Building Momentum

DB Corp Ltd

Annual Report 2012-13

VISION

**TO BE THE LARGEST
AND MOST ADMIRED MEDIA BRAND
ENABLING SOCIO-ECONOMIC CHANGE.**

ANNUAL REPORT

2012-13

CONTENTS

GENERAL INFORMATION

Board of Directors

Chairman	:	Mr. Ramesh Chandra Agarwal
Managing Director	:	Mr. Sudhir Agarwal
Non- Executive Directors	:	Mr. Girish Agarwal Mr. Pawan Agarwal
Independent Directors	:	Mr. Kailash Chandra Chowdhary Mr. Piyush Pandey Mr. Harish Bijoor Mr. Ashwani Singhal
Company Secretary	:	Ms. Anita Gokhale
Auditors	:	S. R. Batliboi & Associates LLP Chartered Accountants, Mumbai & Gupta Navin K. & Co. Chartered Accountants, Gwalior
Registrar & Transfer Agents	:	Karvy Computershare Pvt. Ltd. Plot No 17 to 24, Vittalrao Nagar, Madhapur, Hydrebad- 500 081. Tel. No.: 040-4465 5000 Fax No.: 040-2343 1551
Registered Office	:	Plot No. 280, Sarkhej – Gandhinagar Highway, Near YMCA Club, Makarba, Ahmedabad - 380051, Gujarat. Tel. No.: 079-3988 8850 Fax No.: 079-3981 4001
Head Office	:	Dwarka Sadan, 6, Press Complex, M. P. Nagar, Bhopal – 462011, Madhya Pradesh. Tel. No.: 0755-3988884 Fax No.: 0755-2675190
Corporate Office	:	501, 5^{th} Floor, Naman Corporate Link, Opp. Dena Bank, C-31, G- Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051. Tel. No.: 022-3988 8840 Fax No.: 022-2659 7217 / 3980 4793

DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting to you the 17th Annual Report together with the Balance Sheet and Profit and Loss account for the year ended 31st March, 2013.

Financial Highlights (Standalone Results)

(₹ in Mn)

Particulars	2012-13	2011-12
Sales	**15,788.60**	14,418.11
Other Income	**247.32**	230.52
Total Revenue	**16,035.92**	14,648.63
Operating expenditure	**11,945.65**	10,990.92
Finance Cost	**79.78**	92.26
Depreciation & Amortisation	**573.07**	500.02
Total Expenditure	**12,598.50**	11,583.20
Profit Before Tax	**3,437.42**	3,065.43
Provision for Current Tax, Deferred Tax & Other Tax Expenses	**1,131.37**	980.70
Profit After Tax	**2,306.05**	2,084.73
Transfer to General Reserve	**235.00**	210.00
Dividend Proposed (Including Interim dividend and Tax on Dividend)	**1,177.23**	1,065.33

Financial Highlights (Consolidated Results)

(₹ in Mn)

Particulars	2012-13	2011-12
Sales	**15,923.16**	14,515.09
Other Income	**213.42**	240.22
Total Revenue	**16,136.58**	14,755.31
Operating expenditure	**12,163.06**	11,151.44
Finance Cost	**79.89**	92.33
Depreciation & Amortisation	**580.64**	505.66
Total Expenditure	**12,823.59**	11,749.43
Profit Before Tax	**3,312.99**	3,005.88
Provision for Current Tax, Deferred Tax & Other Tax Expenses	**1,131.82**	983.17
Profit After Tax (Before minority Interest)	**2,181.17**	2,022.71
Transfer to General Reserve	**235.00**	210.00
Dividend Proposed (Including Interim dividend and Tax on Dividend)	**1,177.23**	1,065.33

Review of Performance:

Financial Year 2012-13 was toughest with overall Indian economy growing by just 5% (source: CSO, advance estimate – real GDP growth at factor cost). In spite of being tough year, your company has achieved satisfactory growth figures in total revenue as well as profits. Performance highlights of your company during the period are as follows:

❖ Standalone sales & other income reached ₹ 16,036 Million witnessing a growth of 9.47%, as compared to ₹ 14,649 Million in the previous year due to growth in circulation and advertisement revenue.

❖ Standalone profit after tax (PAT) for the year under review was ₹ 2,306 Million, 10.6% increase as against ₹ 2,085 Million in the previous year.

❖ The Consolidated gross revenue of your Company increased to ₹ 16,137 Million from ₹ 14,755 Million in the previous year, whereas the consolidated PAT stood at ₹ 2,181 Million as against ₹ 2,023 Million of the previous year.

Review of Performance of Emerging Editions:

The past experience indicates that any new edition launched takes about 3-4 years for stabilization and for earnings. Hence for analyzing the performance of the company, we furnish the following information about the emerging and matured editions / business:

Review of Performance of Emerging Editions			
Summary Financials (₹ in Mn) (Standalone Results)			
Particulars	**Emerging Editions**	**Others**	**Total**
	FY 2012-13		
Turnover			
-- Advt. Revenue	1,209	10,757	11,965
-- Sales	490	2,325	2,814
-- Others	75	1,182	1,256
Total Income	**1,773**	**14,263**	**16,036**
Newsprint Cost	951	4,475	5,426
Opex	1,164	5,356	6,520
Total Cost	**2,115**	**9,831**	**11,946**
EBIDTA	-341	4,432	4,090
EBIDTA %	-19%	31%	26%
Interest	9	71	80
Depreciation	55	519	573
PBT	**-405**	**3,842**	**3,437**
PBT %	-22.8%	26.9%	21.4%

The long term results of the corporate growth strategy would be seen in the forthcoming years post stabilization of the emerging editions.

Operating Results and Future Outlook:

Despite the challenging environment in the media and entertainment industry, the company has achieved growth in profits through sustained growth in revenues and controlled costs.

