreciation	-	(2 132)
Excess Balance written Back	(26 512)	(3 735)
	8 67 44 838	9 64 31 020
<b>Operating profit before working capital changes</b>	<b>11 72 06 581</b>	11 54 14 905
Adjustment For:		
Decrease (Increase) Inventories	51 45 336	(18 52 842)
Decrease (Increase) Trade Receivables	(11 52 95 274)	2 26 87 309
Decrease (Increase) in Loans and Advances	7 93 86 819	(11 08 886)
Increasing / (Decreasing )Trade Payables & Other liabilities	4 11 64 976	16 58 183
Taxes Paid	(1 17 00 000)	(1 02 12 423)
	(12 98 143)	1 11 71 341
<b>Cash Generated from Operations</b>	<b>11 59 08 438</b>	12 65 86 246
<b>B Cash Flow from Investment Activities</b>		
Purchase of Fixed Assets	(9 55 57 489)	(4 31 07 638)
Investment Purchase	-	(1 00 000)
Interest received	66 48 712	50 66 183
<b>Net Cash Flow from Investment Activity</b>	<b>(8 89 08 777)</b>	(3 81 41 455)

**SAMBHAAV MEDIA LIMITED**

<b>C Cash Flow from Financial Activities:</b>		
Proceeds from Borrowings	76 32 353	(9 91 03 153)
Interest Paid	(3 43 23 692)	(4 41 94 872)
<b>Net Cash Flow from Financial Activities</b>	<b>(2 66 91 340)</b>	<b>(14 32 98 025)</b>
<b>Total of Cash Flow</b>	<b>3 08 321</b>	<b>(5 48 53 234)</b>
<b>Opening Cash &amp; Cash equivalent</b>	<b>23 29 783</b>	<b>5 71 83 017</b>
<b>Closing Cash &amp; Cash equivalent</b>	<b>26 38 104</b>	<b>23 29 783</b>

**Note:**

- 1 The cashflow statement has been prepared in accordance with the requirement of AS -3 " Cash flow statement" issued by the Institute of Chartered Accountants of India
- 2 Previous year's figures have been regrouped wherever necessary to confirm this year's classification.

As per our Report of even date

**FOR AND ON BEHALF OF THE BOARD**

**FOR DHIRUBHAI SHAH & CO.,**  
Chartered Accountants  
Firm Registration Number 102511W

**KIRAN B VADODARIA**  
Chairman & Mg. Director

**MANOJ B VADODARIA**  
Director

**HARISH B PATEL**  
Partner  
Membership No.: 014427

**N.R. MEHTA**  
Director

**KAMALESH SHAH**  
Chief Finance Officer

Place: Ahmedabad  
Date : 21st May, 2013

Place: Ahmedabad  
Date : 21st May, 2013



# SAMBHAAV MEDIA LIMITED

## NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March,2013

### Note 1: SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

#### Basis of preparation of financial statements

The accounts have been prepared on the basis of historical cost convention on the accrual basis of accounting in accordance with generally accepted accounting principle in India and are in compliance with the accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.

#### Revenue Recognition

Company follows mercantile system of accounting and recognizes significant items of income on accrual basis.

- 1) Sales of publications are recognized at the time of dispatch and stated net of trade discount.
- 2) Advertisement revenue is recognized on the basis of publication and stated net of trade discount.
- 3) Share of combined advertisement revenue received from and given to other publications of other companies are accounted on the basis of predetermined basis.
- 4) Sales of Out Of Home business are recognized at the time of display.
- 5) Interest income is recognized on the time proportion basis taking into account the amount outstanding and the applicable rate of interest.
- 6) Dividend income is recognized when the right to receive the dividend is established.

#### Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

#### Employee Benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Accounting Standard 15 Employee Benefits (Revised 2005) "Revised AS 15".

Contribution to provident fund and Pension fund scheme are paid in accordance with applicable statutes and deposited with the Regional Provident Fund Commissioner.

The company has defined benefit plans namely Gratuity for the employees, the liability for which is determined on the basis of an actuarial valuation at the year end by an independent actuary, liability, if any, is provided for in the books.

Actuarial Gains and Losses comprise of experience adjustments and the effects of changes in actuarial assumptions and are recognized immediately in the Profit and Loss Account as income or expense.

#### Inventories

- 1) Raw Materials & Stores and spares are valued at cost on FIFO basis. Newsprint & Printing Materials (including Ink and Plates) are valued at cost on FIFO basis.
- 2) Stores and spares issued to consuming departments during the year are treated as consumed.
- 3) Newsprint in the process of utilization and/or remaining with department at the year-end is included in the inventory at the close of accounting year.
- 4) Finished Goods are valued at Cost or Net Realizable Value whichever is lower.
- 5) Stock of Waste Paper is accounted at realizable value.

### **Sundry Debtors and Loans and Advances**

Sundry debtors and Loans and Advances are stated after making adequate provisions for doubtful balances. Some of the balances of Sundry Debtors, Sundry Creditors, Loans & Advances are subject to confirmation.

### **Fixed Assets**

Fixed Assets are stated at cost of acquisition/construction less accumulated depreciation and impairment losses, if any. Cost includes taxes, duties, freight and other incidental expenses related to acquisition/construction. Interest on borrowings, to finance acquisition of fixed assets during construction period is capitalized. Renewals and replacements are either capitalized or charged to revenue as appropriate, depending upon the nature of long-term utility of such renewals and/or replacement.

The development and erection expenses incurred in preparation of gantries, hoarding, kiosks, bus shelters PES etc. for outdoor advertisement purpose on the space/are licensed for use for specific periods are capitalized under the heading Hoarding/Gantries/Bus Shelters, PES etc.

### **Depreciation and Amortization**

Depreciation is provided on straight-line basis u/s 205 (2) (b) of the Companies Act, 1956, at the rates prescribed in the Schedule XIV of the said Act in respect of Fixed Assets lying and situated at "Head Office" and Mumbai" units of the Company.

