

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **INDUSTRIAL OVERVIEW, STRUCTURE AND DEVELOPMENT:**

The history of publishing is characterized by a close interplay of technical innovation and social change, each promoting the other. Publishing as it is known today depends on a series of three major inventions—writing, paper, and printing—and one crucial social development—the spread of literacy. The activity has grown from small beginnings into a vast and complex industry responsible for the dissemination of all manner of cultural material; its impact upon civilization is impossible to calculate.

India offers a promising market for the print media industry. India is fast becoming one of the major print producers and manufacturers of printed paper products in the world markets. The bright future and the immense scope of the Indian print media have also aroused the interest of foreign investors. Foreign media has also shown interest in investing in Indian publications. A booming Indian economy, literate population on the rise, increasing consumerism, entry of global brands in the country and opening of the sector to foreign investors would drive the growth in print media.

The publication industry was traditionally known for propagating news and information to a large audience through printed materials. With the advent of the internet and web 2.0, the industry has evolved significantly and today its purpose and objectives are not limited by the constraints imposed on it through the choice of the print medium. The industry has adapted the new medium and has quickly transformed its characteristics from being just broadcast to becoming interactive. Every consumer of information has become a producer of information as well, creating a new breed of knowledge customer called as “prosumers”. The Company undertakes no obligation to publicly update or revise any of the opinions or forward looking statements expressed in this report consequent to new information or developments, events or otherwise.

### **FINANCIAL PERFORMANCE:**

The Company is engaged in the business of publication of business books and journals. In the current financial year due to continuous financial crunch and accumulated losses, the Company could not carry any profitable business activity. The performance of capital market in India has a direct correlation with the prospect of economic growth and political stability. Though the growth projections for FY 2019-20 appear reassuring, there are certain downside risks such as pace and shape of global recovery, effect of withdrawal of fiscal stimulus and hardening of Stock prices.

### **OPPORTUNITIES AND THREATS:**

The threats to this industry are the entry of foreign players as this industry is being slowly opened by the government. The change in communication medium from paper to electronic is a great opportunity for this industry as it is reducing the cost of production and at the same time helping the industry to publish in real time, thus giving more opportunities for advertisers to participate in the various products of this industry. Due to the larger appetite to consume information of the growing literate population in the country there is an emerging need to address the gaps in niche areas. Existing newspapers and publications have already established their brands and customer connects; however their platforms are limited and cannot address the horizontal width and variety of information that is being sought. Though the Internet has also empowered the users with the ability to access information on demand, this has also enhanced the need for processed and analyzed information that can be utilized for taking actions and decisions. This is a huge opportunity for the publishing industry.

### **MARKET ATTRACTIVENESS / OUTLOOK:**

India is on the rise and enhanced literacy rate of this country is adding to the demand of news and information. In spite of the large proliferation of TV channels and the internet, the demand for printed publications continues to grow. Indian, as a community has always been well informed. The democratic constitution of the country has also added to the information explosion as free speech is one of the privileges that every Indian citizen enjoys. Thus the market attractiveness of the Indian publishing industry is very high.

### **RISKS AND CONCERN:**

The print industry is highly competitive. The industry is not only facing competition from its peers but also from other media forms, like television broadcasters, radio broadcasters, e-broadcasting and websites. With launch of many news channels recently, the competition has increased. The Internet has many inherent advantages over print due to its search, sort and organising functions. Though there is still time, the threat is inevitable, as is evident from the increasing Internet penetration and the fact that Internet is gaining relevance in the models of print media plays a vital role.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has proper and adequate system of internal control to ensure that all the assets are safeguarded from loss, damage or disposition. The Company has independent Audit system to monitor the entire operations and the Audit Committee monitors the financial statements to ensure that transactions are adequately authorized and recorded, and that they are reported correctly. The Board of Directors considers internal controls as adequate as it regularly reviews the findings and recommendations of internal audit.

**DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

The financial statements are prepared in accordance with Section 134 of the Companies Act, 2013 and accounting principles generally accepted in India, including Indian Accounting Standards. The results of the operations are discussed in the Board's Report.

**HUMAN RESOURCE DEVELOPMENT:**

Over the years, your Company has developed an environment, which fosters excellence in performance by empowering its people, who are always on continuous improvement path with an ultimate aim to add value to their intellectual and knowledge resources. The Company's success depends largely upon the quality and competence of its management team and key personnel.

There are 4 (four) employees in the Company as on 31<sup>st</sup> March 2019.

**DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS:**

There were no significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in Key Financial Ratios.

**RETURN ON NET WORTH:**

Return on Net worth during the previous and current financial year is negative due to losses.

**CAUTIONARY STATEMENT:**

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied due to risk and uncertainties. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.