Your company is largest print media company in India that publishes 8 newspapers with 65 editions, 199 sub-editions in 4 multiple languages (Hindi, Gujarati, English and Marathi) across 13 states in India. With a combined average daily readership of 19.8 Million, it is one of the largest newspaper groups in India. The group has achieved various landmarks in respect of each of its newspapers like single largest read title in Urban areas (Dainik Bhaskar – 95.6 lakh readers), fastest growing Marathi newspaper in Aurangabad and Nashik with best profile of readers (Divya Marathi – 40% of its readers in Aurangabad and 54% of its readers in Nashik belonging to Socio Economic Class (SEC) A and B), the only non-metro newspaper with more than 10 lakh readers in a city (Dainik Bhaskar in Jaipur) and the only Gujarati newspaper with more than 10 lakh readers in a city (Divya Bhaskar in Ahmedabad). In the year 2012-13, your company further strengthened its foothold over central Maharashtra with 5 editions of its Marathi newspaper 'Divya Marathi' in Aurangabad, Nashik, Jalgaon, Ahmednagar and Solapur.

Your company's other business interests span the FM radio segment through the brand 'My FM' with presence in 7 states and 17 cities and a strong online presence in Digital Media – the internet portals.

Radio business has retained the leadership position in the 17 FM stations running across India. As per the latest RAM / IRS / ORMAX research MY FM was No. 1 in 13 stations and a strong No. 2 in the rest of the stations. MY FM commands a leadership position at an overall level in retail market share which fact is reinforced by 20 national and 7 international awards won by the radio business. All this has resulted into strong advertisement growth of 20% in FY 2012-13 and operating profit growth at an impressive 74% YOY.

The future of Radio business is looking positive, especially as the Phase III auctions are expected to happen in FY 2013-14 and they will bring a great opportunity for the Radio business to grow further. A CII-Ernst & Young report said that the FM radio segment is expected to grow by ₹ 2,300 Crore at a Compounded Annual Growth Rate (CAGR) of 18% within three years after Phase-III implementation.

Major events during the year:

❖ **Launch of 'Uttar Pradesh online-only' version:**

Dainik Bhaskar Group is India's largest newspaper group that publishes 8 newspapers with 65 editions, 199 sub-editions in 4 multiple languages (Hindi, Gujarati, English and Marathi) across 13 states in India. It enjoys a combined average daily readership of 19.8 Million.

During the year under consideration, although no new edition was launched, in April 2013, in a first-of-its-kind ever, the Uttar Pradesh edition of www.dainikbhaskar.com was launched which is an 'online-only' version. This is unprecedented as no media group has ever done something so dramatic. Dainik Bhaskar, having recognized the immense power of world-wide-web, understanding the need of giving Uttar Pradesh a massive platform, has made this out-of-the-box move. This will be the first time that a major Indian media house will have an online-only version without Print / TV backing in a state.

It is a well thought out and carefully planned move and the group has thrown its massive muscle behind this 'experiment' of sorts. It has recruited reporters in the major cities of Uttar Pradesh including Lucknow, Varanasi and Agra. These reporters are equipped with high-tech gadgets to upload news, photographs and videos on the go, reporting news as it happens live, 24X7. This path-breaking step is taken with the help of in-house news portal of the group viz. www.dainikbhaskar.com.

❖ **Re-launch of dailybhaskar.com:**

As a yet another bold step into the online news segment, DailyBhaskar.com, the English venture was re-launched in a fresh new cool and attractive avatar. It is a content site and has a lot more than just news, and that too in a glitzy new look, at a pace that's matched only by the need for fun. This 'coolest site' is designed for a cooler and younger audience, is a lot more visual and has content for fashion, health, luxury and celebs, in addition to latest gossip on Bollywood, television and the entire glamour world. It also has travel tips, jokes, gadgets, autos, jeevan mantra and games. It carries real time news from the cities like Jaipur, Bhopal, Indore, Ahmedabad, Delhi, Mumbai and Chandigarh by leveraging the extensive Dainik Bhaskar news gathering network, giving a live update on what's happening in these cities in addition to national and world news.

❖ **Stake Sale by Promoters pursuant to statutory requirements:**

SEBI vide circulars dated December 16, 2010 and February 8, 2012 amended Clause 40A of the Listing Agreement mandating minimum public shareholding in any listed company at 25% and providing various methods to raise such public shareholding to the prescribed level of 25% before the time limit of June, 2013.

After the open market sale of shares in December, 2011 and the first tranche of 'Offer For Sale (OFS)' in May, 2012, the total promoters' shareholding in the company was further reduced to statutory ceiling of 75% in November, 2012 vide the second tranche of OFS.

❖ **Merger of Synergy Media Entertainment Ltd.:**

Synergy Media Entertainment Ltd., a 100% subsidiary of D. B. Corp Ltd., was merged into I Media Corp Ltd., another 100% subsidiary of D. B. Corp Ltd. w.e.f. 1st April, 2012, the 'Appointed Date' as per the Scheme of Arrangement and Amalgamation approved by the Hon'ble High Court of Madhya Pradesh, Principle Seat at Jabalpur vide its order dt. 30th April, 2013.

❖ **Demerger of 'Internet Business' of I Media Corp Ltd. into the Company:**

It is proposed to demerge the Internet & Mobile Interactive Service Business of I Media Corp Ltd., the wholly-owned subsidiary of the Company into D. B. Corp Ltd. subject to the approval of the members of both the companies and the necessary statutory approvals w.e.f. 1st April, 2013, the 'Appointed Date' as per the proposed Scheme of Arrangement. The process of obtaining all these approvals has started and is expected to be completed during the FY 2013-14.

CSR Activities by Dainik Bhaskar Group:

In line with its vision, Dainik Bhaskar Group contributes back to the society and the environment through Corporate Social Responsibility (CSR) activities. With active participation from general public, employees of the group as well as the promoters of the group, various activities across several states are taken up, such as:

- 'Save Water' – an obvious conservation move for water resources
- 'Ek Ped Ek Zindagi' - 'Planting at least one tree in one's lifetime' and contributing one's share in preserving environment through tree plantation (Contribution in 2011 - 1,00,000 trees planted and Contribution in 2012 - 2,27,000 trees planted)
- 'Vastradaan' providing warm clothes during the fierce winters to needy and under-privileged people (Contribution 2011 - 1,59,000 clothes distributed and Contribution in 2012 - 14,60,000 clothes distributed)
- 'Annadaan' organised during the 'Joy of Giving' week appealing the masses to contribute rice/wheat/grains/ pulses for the needy segment of the society (Contribution in 2011 - 1,00,000 kgs and Contribution in 2012 - 15,00,000 kgs of foodgrain)