In respect of assets of Aider Publication Pvt. Ltd. Merged Company, Depreciation is provided on written down value basis u/s 205 (2) (a) of the Companies Act, 1956 at the rates prescribed in schedule XIV of the said Act.

Depreciation on assets added / disposed-off during the year has been provided on pro-rata basis with reference to the month of addition/disposal.

Depreciation on hoardings and gantries owned by the company on SLM basis at the rate applicable to Building as provided under Schedule XIV of the Companies Act, 1956. Depreciation on such assets is provided on SLM basis at the rate as applicable to Plant & Machinery provided under Schedule XIV of the Companies Act on single shift basis

Patent Rights are amortized over a period of 12 years.

Assets such as Hoarding, Gantries, PES Project and Kiosks whose life is determined by contractual periods i.e. the license period, are written off over such period.

### **Impairment of Assets**

At each balance sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets suffered impairment loss. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

### **Investments**

Investments intended to be held for more than a year are classified as long term investment and all other investments are classified as current investments. Long term investments are stated at cost or market value whichever is less. The cost of Investment/Stock of Trade Securities includes brokerage and other expenses, if any

Current investments are stated at lower of cost and fair value on an individual investment basis.

A provision for diminution is made to recognize a decline, other than temporary, in the value of investments.



## **SAMBHAAV MEDIA LIMITED**

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### **Foreign Currency Transactions**

Foreign currency transactions during the period are recorded at the exchange rate prevailing on the date of transaction. Balances in form of current assets and current liabilities in foreign currency if any, outstanding at the close of the year, are converted in Indian currency at rates prevailing on the date of balance sheet.

Foreign currency assets and liabilities covered by forward contracts/derivatives are stated at the contracted rate, while those not covered by the contracts are restated at rates prevailing at the balance sheet date.

All exchange differences are dealt with in the profit and loss account.

### **Taxes On Income**

Provision for tax is made for current taxes. Current tax is provided on the taxable income using the applicable tax rates and tax laws.

Deferred tax resulting from "timing differences" between accounting and taxable profit for the period is accounted for using the tax rates and laws that have been enacted or substantively enacted as at the balance sheet date.

Deferred tax assets is recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such assets can be realized.

### **Provisions, Contingent liabilities and Contingent Assets**

Provision is recognized when an enterprise has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimate.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each balance sheet date.

### **Borrowing Costs**

Interest and other borrowing cost attributable to qualifying assets are capitalized. Other interest and borrowing cost are charged to revenue.



## SAMBHAAV MEDIA LIMITED

### Note: 2 SHARE CAPITAL

Particulars	As at 31st March, 2013 ( In ₹ )	As at 31st March, 2012 ( In ₹ )
<b>AUTHORISED</b>		
20,00,00,000 Equity Shares of ₹1/- each (P.Y. 20,00,00,000)	20 00 00 000	20 00 00 000
	<u>20 00 00 000</u>	<u>20 00 00 000</u>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
9,64,28,000 equity Shares of ₹ 1/- each fully paid up [P.Y.9,64,28,000 equity Shares of ₹ 1/- each fully paid up] including 2,87,60,000 equity Shares of ₹ 1/- each fully paid up [P.Y. 2,87,60,000 Equity Shares of ₹ 1/- each fully paid up] issued to the shareholders of amalgamated company Samvaad Communication Limited pursuant to scheme of Amalgamation without payment being received in cash.	9 64 28 000	9 64 28 000
3,64,00,040 Equity Shares of ₹ 1/- each fully paid up [P.Y.3,64,00,040 Equity Shares of ₹ 1/- each issued as fully paid up] to the shareholders of amalgamated companies M/s.Abhiyaan Press and Publication Pvt. Ltd. and M/s.Aider Publishers Pvt. Ltd. pursuant to Scheme of Amalgamation without payment being received in cash.	3 64 00 040	3 64 00 040
1,32,82,800 Equity Shares of ₹ 1/- each fully paid up issued to the person other than Promoter on preferential basis.	<u>1 32 82 800</u>	<u>1 32 82 800</u>
<b>Total</b>	<u>14 61 10 840</u>	<u>14 61 10 840</u>

2.1 Reconciliation of the number of shares outstanding: Nil

As the Company has not issued or bought back any equity or preference shares during the year.

2.2 Details of Shareholders holding more than 5% shares:

Name of the Shareholder	As at 31st March 2013		As at 31st March 2012	
	No. of Shares	% Holding	No. of Shares	% Holding
Kiran B Vadodaria	2 48 26 935	16.99%	2 31 88 320	15.87%
Manoj B Vadodaria	1 12 35 376	7.69%	1 12 35 376	7.69%
Shailesh B Vadodaria	81 89 650	5.60%	81 89 650	5.60%
Bhupatbhai C Vadodaria	-	-	1 26 56 000	8.66%
Nila M Vadodaria	1 53 69 020	10.52%	1 53 69 020	10.52%
Alpa K Vadodaria	1 43 35 700	9.81%	-	-
Digivision Holding Pvt Ltd	1 32 82 800	9.09%	1 32 82 800	9.09%

2.3 The Company has only one class of equity shares having a par value of ₹ 1/- per share. Each Shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

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

## SAMBHAAV MEDIA LIMITED

### Note: 3 RESERVES AND SURPLUS

	As at 31st March, 2013 ( In ₹ )	As at 31st March, 2012 ( In ₹ )
<b>CAPITAL RESERVE</b>		
As per last Balance Sheet	2 28 011	2 28 011
<b>SECURITIES PREMIUM ACCOUNT</b>		
As per last Balance Sheet	11 95 45 200	11 95 45 200
<b>REVALUATION RESERVE</b>		
As per last Balance Sheet	7 97 88 149	-
Less : Transfer to General Reserve	(44 97 929)	-
<b>Closing Balance</b>	<b>7 52 90 220</b>	7 97 88 149
<b>GENERAL RESERVE</b>		
As per last Balance Sheet	12 07 14 428	11 32 11 306
Add: 1.) Transfer from Revaluation Reserve	44 97 929	-
Add: 2 ) Current Year Transfer	1 61 04 593	75 03 122
<b>Closing Balance</b>	<b>14 13 16 950</b>	12 07 14 428
<b>SURPLUS</b>		
As per last Balance Sheet		
Add: Net Profit/(Net Loss) For the current year	1 61 04 593	75 03 122
Less: Transfer to General Reserve	1 61 04 593	75 03 122
<b>Closing Balance</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>33 63 80 381</b>	<b>32 02 75 788</b>

#### 3.1 Appropriation out of Balance in Profit and Loss Account:

There is no appropriation out of Profit and Loss Account for the year/previous year.

### Note: 4 LONG TERM BORROWINGS

	As at 31st March, 2013 ( In ₹ )	As at 31st March, 2012 ( In ₹ )
<b>SECURED</b>		
Term Loans		
From Banks (**) (#) (***)	9 59 11 004	8 97 00 467
Vehicle Loan from Financial Institution (***)	3 30 311	5 31 842
<b>Total</b>	<b>9 62 41 315</b>	<b>9 02 32 309</b>

#### 4.1 Terms of Repayment - Term Loans

Name of Institutions	Instruments	Repayment Schedule			First Installment due
		Frequency	Number of Installment	Rate of Interest %	
Dena Bank	Term Loan	Monthly	54	15.25	31/07/2009
Dena Bank	Term Loan	Monthly	54	15.25	31/03/2010
Dena Bank	Term Loan	Quarterly	24	13.75	01/01/2009
Dena Bank	Term Loan	Monthly	54	15.25	31/07/2009
Dena Bank	Term Loan	Monthly	54	13.30	22/07/2013

- 4.2 \*\* Against hypothecation of Plant & Machinery and Other Fixed Assets & against assignment of hoarding rights.  
 # Against other collateral securities & personal guarantees given by Directors & Others  
 \*\*\* Against Hypothecation of Cars.

#### Note: 5 DEFERRED TAX LIABILITY

		As at 31st March 2013 ( In ₹ )		As at 31st March 2012 ( In ₹ )
<b>Deferred Tax Liability</b>				
Arising on Account of Timing Difference				
Depreciation	1 77 65 809	1 77 65 809	1 53 79 578	1 53 79 578
<b>Deferred Tax Assets</b>				
Arising on Account of Timing Difference				
Bonus	1 65 526		71 265	
Leave Encashment	2 66 419		3 01 373	
Others	18 568		3 48 794	
		4 50 513		7 21 432
<b>TOTAL</b>		<b>1 73 15 296</b>		<b>1 46 58 146</b>

- 5.1. The determination of Deferred Tax Liabilities in terms of AS-22 relating to accounting for Taxes on Income as Issued by Institute of Chartered Accountants of India is provided.
- 5.2. Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.

#### Note: 6 OTHER LONG TERM LIABILITIES

	As at 31st March 2013 ( In ₹ )	As at 31st March 2012 ( In ₹ )
Trade Payables	74 47 201	66 28 542
Advance Received from Customers	7 99 911	1 29 028
Security Deposits	49 07 448	49 70 778
<b>TOTAL</b>	<b>1 31 54 560</b>	<b>1 17 28 348</b>



## SAMBHAAV MEDIA LIMITED

### Note: 7 LONG TERM PROVISIONS

	As at 31st March 2013 ( In ₹ )	As at 31st March 2012 ( In ₹ )
<b>Provision for Employee Benefits:</b>		
Gratuity	10 66 982	10 17 800
Leave Encashment	8 21 139	9 28 875
Others (Unpaid Bonus and Salary)	58 511	44 193
<b>TOTAL</b>	<b>19 46 632</b>	<b>19 90 868</b>

### Note: 8 SHORT TERM BORROWINGS

	As at 31st March 2013 ( In ₹ )	As at 31st March 2012 ( In ₹ )
<b>Secured</b>		
Loans repayable on demand from banks		
Cash Credit A/c-Dena Bank (*) (#)	3 06 18 176	2 89 94 830
WCDL- Dena Bank (#)	9 00 00 000	9 00 00 000
<b>Total</b>	<b>12 06 18 176</b>	<b>11 89 94 830</b>

8.1 \* Against hypothecation of Stock and Book Debts.

# Against other collateral securities & personal guarantees given by Directors & Others

### Note: 9 TRADE PAYABLES

	As at 31st March 2013 ( In ₹ )	As at 31st March 2012 ( In ₹ )
Micro, Small and Medium Scale Industries	-	-
Others	4 18 03 213	2 97 85 333
<b>Total</b>	<b>4 18 03 213</b>	<b>2 97 85 333</b>

9.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under:

	As at 31st March 2013 ( In ₹ )	As at 31st March 2012 ( In ₹ )
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## SAMBHAAV MEDIA LIMITED

### Note: 10 OTHER CURRENT LIABILITES

	As at 31st March 2013 ( In ₹ )	As at 31st March 2012 ( In ₹ )
<b>Other Payables :</b>		
Advances received from Customers	31 10 819	15 88 789
Statutory dues	1 25 87 021	27 18 635
Interest Accrue & Due	10 55 007	24 19 937
<b>Total</b>	<b>1 67 52 847</b>	<b>67 27 361</b>

### Note: 11 SHORT TERM PROVISIONS

	As at 31st March 2013 ( In ₹ )	As at 31st March 2012 ( In ₹ )
Provision for Employee Benefit	6 10 712	2 89 483
Provision for Expenses	1 83 53 285	9 34 879
<b>Total</b>	<b>1 89 63 997</b>	<b>12 24 362</b>