Awards & Accolades:

During the year, Dainik Bhaskar Group was honoured with many awards and accolades for the efforts and initiatives taken in different areas:

Print Division:

- India Book of Records – 67,130 entries in 'Junior Editor 2011' competition – largest number of handwritten newspapers by students
- Guinness Book of World Records – 'Brain Hunt 2012' – 'Largest Writing Competition' - 3,00,874 entries from more than 2,500 schools
- Recognition by The India Book of Records - The Brain Hunt 2012 - 80,000 qualifying entries - writing a letter to the President of India sharing ideas on 'How can we make India even a better country' - recorded as the 'Largest number of letters written to the President of a Country
- Superbrand council of India – 'one of the strongest Consumer Superbrand' based on the brand success and consumer's faith and trust
- Brand Slam Awards for Excellence in Newspaper – Dainik Bhaskar - for excellence in design, usefulness and clarity of information
- Guinness Book of World Records - Divya Bhaskar - 'Largest Gathering of People dressed as Gandhiji for a Dandi March' on the occasion of Gandhi Jayanti on 2nd October, 2012 - 891 kids dressed as Gandhiji
- Limca Book of Records as 'The Largest Wishing Board' – 'Wish India Campaign' – 7,500 kids from 67 schools wished Team India for Olympics 2012 on a one kilometer cloth wall
- Limca Book of Records for 'Longest Painting Record' – Dainik Bhaskar, Jaipur – with theme 'Mere Sapno ka Jaipur' – 20,116 students participated to create a 13.2 km long painting

'MY FM' Radio:

- 5 Golden Mike Awards (including 2 Gold) for Best Public Service Initiative by a radio station – 'Ek Rupiya Abhiyaan' and best use of branded content or sponsorship on radio – 'Borderless radio – Azaadi sarhado se'
- Mobby's Awards for Best Mobile Application - outstanding achievement across all aspects of mobile landscape and excellence in mobile entertainment and technology
- Harrish M Bhatia of MY FM - conferred with Brand Slam Leadership Award for CEO in Individual category
- Asian Leadership Awards for 'Radio Station of the Year' - highlights, recognises and rewards an organisation's ability to steer its businesses through turbulent times, applying the best of business modules to manage and keep its missions afloat
- CMO Asia Awards for excellence in branding and marketing - 'Radio Station of the Year award' at the 2nd year in a row - dedicated to a high level knowledge exchange through opinion, leadership and networking amongst decision makers across industry segments in Asia
- India Radio Forum 2012 - the Best Radio Promo – in-house (Gujarati) award on Gujarati Divas

Other Initiatives hosted by Dainik Bhaskar Group:

- 'DB Yearbook 2012', an Annual Yearbook in a premium coffee-table book format - a pioneering effort of journalism reflected through the views of leading journalists, writers and specialists in various categories like Politics, Business, Sports, Fashion, Lifestyle, etc.
- 'No Paid News' campaign during elections period in Gujarat - for the first time by any media publication in election history of Gujarat
- 'Zid Karo Duniya Badlo' campaign of 2008 - with an enhanced thought, an always-existent option and a tool with all of us the power of positive 'NA' - encouraging people to say 'NO' to things not in sync with their values, a simple individualistic choice that can collectively impact the whole societal fabric - 'No', in a way, becomes the magic key to living your life with integrity
- Launch of second edition of 'a one of its kind' compilation of the 'Best of Print-ads in India - MOSAIC' - the best Print Campaigns by creative leaders of leading advertising agencies across India - addresses the lack of a collection of great print work produced by Indian agencies and their creative teams - acknowledges and reflects creative ingenuity of advertising in India
- The first ever 'JIYO DIL SE Award' in the city of Jaipur hosted by 'MY FM' to acknowledge the extraordinary achievements of ordinary people, who brought a difference in the lives of other people - the two-and-half months long campaign culminating in 18 finalists being recognised for their work across various fields like public service, health & sanitation, sports, environment, etc. based on jury rating and public voting and vetted by Ernst & Young, the official tabulators - a huge success, supported by an eminent jury and attended by important dignitaries and VIPs including the Chief Minister of Rajasthan Mr. Ashok Gehlot
- 'India Pride Awards' - the event acknowledging the role of PSU's in India's progress by awarding them for excellence - an annual event which has been graced by the Home Minister Mr. P. Chidambaram, the then Finance Minister of India - Mr. Pranab Mukherjee and Deputy Chairman of the Planning Commission Mr. Montek Singh Ahluwalia

Dividend:

The Board of Directors is pleased to inform that for the year under review, an interim dividend @ 20% (i.e. ₹ 2.00 per equity share of face value of ₹ 10/- each) was declared and paid on 8th February, 2013. The Board has further recommended final dividend @ 35% (i.e. ₹3.50 per equity share of face value of ₹10/- each) for the financial year 2012-13. The dividend will be paid to the members whose names appear in the Register of Members as on 16th July, 2013.

The total amount of dividend outgo, including Interim Dividend, for the year 2012-13, will be ₹1,008.64 Million as against ₹ 916.63 Million for the previous financial year.

Directors:

Pursuant to the provisions of the Companies Act, 1956, and the Articles of Association of the Company, Mr. K. C. Chowdhary and Mr. Piyush Pandey, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. They have confirmed that they are not disqualified from being appointed as Director in terms of Section 274(1)(g) of the Companies Act, 1956.

A brief resume of the Directors retiring by rotation at the ensuing Annual General Meeting, nature of their expertise in specific functional areas and names of Companies in which they hold directorship and / or membership / chairmanship of Committees of the Board, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange/s, is given in the Corporate Governance Report forming part of the Annual Report.

Mr. Ajay Piramal, Independent Director on the Board, resigned w.e.f. 16th May, 2013 due to his pre-occupation. The Board places on record its appreciation for the advice and support of Mr. Piramal during his long tenure on the Board.

Directors' Responsibility Statement:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

1. that in the preparation of the annual accounts for the year ended 31st March, 2013, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, had been followed along with proper explanation relating to material departures;
2. that the directors had 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 as at 31st March, 2013 and of the profit of the company for the year ended as on that date;
3. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. that the directors had prepared the annual accounts for the financial year ended 31st March, 2013, on a 'going concern' basis.

Subsidiaries:

The Directors are pleased to report about the two subsidiaries of your Company, as on the date of this report:

(1) I Media Corp Limited (IMCL):

IMCL, the digital arm of Dainik Bhaskar group, is already amongst the largest internet players amongst the media companies with increasing numbers of Page Views and reach and has grown substantially year over year by focusing completely on content and the needs of the user.

www.dainikbhaskar.com along with its sister websites www.divyabhaskar.com, www.divyamarathi.com and www.dailybhaskar.com has breached the 250 Million pageviews mark and 10 Million Unique Visitors mark. This is largely because of the rich experience that the websites offer the readers – fastest news, exhaustive views peppered with numerous photographs and videos to aid in the storytelling. The other part of this amazing growth story comes from the aggressive approach to the local news taken by these websites by revamping their hyper local verticals in cities like Jaipur, Indore, Bhopal, Chandigarh, Ranchi and Ahmedabad among others.

The unique and interesting content in sections like Jeevan Mantra, Bollywood, Celeb, Brands, Gadgets and the user engagement factor ensure that the average time spent on the site is astonishing 11+ minutes.

In today's competitive environment, an advertiser requires 360 degree solutions to convey its products and services to end consumers. In the process, apart from print, digital and radio medium, outdoor event activities are gaining enormous importance due to direct engagement with the end consumer. IMCL has also been in 'Events Business' which offers the customer 'one-stop shop' for all its advertising needs. With its core competency in said activities, it has been providing innovative solutions to advertisers. During the Financial Year 2012-13, the subsidiary earned Total Revenue of ₹ 122 Million.

In December, 2012, D. B. Corp Ltd. acquired remaining 45% shares of IMCL and IMCL became wholly-owned subsidiary of D. B. Corp Ltd.

To attain synergies of business and to minimise the administrative and compliance costs, Synergy Media Entertainment Ltd. (SMEL), another wholly-owned subsidiary of D. B. Corp Ltd. was merged into IMCL. The merger petitions of both the companies were approved by the Hon'ble High Court of Madhya Pradesh, Principle Seat at Jabalpur vide its order dt. 30th April, 2013 and SMEL was merged into IMCL with effect from 1st April, 2012, the 'Appointed Date'. As such, separate accounts of SMEL will not be compiled effective FY 2012-13.

Further, it is proposed to demerge the Internet & Mobile Interactive Service Business of IMCL into D. B. Corp Ltd. w.e.f. 1st April, 2013, the 'Appointed Date' as per the proposed Scheme of Demerger, subject to approval of the members of both the companies and the necessary statutory approvals. The process of obtaining all these approvals has started and is expected to be completed during the FY 2013-14. After the demerger, IMCL will continue doing 'Events Business'.

(2) Divya Prabhat Publications Private Limited (DPPPL):

DPPPL is also in print media publishing 'Prabhat Kiran' a leading afternoon daily in the city of Indore. It is aimed and targeted at business community and more local issues. During the year•• despite tough economic condition and market competition, it achieved a turnover of ₹ 52.14 Million as compared to ₹ 53.68 Million in the previous financial year.

During the year, the company has been driving circulation scheme in the market which resulted into growth of 3,000 copies (approx) per day and it is expected to achieve the mark of 7•000 copies in the FY 2013-14. The higher circulation will also help in increase of advertisement revenue.

Management Discussion and Analysis Report:

The Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement is given separately and forms part of this Report.

Report on Corporate Governance:

A report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report and a Certificate from the Auditors of the Company, confirming compliance with the provisions of Corporate Governance, is attached to the said Report.

Employees' Stock Option Schemes:

The Company has granted Stock Options to its employees under the 'DBCL-ESOS-2008', 'DBCL – ESOS 2010' and 'DBCL – ESOS 2011 (Tranche 1)' Schemes. The particulars required to be disclosed as per Clause 12 of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 are set out in the Annexure to this Report. Compensation Committee of the Board of Directors, constituted in accordance with the SEBI Guidelines, administers and monitors these Schemes.

The Company has obtained a certificate from the Auditors certifying that the said Employee Stock Option Schemes have been implemented in accordance with the SEBI Guidelines and the resolution passed by the members in this regard. The Certificate will be placed at the Annual General Meeting for inspection by the members which is also attached to this Report.

Statutory Auditors:

M/s S. R. Batliboi & Associates LLP, Chartered Accountants, Mumbai and M/s Gupta Navin K. & Co. Chartered Accountants, Gwalior, the Joint Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting of the Company.

The Joint auditors viz. M/s S. R. Batliboi & Associates LLP and M/s Gupta Navin K. & Co. have confirmed that their re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for re-appointment within the meaning of Section 226 of the said Act.

Cost Auditor:

Pursuant to the directives of the Ministry of Corporate Affairs (MCA), with effect from 1st April, 2011, the Company is required to get its cost accounts relating to products under Electricity Rules audited from a Cost Auditor and also submit a Compliance Report in respect of its printing and publication business. The Board has appointed M/s Yogesh Chourasia & Associates, Cost Accountants, Bhopal as the Cost Auditor of the Company and their appointment has been approved by the Central Government.

Status of submission of Cost Audit Report and the Compliance Report for the financial year 2011-12 and 2012-13 is as under:

Cost Audit Report for generation of electricity from Wind Farm		Compliance Report for Printing and Publication Business	
FY 2011-12	FY 2012-13	FY 2011-12	FY 2012-13
a. Date of actual filing: 31st December, 2012 b. Due date of filing: 30th September, 2012 (extended by MCA till 31st January, 2013)	a. Date of actual filing: will be filed on or before the due date b. Due date of filing: 30th September, 2013	a. Date of actual filing: 31st December, 2012 b. Due date of filing: 30th September, 2012 (extended by MCA till 31st January, 2013)	a. Date of actual filing: will be filed on or before the due date b. Due date of filing: 30th September, 2013

Public Deposits:

During the year under review, your Company has not accepted or invited any deposits from public within the meaning of Section 58A of the Companies Act, 1956 and applicable rules made thereunder as amended from time to time.