**Note: 12 FIXED ASSETS**

(In ₹)

	Gross Block		Accumulated Depreciation			Net Block		
	Opening Balance As at 1 April 2012	additions/ (Disposals)	As at 31 March 2013	Balance As at 1 April 2012	Depreciation Charge for the Year	Adjustment/ Deduction	As at 31 March 2013	As at 31 March 2012
<b>Fixed Assets</b>								
<b>Tangible Assets</b>								
Land	11 51 34 467	3 16 82 866	14 68 17 333	-	-	-	14 68 17 333	11 51 34 467
Assets under lease (lease hold land)	-	-	-	-	-	-	-	-
Buildings	5 28 04 238	-	5 28 04 238	1 01 47 961	9 65 572	-	4 16 90 705	4 26 56 277
Land & Building	5 26 04 589	-	5 26 04 589	88 09 888	8 57 455	-	4 29 37 246	4 37 94 701
Plant and Machinery	5 66 99 519	6 04 639	5 73 04 218	3 24 10 589	38 83 647	-	2 10 09 982	2 42 88 930
Plant and Machinery -Wise TV	-	79 88 199	79 88 199	-	4 65 976	-	75 22 223	-
Furniture and Fixtures	3 07 52 566	-	3 07 52 566	1 83 04 676	13 10 491	-	1 11 37 399	1 24 47 890
Office Equipments	2 39 12 869	10 32 293	2 49 45 162	1 80 22 427	12 34 474	8 185	56 96 446	58 90 442
Vehicle	1 09 69 745	4 06 267	1 13 76 012	63 98 557	7 58 950	3 36 588	45 55 093	45 71 188
OOH Properties(Contractual)	21 14 28 887	-	21 14 28 887	14 02 77 970	2 85 53 766	-	4 25 95 151	8 54 30 829
OOH Properties(Owned)	4 71 13 923	(12 66 716)	4 58 47 207	71 03 430	20 98 745	1 83 612	3 68 28 644	2 57 28 581
PES Project (Wise TV)	-	8 72 89 156	8 72 89 156	-	50 54 282	-	8 22 34 874	-
<b>Total</b>	<b>60 14 18 803</b>	<b>12 77 36 764</b>	<b>72 91 55 567</b>	<b>24 14 75 498</b>	<b>4 51 83 358</b>	<b>5 28 385</b>	<b>44 30 25 096</b>	<b>35 99 43 305</b>
<b>Intangible Assets</b>								
Patent Rights	60 000	(30 000)	30 000	-	-	-	30 000	60 000
Trade Marks	42 000	(42 000)	-	-	-	-	-	42 000
<b>Total</b>	<b>1 02 000</b>	<b>(72 000)</b>	<b>30 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30 000</b>	<b>102 000</b>
<b>Capital Work in Progress</b>	4 37 33 821	(4 15 63 919)	21 69 902	-	-	-	21 69 902	4 37 33 821
<b>Total</b>	<b>64 52 54 624</b>	<b>8 61 00 845</b>	<b>73 13 55 469</b>	<b>24 14 75 498</b>	<b>4 51 83 358</b>	<b>5 28 385</b>	<b>44 52 24 998</b>	<b>40 37 79 126</b>
Previous Year's Total	62 48 38 759	2 04 15 866	64 52 54 624	22 18 89 147	4 22 73 757	2 26 87 406	40 37 79 126	40 29 49 612

## SAMBHAAV MEDIA LIMITED

Note: 12.1 Revaluation of Fixed Assets (In ₹)

Name of Assets	Year in which Revaluation took Place	Amount Revalued
Land	2010-11	7 97 88 149

There has been no revaluation of Fixed Assets preceding the F.Y. 2006-07 to 2009-10

### Note: 13 NON CURRENT INVESTMENTS

	As at 31st March 2013 (In ₹)	As at 31st March 2012 (In ₹)
<b>Investment in Equity Instruments ( at Cost)</b>		
<b>In fully paid shares</b>		
<b>Quoted:</b>		
1. 28,800 Shares of Gujarat State Financial Corporation Ltd (Market Value ₹ 2.48 per share)	4 31 000	4 31 000
2. 625 shares of Rama News Print & Paper Ltd (Market Value ₹ 7.79 per share)	25 000	25 000
<b>Total Quoted Investment</b>	<b>4 56 000</b>	<b>4 56 000</b>
<b>Less: Provision for Diminution in the Value</b>	<b>4 00 343</b>	<b>3 79 707</b>
<b>Total Quoted Investment(Net)</b>	<b>55 657</b>	<b>76 293</b>
<b>Unquoted</b>		
1. Asian Fertilizer Ltd. (25,000 Shares of ₹ 10/- each fully paid up)	25 000	25 000
2. Ojas Technochem Ltd. (Shares of ₹ 10/- each fully paid up)	200	200
3. Kanaiya Foods Ltd. (100 Shares of ₹ 10/- each fully paid up)	100	100
4. The Kalupur Commercial Co-Op. Bank Ltd. (500 Shares of ₹ 25/- each fully paid)	12 500	12 500
5. Shri Laxmi Co-op. Bank Ltd. (100 Shares of ₹ 10/- each fully paid)	1 000	1 000
6. Shamrao Vitthal Co.-op. Bank Ltd. (2500 Shares of ₹ 10/- each fully paid up)	25 000	25 000
<b>Wholly Owned Subsidiary.</b>		
Ved Technoserve India Private Limited (10000 shares of ₹ 10/- fully paid up)	1 00 000	1 00 000
<b>Total Unquoted Investment</b>	<b>1 63 800</b>	<b>1 63 800</b>
<b>Total</b>	<b>2 19 457</b>	<b>2 40 093</b>