Particulars of Employees:

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1975, a statement giving certain particulars of the employees is required to be included in this report. However, in terms of the proviso (b)(iv) to Section 219(1) of the Companies Act, 1956, this statement is not sent but is made available at the registered office of the Company for inspection during working hours on working days.

Particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

(a) Conservation of Energy and Technology Absorption:
The Company is using such technology which is mostly indigenous and is the latest and advanced. The employees of the Company are trained periodically and adequately to enable them to understand the technology used and such training results in improved efficiency in the operations of the Company.

(b) Foreign Exchange Earnings and Outgo:
The Company earned Foreign Exchange of ₹ Nil (Previous Year ₹ Nil). The Financial Expenses in foreign exchange during the year was ₹33,428,730/- (Previous Year ₹2,17,89,642/-) and on account of traveling and other expenses was ₹6,007,104/- (Previous Year ₹1,65,09,467/-).

Demat Suspense Account:

247 shares issued and allotted in January, 2010 in favour of 6 shareholders under the public issue of the Company still remain

unclaimed and are lying in the 'Demat Suspense Account' opened by the Company as prescribed under Clause 5A.I of the Listing Agreement. The Company has sent reminders to all these 6 shareholders at their latest available address but has not received any response. Voting rights on these shares will remain frozen till the rightful owner of such shares claims the shares.

The following disclosure is made as prescribed in this regard:

(i)	Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 1st April, 2012	6 shareholders / 247 shares
(ii)	Number of shareholders who approached the Company for transfer of shares from suspense account during the financial year 2012-13	Nil
(iii)	Number of shareholders to whom shares were transferred from suspense account during the financial year 2012-13	Nil
(iv)	Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31st March, 2013	6 shareholders / 247 shares

Human Resources & Industrial Relations:

Your company has taken several initiatives like employee engagement survey, KRA based Performance Management System, etc. to build the HR vertical as an integral part of the organisation. With the aim of providing an exclusive career program designed for the professionals from among the employees of the company and help build a pool of modern media professionals for the company and industry at large, Dainik Bhaskar School for Media Education (DBSME) has been established in association with Dale Carnegie - a global leader in designing high impact training programs. Bhaskarites will now have access to leading edge training and skill development techniques and facilities.

Your Directors place on record their appreciation of the efforts, dedication, commendable teamwork and exemplary contribution from the employees in various initiatives of the Company and contributing to the performance of the Company during the year under review.

Acknowledgements:

Your Directors take this opportunity to express their appreciation to the Investors, Banks, Financial Institutions, Clients, Vendors, Central and State Governments and Other Regulatory Authorities for their assistance, continued support, co-operation and guidance.

For and on behalf of the Board of Directors of
D. B. Corp Limited

Place: Mumbai
Date: May 16, 2013

Ramesh Chandra Agarwal
Chairman

ANNEXURE:

Information required to be disclosed under SEBI (ESOS and ESPS) Guidelines, 1999
As at and for the year ended March 31, 2013

PARTICULARS	DBCL-ESOS-2008	DBCL-ESOS-2010	DBCL-ESOS-2011
Options approved as per Shareholders' approval	7,00,000	6,00,000	30,00,000
Options Granted	4,13,427	4,91,203	2,34,300
Vesting Schedule	20% each for 5 years	20% each for 5 years	20% each for 5 years
Pricing Formula	Exercise Price ₹124/- Exercise Price at a discount of 50% to the average of closing market price of the first 30 trading days post IPO. (The market price on the stock exchange showing the highest volume of trading would be considered)	Exercise Price ₹ 168/- Exercise Price at a discount up to a maximum of 30% to the Market price, where the Market price shall be the closing market price one day prior to the date of any Grant, on the stock exchange where highest trading volume is registered and where the quantum of Discount shall be decided by the Compensation Committee for each of the Grant of options	Exercise Price ₹ 95/- Exercise Price at a discount up to a maximum of 90% to the Market price, where the Market price shall be the closing market price one day prior to the date of any Grant, on the stock exchange where highest trading volume is registered and where the quantum of Discount shall be decided by the Compensation Committee for each of the Grant of options
Options Vested	1,07,016	1,28,888	22,890
Options Exercised	85,090	23,769	17,880
The total number of shares arising as a result of exercise of options	85,090	23,769	17,880
Options forfeited / surrendered	1,52,123	1,09,768	41,010
Options lapsed	20,605	Nil	Nil
Variation of terms of options	Nil	Nil	Nil
Money realised by exercise of options	₹ 10,551,160/-	₹ 3,993,192/-	₹ 1,698,600/-
Total number of options in force	155,609	357,666	175,410
Details of options granted during the year to (a) Directors (b) Key Managerial Personnel: i) Dr. Bharat Agrawal ii) Mr. P. G. Mishra iii) Mr. R. D. Bhatnagar iv) Mr. Kalpesh Yagnik	No options were granted during the year	No options were granted during the year	No options were granted during the year
(b) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year (Includes ex-employees and group Company employees)	Nil	Nil	Nil
(c) Identified employees who are granted options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant (includes ex-employees and group Company employees)	Nil	Nil	Nil
Fully diluted earnings per share (EPS) on a pre-issue basis for Fiscal 2013 calculated in accordance with Accounting Standard (AS) 20	₹ 12.56	₹ 12.56	₹ 12.56
Difference, if any, between employee compensation cost (calculated using the intrinsic value of stock options) and the employee compensation cost (calculated using the fair value of stock options)	See Note (&) below	See Note (&) below	See Note (&) below

Weighted-average exercise price either equals or exceeds or is less than the market value of the shares	No options were granted during the year. Hence not applicable.	No options were granted during the year. Hence not applicable.	No options were granted during the year. Hence not applicable.
Weighted average fair values of options whose exercise price equals or is less than the market value of the stock	No options were granted during the year. Hence not applicable.	No options were granted during the year. Hence not applicable.	No options were granted during the year. Hence not applicable.
Method to estimate fair value	Not Applicable	Not Applicable	Not Applicable
Assumptions 1. Risk free interest rate 2. Expected Life. 3. Expected Volatility 4. Expected Dividends 5. Closing Market Price of Share on the date of option grant	No options were granted during the year. Hence not applicable.	No options were granted during the year. Hence not applicable.	No options were granted during the year. Hence not applicable
Lock-in	Nil	Nil	Nil
Impact on profits and EPS of the last three years	Not Applicable	Not Applicable	Not Applicable

(&) The stock based compensation cost calculated as per the intrinsic value method for the period from 1st April, 2012 to 31st March, 2013 is ₹ 84,91,087. If the stock based compensation cost was calculated as per the fair value method prescribed by SEBI (ESOS & ESPS) Guidelines, 1999, the total cost to be recognized in the financial statements for the period from 1st April, 2012 to 31st March, 2013, would be ₹ 1,08,80,440. The effect of adopting the fair value method on the net income and earnings per share as presented below:

(in ₹)

	March 31, 2013
Profit as reported	2,306,058,526
Add: Employee stock compensation under intrinsic value method	8,491,087
Less: Employee stock compensation under fair value method	10,880,440
Performa profit	**2,303,669,173**
Earnings Per Share	
Basic	
- As reported	12.58
- As adjusted	12.57
Diluted	
- As reported	12.56
- As adjusted	12.55

For and on behalf of the Board of Directors of
D. B. Corp Limited

Place: Mumbai
Date: May 16, 2013

Ramesh Chandra Agarwal
Chairman

To
The Board of Directors
D. B. Corp Limited
Ahmedabad

Compliance with Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

We have examined the relevant resolutions passed by the shareholders of D. B. Corp Limited ("the company") having its Registered Office at Plot No: 280, Sarkhej-Gandhinagar Highway, Makarba, Ahmedabad-380051 (Gujarat) and based on the above and the other relevant information provided to us, we certify that various Employee Stock Option Schemes of D. B. Corp Limited (viz. DBCL-ESOS 2008, DBCL-ESOS 2010 and DBCL-ESOS 2011-Tranche 1) have been implemented in accordance with the aforesaid resolutions and the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended to date.

This certificate is issued at the request of the company for placing before the shareholders of the Company at the forthcoming Annual General Meeting.

For **Gupta Navin K. & Co.**
Chartered Accountants

Place: Bhopal
Dated: May 7, 2013

Navin K. Gupta
Partner
Membership No. 75030

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

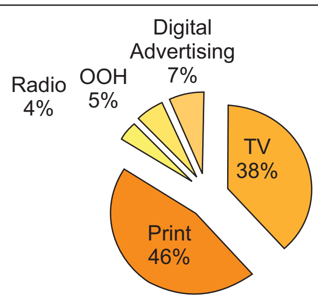
OVERVIEW:

Economy and Media & Entertainment Industry (M&E Industry)

In 2012, the overall Indian economy slowed down due to both domestic & external factors. Domestically, higher inflation slowed consumption demand. Moreover, corporate and infrastructure investments were also pulled down by the tightened monetary policy as well as policy bottlenecks. Externally, a slowing global economy weighed down by the continued crisis in the Euro area and uncertainty in the US Fiscal policy also increased risks to growth. Latest 3rd quarter estimates of Central Statistical Organization (CSO) indicate a 5% growth in real GDP in 2012-13, against a growth of 6.2% posted in 2011-12.

These factors resulted in a challenging year for the M&E Industry. However Q4 of 2012-13 showed up some good signs of an improvement. Indian Government has again started 2nd phase of reforms related to infrastructure including power as well as easing out monetary policy which is expected to provide much needed boost to industry as well as bringing around positive sentiments for public as well as investors.

As per FICCI – KPMG Report 2013, in calendar year 2012 overall Indian Media & Entertainment Industry grew @ 12.6% with Print Industry growing at 7.3% yoy. Advertising Revenue for the M& E industry grew at 9.1% yoy in 2012. In case of Print, Advertising revenue grew by 7.6% as compared to 10.6% in 2011. However, regional print advertisement pie grew impressively around 10%, in spite of weak economic conditions which appears to have bottomed out. Further, another important aspect is that Print continues to hog the limelight of total Media Advertisement pie with highest share of 46% of Media Advertising Revenue.



Advertising Revenue 2012-Segment wise

Source: FICCI-KPMG Report 2013

In Print Industry, Advertising revenues continue to dominate the Total Income.

Advertising & Circulation revenue share – Print

Particulars	2008	2009	2010	2011	2012
Advertising	63%	63%	65%	67%	67%
Circulation	37%	37%	35%	33%	33%

Source: FICCI-KPMG Report 2013

Hindi and Vernacular print markets are growing at a faster pace than English. On the back of huge population size of around 90% residing in tier II & III towns (Source: Indian Census Report, 2011) and with rising literacy, per capita income and per capita consumption and low print media penetration as well as continued tide of advertisers wanting to spend in these markets, both Hindi & Vernacular, advertisement revenue grew at 10% yoy in 2012, as compared to 11% and 17% respectively in 2011. In 2012, Hindi and Vernacular print market has 61% share of print advertising revenue, as compared to 59% in 2011.

Print Industry is expected to grow at CAGR of 8.7% over next 5 years with Hindi and Vernacular markets growing at around 11% CAGR and English growing at 4.8% CAGR. Industry expects increase in market share of vernacular newspapers largely due to volume growth driven by the launch of new local editions and gradual improvement in advertisement rates of these markets. (Source: FICCI-KPMG Report 2013)

OPERATIONS AT GLANCE:

Year 2012-13, was marked by the consolidation process. During the year under review, D. B. Corp Ltd. (DBCL) worked on consolidating its position in the existing markets. The thrust was mainly on strengthening the company's foothold in existing markets and enhancing the competitive position in newly entered markets of Jharkhand and Maharashtra.

During the year under review, Dainik Bhaskar Group continued to stand out as one of the highly trusted and admired media conglomerate by 19.8 million readers across India's fastest growing markets – as revealed by Q4, 2012 IRS data. Leadership dominance continued in Madhya Pradesh and Chattisgarh – with a combined readership of more than 5 Million. The year also saw rise of company's Marathi daily "Divya Marathi" on the IRS score cards. As per Q4, 2012 IRS, Divya Marathi had an average issue readership of 10.24 lakh. During the last 6 months Divya Marathi added 3.29 lakh readers which is the highest amongst all publications in Maharashtra.