## SAMBHAAV MEDIA LIMITED

### Note: 14 LONG TERM LOANS AND ADVANCES

	As at 31st March 2013 ( In ₹ )	As at 31st March 2012 ( In ₹ )
<b>Unsecured &amp; considered good</b>		
1. Long Term Advances	85 43 660	106 68 750
Income Tax Advances (Net of Income Tax Provisions)		
2. Security Deposits Considered Good	1 91 41 179	2 00 09 198
3. Loans & Advances to Parties	70 94 613	73 60 559
<b>Less:</b> Provision for Doubtful Loans & Advances	70 94 613	70 94 613
Total (Net) Considered Good	-	2 65 946
<b>Total</b>	<b>2 76 84 839</b>	<b>3 09 43 894</b>

### Note : 15 OTHER NON-CURRENT ASSETS

	As at 31st March 2013 ( In ₹ )	As at 31st March 2012 ( In ₹ )
Pre Operative Expenses	-	1 54 15 654
Others	2 61 276	2 61 276
<b>Total</b>	<b>2 61 276</b>	<b>1 56 76 930</b>

**Note 15.1** As per the Prudent Accounting Practices related to Booking of Pre-Operative Expenses after the Commencement of Actual Project, the accumulated Expenses as on the day of Commencement of Project i.e. PES Project, has been Capitalised to the Captioned Project Cost.

### Note: 16 INVENTORIES

	As at 31st March 2013 ( In ₹ )	As at 31st March 2012 ( In ₹ )
Raw Materials		
Raw Material & Components (Valued at Cost)	39 38 346	82 70 423
Goods-in Transit (News Print)	-	11 02 532
<b>Total</b>	<b>39 38 346</b>	<b>93 72 955</b>
Finished goods	2 86 165	2 56 374
Waste Paper	25 721	3 743
Stores and spares (Valued at Cost)	5 93 977	3 56 473
<b>Total</b>	<b>9 05 863</b>	<b>6 16 590</b>
<b>Total</b>	<b>48 44 209</b>	<b>99 89 545</b>



## SAMBHAAV MEDIA LIMITED

### Note 16.1 DETAILS OF RAW MATERIALS

	As at 31st March 2013 ( In ₹ )	As at 31st March 2012 ( In ₹ )
<b>Imported:</b>		
Newsprint	29 06 858	19 06 589
Goods in Transit(Newsprint)	-	11 02 532
<b>Indigenous:</b>		
Newsprint	10 31 488	63 63 834
Stores & Spares	5 93 977	3 56 473
<b>Total</b>	<b>45 32 323</b>	<b>97 29 428</b>

### Note 16.2 DETAILS OF FINISHED GOODS

	As at 31st March 2013 ( In ₹ )	As at 31st March 2012 ( In ₹ )
Finished Goods	2 86 165	2 56 374
Waste Paper	25 721	3 743
<b>Total</b>	<b>3 11 886</b>	<b>2 60 117</b>

### Note: 17 TRADE RECEIVABLES

	As at 31st March 2013 ( In ₹ )	As at 31st March 2012 ( In ₹ )
1. Outstanding for a period exceeding 6 months from the date they are due for payment		
Considered Good	11 20 29 831	6 31 37 769
Considered Doubtful	-	-
Total	11 20 29 831	6 31 37 769
<b>Less: Provision for doubtful debts</b>	-	-
Total	11 20 29 831	6 31 37 769
2.Outstanding for a period less than six months		
Considered Good	16 21 06 490	10 07 49 310
<b>Total</b>	<b>27 41 36 321</b>	<b>16 38 87 079</b>

### Note: 18 CASH AND BANK BALANCES

	As at 31st March 2013 ( In ₹ )	As at 31st March 2012 ( In ₹ )
<b>Cash &amp; Cash equivalents</b>		
Balance With Banks		
Current Accounts	12 63 467	3 74 047
Total	<u>12 63 467</u>	<u>3 74 047</u>
Cash on Hand	2 10 437	1 23 047
<b>Other Bank Balances</b>		
Margin Money	11 64 200	18 32 689
<b>Total Balance with Bank</b>	<b>26 38 104</b>	<b>23 29 783</b>



## SAMBHAAV MEDIA LIMITED

### Note: 19 SHORT TERM LOANS & ADVANCES

	As at 31st March 2013 ( In ₹ )	As at 31st March 2012 ( In ₹ )
<b>Unsecured &amp; considered good</b>		
a) Due from Subsidiary	50 171	39 000
b) Earnest Money Deposit	-	73 27 719
c) Advances to other parties	4 80 50 453	6 70 28 168
d) Advances given to suppliers	16 37 473	-
e) Capital Advances	-	2 64 50 850
<b>Total</b>	<b>4 97 38 097</b>	<b>10 08 45 737</b>

Note 19.1 : Advances given to related parties are recoverable on demand.

### Note: 20 OTHER CURRENT ASSETS

	As at 31st March 2013 ( In ₹ )	As at 31st March 2012 ( In ₹ )
Prepaid Expenses	45 39 956	1 18 88 427
Pre-Operative Expenses	-	21 47 571
<b>Total</b>	<b>45 39 956</b>	<b>1 40 35 998</b>

### Note: 21 REVENUE FROM OPERATIONS

	Year Ended 31st March 2013 ( In ₹ )	Year Ended 31st March 2012 ( In ₹ )
Sale of products	12 34 06 068	18 25 93 625
Sale of Services	22 08 92 477	15 00 14 424
Other Operating Revenue	-	72 135
<b>Total</b>	<b>34 42 98 545</b>	<b>33 26 80 184</b>

### Note: 22 OTHER INCOME

	Year Ended 31st March 2013 ( In ₹ )	Year Ended 31st March 2012 ( In ₹ )
Interest Income	66 48 712	50 66 183
Rent Income	64 34 437	60 46 197
Other non-operating income	9 82 800	8 19 022
<b>Total</b>	<b>1 40 65 949</b>	<b>1 19 31 402</b>