Apart from consolidation in existing markets, DBCL chartered into new territories, but in a different way; the launch of first of its kind ever, Uttar Pradesh Edition of www.dainikbhaskar.com which is an "online-only" version.

DBCL understands that the offer of strong, value creating content engages and creates a bond between the readers and the publication. To achieve this, it has forged exclusive associations with leading international publications such as Harvard Business Review and Time Magazine and through other international magazine collaborations, it has been bringing a huge variety of content across issues spanning psychology, automobiles, fashion, leadership, healthcare, etc. that have been extremely well received.

On technical front, printing facility at Indore saw the installation of two state-of-the-art German technologies; the additions of KBA Prisma and the FERAG Mailroom. KBA Prisma is a double width, fully automatic Web Offset Press which can collectively print up to 1,25,000 copies per hour and renders lower print waste compared to single width presses. FERAG Mailroom line runs at half gripper speed and each gripper holds two copies resulting in doubling the life of the gripper without compromising the speed.

On corporate front, during the year, DBCL acquired balance stake in its subsidiaries “I Media Corp Ltd.” (IMCL) and “Synergy Media Entertainment Ltd.” (SMEL) making them wholly-owned subsidiaries. Further, at the close of the year, SMEL running event business, was merged into IMCL.

RISKS, CONCERNS AND THREATS:

1. **Competition :**

   Newspaper Industry in India has become competitive. DBCL faces competition in different markets from the existing other newspapers as well as new entrants in advertising, circulation and readership.

➢ Management Perception:
DBCL's focus is on innovation and sharpening the product with important objective of delivering more value and reader delight. In addition to content enrichment, it has also improved the quality of newsprint.

With strong national brand, experienced and dedicated management team, better reader connect, strong network and consistent upgradation of technology to enhance capabilities, DBCL is always prepared to overcome the competition.

2. **Shifting advertising dollars:**

   Marketers are mixing their advertising spend across all advertising mediums. This puts pressure on advertising revenues of print.

➢ Management Perception:
DBCL believes that satisfied customer is main source of advertisement revenue. It continues to work towards providing its advertisers with rising base of satisfied readers. The main business fields of DBCL are Tier II and III cities. 65% of Advertisement Revenue comes from Local advertisers which finds print medium as the most impactful, meaningful and cost effective medium for advertising. Further DBCL by itself has multiple media platforms like print, radio and internet through which it can provide buyers with multi-platform offerings.

3. **Consumer demand shifts:**

   Consumer demand for digital media is growing. This could impact overall revenue in print media.

➢ Management Perception:
The real India lives in tier II and III cities. These regional geographies continue to look for newspapers for news content and advertisements rather than using digital media for the same. In India, current penetration levels of digital media are too low to pose a significant threat to the industry. However DBCL is continuously monitoring emergence of digital media in regional markets and taking reasonable steps to align its offering across multiple platforms. It is running e-papers for all its editions.

4. **Low economic growth**

   Lower overall economic growth may adversely impact advertising revenues.

➢ Management Perception:
Print industry is mainly driven by advertising revenues and low economic growth put breaks on advertising spends. India is an emerging economy with some states having attained economic development while others are rapidly developing. The overall ad-spend in India is lowest at 0.33% of GDP, amongst all major countries, including Taiwan, Indonesia, China, USA and UK where ad-spend is around 0.8% of GDP (Source: Worldwide Media and Marketing forecast, group M summer, 2011). India has a long way to go to match other major world economies. DBCL has a good mix of national and local revenue teams which allows it to extract maximum revenues from rapidly growing local markets. With pan-India editions, DBCL is having a balanced statewise revenue mix which allows it to compensate revenue pressures in matured markets.

FINANCIAL PERFORMANCE (Standalone):

Sales and other operating Income:

It comprises of newspaper sales, advertisement revenue, event management income, job work charges and scarp and waste-paper sales. DBCL achieved a turnover of ₹15,789 Million in FY 2012-13 as compared to ₹14,418 Million in FY 2011-12 registering a growth of 9.51%. While advertising revenue grew from ₹11,220 Million to ₹11,965 Million registering a growth of 6.6%, circulation revenue grew by 16.4% to ₹ 2814 Million.

Other Income:

It comprises of interest income, miscellaneous income and excess liabilities/provisions written back for FY 2012-13, it also includes notional gain on exchange of investments. Other income excluding this notional gain in FY 2012-13 was ₹ 218 Million as compared to ₹ 231 Million in FY 2011-12.

Raw Material Consumed:

Newsprint consumption increased from ₹5,070 Million to ₹ 5,426 Million during the FY 2012-13 registering an increase of 7%. The increase in newsprint cost is attributable to annualisation impact of new units in Maharashtra and takeover of business unit of M. P. Printers and hike in newsprint prices.

Employee Cost:

Employee cost increased by 14% due to annualisation impact of new units in Maharashtra and takeover of business unit of M. P. Printers and also due to normal annual increments.

Other Expenses:

It mainly comprises of other manufacturing expenses, advertisement and distribution expenses and general and administrative expenses, etc. For reasons explained hereinbefore, there is an increase in other expenses by 9.9%.

Depreciation:

Depreciation increased by 14.6% due to addition of fixed assets mainly on account of expansion of business.

Financial Cost and Foreign Exchange Fluctuations:

Finance costs decreased by 13% from ₹ 92 Million to ₹ 80 Million in FY 2012-13 due to reduction in long term Loan as well as lower utilisation of working capital limits.

Profit Before Taxation:

Profit Before Taxation stood at ₹ 3,437 Million for FY 2012-13, as compared to ₹ 3,065 Million during FY 2011-12. The increase in turnover by 9.51% was off-set by 9% increase in operational expenditure. Despite expansion of business in Maharashtra, DBCL kept overall expenditure under close control which resulted in a 12% increase in Profit Before Tax.