### Note: 23 COST OF MATERIALS CONSUMED

	Year Ended 31st March 2013 ( In ₹ )	Year Ended 31st March 2012 ( In ₹ )
Opening Stock	86 26 896	75 90 313
Purchases	2 76 65 344	2 93 84 386
<b>Less: Closing Stock</b>	<b>45 32 323</b>	<b>86 26 896</b>
<b>Total</b>	<b>3 17 59 917</b>	<b>2 83 47 803</b>

## SAMBHAAV MEDIA LIMITED

### Note: 23.1 CONSUMPTION OF RAW MATERIALS

	2012-13 (In ₹)		2011-12 (In ₹)	
		%		%
<b>Newsprints</b>				
Imported	1 07 91 079	44	1 27 37 689	59
Indigenous	1 38 77 095	56	87 78 692	41
<b>Total Newsprint</b>	<b>2 46 68 174</b>	<b>100</b>	<b>2 15 16 381</b>	<b>100</b>
<b>Others</b>				
Imported	-	-	-	-
Indigenous	70 91 743	100	68 31 422	100
<b>Total Others</b>	<b>70 91 743</b>	<b>100</b>	<b>68 31 422</b>	<b>100</b>
<b>Total</b>	<b>3 17 59 917</b>		<b>2 83 47 803</b>	

### Note: 24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE

	Year Ended 31st March 2013 (In ₹)	Year Ended 31st March 2012 (In ₹)
Inventories as at close	3 11 886	2 60 117
<b>Less: Inventories as at commencement</b>	<b>2 60 117</b>	<b>5 46 390</b>
<b>Total</b>	<b>51 769</b>	<b>(2 86 273)</b>

### Note 24.1 DETAILS OF FINISHED GOODS

	Year Ended 31st March 2013 (In ₹)	Year Ended 31st March 2012 (In ₹)
Magazine	2 86 165	2 56 374
Waste Paper	25 721	3 743
<b>Total</b>	<b>3 11 886</b>	<b>2 60 117</b>

### Note: 25 EMPLOYEE BENEFIT EXPENSES

	Year Ended 31st March 2013 (In ₹)	Year Ended 31st March 2012 (In ₹)
<b>Employee Benefit Expenses</b>		
Salary & Wages	3 14 30 753	2 67 41 888
Contribution to Provident & Other Funds	8 44 762	5 47 399
Staff welfare Expenses	6 58 716	4 91 014
<b>Total</b>	<b>3 29 34 231</b>	<b>2 77 80 301</b>

## SAMBHAHV MEDIA LIMITED

25.1 As per Accounting Standard 15 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below:

### Defined Benefit Gratuity & Leave Encashment Plan:

( In ₹ )

Changes in present value of obligations	2012-13	2012-13	2011-12	2011-12
	(Gratuity)	(leave Encashment)	(Gratuity)	(Leave Encashment)
Present value of Obligations as at the beginning of the year	10 17 800	9 28 875	11 06 514	9 03 816
Current Service Cost	74 242	44 041	92 602	56 683
Interest Cost	81 424	74 310	88 521	72 305
Benefit Paid	1 58 654	-	48 375	41 037
Actuarial Losses / (Gains) on obligations	52 170	(2 26 087)	(2 21 462)	(62 892)
Present value of Obligations as at the end of the year	10 66 982	8 21 139	10 17 800	9 28 875

( In ₹ )

Amounts to be recognised in the Balance sheet and Profit and Loss Account	2012-13	2012-13	2011-12	2011-12
	(Gratuity)	(leave Encashment)	(Gratuity)	(Leave Encashment)
Present value of obligation as at end of the year	10 66 982	8 21 139	10 17 800	9 28 875
Fair Value of Plan assets as at the end of the year	3 33 909	-	2 86 276	-
Benefits Paid during the year	1 58 654	-	48 375	41 037
Funded Status	3 33 909	-	2 86 276	-
Net Asset / (Liability) recognised in the Balance Sheet	(7 33 073)	(8 21 139)	(7 31 524)	(9 28 875)

( In ₹ )

Expenses recognized in the Profit and Loss Account	2012-13	2012-13	2011-12	2011-12
	(Gratuity)	(leave Encashment)	(Gratuity)	(Leave Encashment)
Service Cost	74 242	44 041	92 602	56 683
Interest Cost	81 424	74 310	88 521	72 305
Expected return on Plan Assets	-	-	-	-
Net Actuarial Losses / (Gains) on Plan Assets for the period	52 170	(2 26 087)	(2 21 462)	(62 892)
Expenses recognised in Profit and Loss account	2 07 836	(1 07 736)	(40 339)	66 096

### Assumptions:

( In ₹ )

	2012-13	2012-13	2011-12	2011-12
	(Gratuity)	(leave Encashment)	(Gratuity)	(Leave Encashment)
Mortality	LIC (1994-96) Ult	LIC (1994-96) Ult	LIC (1994-96) Ult	LIC (1994-96) Ult
Discount rate (per annum)	8.00%	8.00%	8.00%	8.00%
Rate of increase in compensation	5.00%	5.00%	5.00%	5.00%
Expected Return on Plan Assets	8.59%	-	-	-

## SAMBHAAV MEDIA LIMITED

### Note: 26 FINANCE COST

	Year Ended 31st March 2013 ( In ₹ )	Year Ended 31st March 2012 ( In ₹ )
Interest expense	2 87 83 598	4 03 30 555
Other borrowing costs	56 22 010	33 52 140
Applicable net gain/loss on foreign currency transactions and translation	(81 916)	5 12 178
<b>Total</b>	<b>3 43 23 692</b>	<b>4 41 94 873</b>

### Note: 27 DEPRECIATION AND AMORTIZATION EXPENSES

	Year Ended 31st March 2013 ( In ₹ )	Year Ended 31st March 2012 ( In ₹ )
Depreciation	4 51 83 358	4 22 73 757
Amortisation Expenses	1 08 09 850	21 77 571
<b>Total</b>	<b>5 59 93 208</b>	<b>4 44 51 328</b>

### Note: 28 OTHER EXPENSES

	Year Ended 31st March 2013 ( In ₹ )	Year Ended 31st March 2012 ( In ₹ )
Electricity, Power & Fuel	81 37 435	83 13 606
Repairs to Building	8 02 760	6 51 273
Repairs to Machinery	76 98 940	14 31 451
Repairs & Maintenance (Bus Shelter)	42 24 636	45 97 465
Repairs to Others	11 32 586	2 10 363
Annual Maintenance Charges-PES	97 47 540	-
Selling & Distribution Expenses	94 45 341	27 11 936
Brokerage & Commission	1 38 45 750	75 89 976
Rates and taxes	23 73 144	34 08 329
Insurance	10 53 564	6 90 252
Legal and Professional Fees	45 77 255	36 08 865
Content Cost	33 01 203	-
Payments to Auditors	2 95 975	2 59 369
Flex & Mounting Charges	48 58 519	69 90 249
License Expenses	8 01 26 945	11 06 29 932
Publication Printing Charges	68 56 702	74 99 960
Misc. Expenses	1 13 63 362	91 80 777
<b>Total</b>	<b>16 98 41 657</b>	<b>16 77 73 803</b>

### Note: 29 EXCEPTIONAL ITEMS - INCOME / (EXPENSES) (NET)

	Year Ended 31st March 2013 ( In ₹ )	Year Ended 31st March 2012 ( In ₹ )
Loss /(Profit) on sale of Assets	(18 81 591)	6 499
Prior Period Expenses / (Income)	(36 114)	5 04 898
Sundry Balance Written off	50 46 032	1 22 85 658
Provision written off (Back)	(26 512)	(3 735)
<b>Total</b>	<b>31 01 815</b>	<b>1 27 93 320</b>



## SAMBHAAV MEDIA LIMITED

### Note: 30 PAYMENT TO AUDITORS AS:

	Year Ended 31st March 2013 (In ₹)	Year Ended 31st March 2012 (In ₹)
Statutory Audit Fees	2 24 720	2 00 000
Tax Audit Fees	28 090	25 000
Other Services	43 165	34 369
<b>Total</b>	<b>2 95 975</b>	<b>2 59 369</b>

### Note: 31 C.I.F. VALUE OF IMPORTS, EXPENDITURE AND EARNINGS IN FOREIGN CURRENCY

	Year Ended 31st March 2013 (In ₹)	Year Ended 31st March 2012 (In ₹)
<b>Expenditure in Foreign Currencies:</b>		
C.I.F. Value of Imports :		
Newsprint	1 13 93 399	1 08 64 000
Capital Goods	-	-
<b>Earnings in Foreign Currencies:</b>		
Sales of Periodicals	-	-

### Note: 32 EARNINGS PER SHARE (EPS)

	As at 31st March 2013 (In ₹)	As at 31st March 2012 (In ₹)
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (In. ₹)	1 61 04 593	75 03 122
Weighted Average number of equity shares used as denominator for calculating EPS	14 61 10 840	14 61 10 840
Basic and Diluted Earnings per share (₹)	0.11	0.05
Face Value per equity share (₹)	1.00	1.00

### Note: 33 CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF:

	As at 31st March 2013 (In ₹)	As at 31st March 2012 (In ₹)
Income tax Demands for A.Y 2005-06 - matter under appeal	11 44 739	11 44 739

**Note: 34** Estimated amount of contract remaining to be executed on Capital Account (net of advance payment) ₹ 83 69 055/- (previous year Rs.3 53 01 401/-).

### Note: 35 RELATED PARTY INFORMATION

(A) Name of related party and nature of relationship

**Subsidiary**

Ved Technoserve India Private Limited (Formerly Known as Sambhaav Infosolutions Pvt. Ltd)

**Key Managerial Personnel**

Kiran.B. Vadodaria  
Manoj. B. Vadodaria

**Other Related Parties where control exists**

Nila Infrastructures Ltd.

## SAMBHAAV MEDIA LIMITED

### (B) TRANSACTIONS WITH RELATED PARTY

Name of Related Party	Nature of Transaction	As at 31st March 2013 (In ₹)	As at 31st March 2012 (In ₹)
Nila Infrastructures Ltd	Advance towards Capital Item	-	3 00 00 000
	Purchase/capital Item	3 45 04 000	-
	Sales Job-work	19 688	1 44 073
	Sales Trading Activity	51 31 538	-
	Rent Received	4 77 876	4 69 103
	Expense Reimbursement	-	79 856
	Others	-	-
	Advance Received	1 50 00 000	3 00 00 000
	Advance Given	1 50 00 000	3 00 00 000
Ved Technoserve India Private Limited	Investment in Shares	-	1 00 000
	Expenses Reimbursement	11 071	39 000
Kiran B Vadodaria	Director Remuneration	12 00 000	12 00 000
	Perquisites Paid	2 39 234	1 70 313

(C) Related party relationship is as identified by the Company on the basis of information available with them and relied upon by the Auditors

### Note: 36 SEGMENT INFORMATION :

- (I) The Company is engaged in business of printing and publishing of newspaper and periodicals and also of Outdoor Advertising. These business are considered as primary segments. In determining the revenue results, the identifiable segment revenues and expenses are allocated in relation to the operating activities of the segment and common expenditure is allocated on a reasonable basis. Likewise, the assets and liabilities also have been allocated on the basis of relationship to the operating activities.
- (II) The Company operates mainly within Gujarat and does not have operation in Economic environments with different risk and returns. Hence it is considered as operating in single geographical environment.

# SAMBHAAV MEDIA LIMITED

( ₹ in Lacs )

Particulars	Year 2012 -2013			Year 2011 -2012		
	Print Media	Out Door Media	Total	Print Media	Out Door Media	Total
<b>Revenue</b>						
External Revenue	1234.07	2208.92	3442.99	1825.94	1500.86	3326.80
Intersegment Revenue						
<b>Total Revenue</b>	<b>1234.07</b>	<b>2208.92</b>	<b>3442.99</b>	1825.94	1500.86	3326.80
<b>RESULT</b>						
Segment Result	609.85	129.14	738.99	1233.57	-709.25	524.32
Less : Unallocable Other Expenditure	-	-	586.52	-	-	450.81
Add: Unallocable Other Income	-	-	152.15	-	-	116.33
<b>Profit before Taxation</b>	-	-	<b>304.62</b>	-	-	189.84
<b>OTHER INFORMATION</b>						
Segment Assets	1449.04	3573.02	5022.06	1544.23	2847.65	6566.29
Unallocable Assets	-	-	3070.81	-	-	3025.40
<b>Total Assets</b>	-	-	<b>8092.87</b>	-	-	9591.69
Segment Liabilities	290.48	2498.15	2788.63	295.46	2010.75	2306.21
Unallocable Liabilities	-	-	479.33	-	-	447.20
<b>Total Liabilities</b>	-	-	<b>3267.96</b>	-	-	2753.41
<b>Capital Expenditure</b>						
Segment Capital Expenditure	6.05	952.88	958.83	8.52	38.10	967.35
Unallocable Capital Expenditure	-	-	385.85	-	-	26.98
<b>Total Capital Expenditure</b>	-	-	<b>1344.68</b>	-	-	994.33
<b>Depreciation</b>						
Segment Depreciation	38.84	361.72	400.56	40.89	331.74	441.45
Unallocable Depreciation	-	-	51.27	-	-	50.11
<b>Total Depreciation</b>	-	-	<b>451.83</b>	-	-	491.56

**Note: 37** Significant Accounting Policies followed by the Company are as stated in the statement annexed to this schedule as Annexure I.

**Note: 38** The Company had incorporated a wholly owned subsidiary namely "Ved Technoserve India Private Limited" (Formerly known as "Sambhaav Infosolutions Pvt Ltd") wherein no transaction has taken place in the FY 2012-2013.

**Note: 39** Previous year's figures have been regrouped wherever necessary.

As per our Report of even date

**FOR AND ON BEHALF OF THE BOARD**

**FOR DHIRUBHAI SHAH & CO.,**  
Chartered Accountants  
Firm Registration Number 102511W

**KIRAN B VADODARIA**  
Chairman & Mg. Director

**MANOJ B VADODARIA**  
Director

**HARISH B PATEL**  
Partner  
Membership No.: 014427  
Place: Ahmedabad  
Date : 21st May, 2013

**N.R. MEHTA**  
Director

**KAMALESH SHAH**  
Chief Finance Officer

Place: Ahmedabad  
Date : 21st May, 2013





# SAMBHAAV MEDIA LIMITED

## SAMBHAAV MEDIA LIMITED

**Registered. Office :** "Sambhaav House", Opp. Chief Justice's Bungalow, Bodakdev, Ahmedabad - 380 015.

### PROXY

I/We \_\_\_\_\_ Folio/DPID \_\_\_\_\_ Of \_\_\_\_\_ being a Member/s of Sambhaav Media Limited, Ahmedabad hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to vote for me/us and on my/our behalf at the **23<sup>rd</sup> Annual General Meeting** of the Company to be held on **Saturday the 6th July, 2013 at 10.30 a.m** at Registered Office and any adjournment thereof .

Affix a Revenue Stamp of Re.1/-

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

Signature(s) of Member(s)  
Across the Revenue Stamp

**NOTE:** The Proxy must be deposited at the Registered Office of the Company, not less than 48 hours before the time fixed for the meeting.

## SAMBHAAV MEDIA LIMITED

**Registered. Office:** "Sambhaav House", Opp. Chief Justice's Bungalow, Bodakdev, Ahmedabad - 380 015.

### ATTENDANCE SLIP

(Please complete this Attendance Slip and hand it over at the entrance of the Hall.)

I hereby record my presence at the **23<sup>rd</sup> Annual General Meeting** of the Company held on **Saturday the 6th July, 2013 at 10.30 p.m** at "Sambhaav House" Bodakdev, Ahmedabad-380 015.

Folio/DPID/Client ID No. \_\_\_\_\_ No. of Shares held: \_\_\_\_\_

Full Name of the Shareholder/Proxy: \_\_\_\_\_

Signature of Shareholder/Proxy: \_\_\_\_\_

**NOTE:** Only Shareholders of the Company or their proxies will be allowed to attend the meeting.





## Sambhaav Media Limited

Sambhaav House, Opp. Chief Justice's Bungalow, Bodakdev,  
Ahmedabad-380015. Tel : +91-79-26873914/15/16/17 Fax : +91-7926873922  
email : sambhaav@sambhaav.com website : www.sambhaav.com

### FORM A

Sr. No	Particulars	Details
1.	Name of the Company	Sambhaav Media Ltd
2.	Annual financial statement for the year ended	31 <sup>st</sup> March, 2013
3.	Type of Audit observation	Un – qualified Audit Report
4.	Frequency of observation	Not – Applicable

*Kiran B. Vadodaria*

Kiran B. Vadodaria  
Chairman & Managing Director

*Kamlesh G. Shah*  
Kamlesh G. Shah  
Chief Finance Officer

For Dhirubhai Shah & Co.,  
Chartered Accountants  
Firm Registration Number 102511W

*Harish B. Patel*

Harish B. Patel  
Partner  
Membership No. 014427

*N.R. Mehta*

N.R. Mehta  
Chairman Audit Committee  
Sambhaav Media Ltd