Utilisation of IPO proceeds:

The total IPO proceeds received by the company were ₹ 2,690.07 Million. Following are the details of utilization of IPO proceeds till March 31, 2013:

(₹ in Mn)

Particulars	Amount to be utilised as per Prospectus	Actual Utilisation till March 31, 2013	Balance to be utilised as on March 31, 2013
Setting up of new publishing units	600.00	818.52	(218.52)
Upgrading existing plant and machinery	305.00	614.57	(309.57)
Sales and marketing	501.00	3.80	497.20
Reducing working capital loans	41.46	41.46	-
Prepaying existing term loans	1,100.00	1,100.00	-
Issue expenses paid out of IPO proceeds	142.61	111.60	31.01
Total	**2,690.07**	**2,689.95**	**0.12**

Subsequent to March 31, 2013, the balance amount has also been utilised.

INTERNAL CONTROLS:

The company has in place strong Internal Audit process, whereby regular internal audits are conducted by various independent firms of Chartered Accountants at all locations. The process is further supplemented with Surprise Audits. Surprise Audits ensure that established internal control procedures are followed every time for each transaction. Standard Operating Procedure (SOP) for major functions ensures that all activities therein are process driven with least manual intervention.

FUTURE OUTLOOK:

DBCL ended the fiscal on a positive note in a scenario which was impacted by contracting economic activity at a macro level and restrained consumer spending. Management feels that forthcoming financial year 2013-14 will be good in terms of overall growth of Indian economy. Government's focus on the second phase of reforms and speedy execution is expected to provide the much needed boost to the industry.

Management is confident of its business strategies that have visibly yielded very positive results and will continue to refine DBCL's competitive strengths. It will continue to strengthen its efforts in investing across resources in people, technology, innovation, marketing and infrastructure. It is well poised to capture all opportunities to take the organisation forward and deliver greater shareholder value.

For and on behalf of the Board of Directors of
D. B. Corp Limited

Place: Mumbai
Date: May 16, 2013

Sudhir Agarwal
Managing Director

Disclaimer:
It may please be noted that the statements in the Management Discussion and Analysis Report describing the company's objective and predictions may be forward looking within the meaning of the applicable regulations. Actual results may differ materially from those either expressed or implied in the statement depending on circumstances.

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on the code of Corporate Governance

D. B. Corp Limited follows the highest standards of corporate governance principles. The Company's policy on Corporate Governance is to make it a way of life by, inter alia, adopting standard Corporate Governance practices through continual improvement of internal systems and satisfaction of customers and shareholders.

Corporate Governance aims at fairness, transparency, accountability and responsibility in the functioning of the Company with the ultimate objective of realising and enhancing shareholders' values. The Company's philosophy on the code of Corporate Governance is tuned to these aspects and to the philosophy of D. B. Corp Limited, which is:

i) to ensure that adequate control systems exist to enable the Board in effectively discharging its responsibilities to all the stakeholders of the Company;

ii) to ensure that the decision making process is fair and transparent;

iii) to ensure the fullest commitment of the Management and the Board for the maximisation of shareholder value;

iv) to ensure that the employees of the Company subscribe to the corporate values and apply them in their conduct; and

v) to ensure that the Company follows globally recognised corporate governance practices.

Governance practices

We have formulated a number of policy documents and introduced the following set of governance practices:

A. Code of Conduct

Our 'Code of Conduct' covers a comprehensive range of issues such as fair market practices, insider information, financial records and accounting integrity, external communication, work ethics, personnel conduct, health, safety, environment and quality.

B. Prohibition of Insider Trading Policy

This policy prohibits trading in the equity shares of the Company based on possession of insider or privileged information before it is published officially.

C. Policy on Prevention of Sexual Harassment

The policy on prevention of sexual harassment aims at promoting a productive work environment and protects individual rights against sexual harassment.

D. Board Room Practice

i. Board Committees

The Board has constituted Audit Committee, Remuneration Committee, Shareholders'/ Investors' Grievance Committee, Compensation Committee and Executive Committee for not just statutory compliance but also for focused attention.

ii. Commitment of Directors

The meeting dates for the entire financial year are scheduled in the beginning of the year and an annual calendar of meetings of the Board and its Committees is circulated to the Directors. This enables the Directors to plan their commitments and facilitates attendance at the meetings of the Board.

E. Role of the Company Secretary in Governance Process

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and Senior Management for effective decision making at the meetings. The Company Secretary is primarily responsible to ensure compliance with applicable statutory requirements and is the interface between the management and regulatory authorities for governance matters. All the Directors of the Company have access to the advice and services of the Company Secretary.

F. Independent Statutory Auditors

The Company's accounts are audited jointly by:

1. S. R. Batliboi & Associates LLP, Chartered Accountants, Mumbai
2. Gupta Navin K. & Co., Chartered Accountants, Gwalior.

G. Standards issued by ICSI

The Institute of Company Secretaries of India (ICSI) has issued various 'Secretarial Standards' on key corporate functions like Board Meetings, General Meetings, Payment of Dividend, Maintenance of Registers and Records, Minutes of Meetings, Transmission of Shares and Debentures, Passing of Resolutions by Circulation, Affixing of Common Seal, Forfeiture of Shares and Board's Report. Although these standards are not mandatory, the Company adheres to them voluntarily.

Compliance with Clause 49 of the Listing Agreement

The Company is fully compliant with the mandatory requirements of Clause 49 of the listing agreement formulated by the Securities and Exchange Board of India.

I. Board of Directors

1. Board Composition

As at 31st March, 2013, the Board consisted of 9 members. The Composition and category of directors on the Board of the Company are as under:

Category	Name of Directors
Non – Executive, Promoter	Mr. Ramesh Chandra Agarwal
Executive, Promoter	Mr. Sudhir Agarwal
Non-Executive, Non-Independent Directors	Mr. Girish Agarwal Mr. Pawan Agarwal
Non-Executive, Independent Directors	Mr. Ajay Piramal* Mr. Kailash Chandra Chowdhary Mr. Piyush Pandey Mr. Harish Bijoor Mr. Ashwani Kumar Singhal

Mr. Ajay Piramal resigned from the Board of Directors w.e.f. 16th May, 2013.

All the Directors of the Company furnish a declaration at the time of their appointment as also annually that they qualify the conditions of their being Director. All such declarations are placed before the Board.

Details of Directors being appointed and re-appointed

As per the Companies Act, 1956 and the Articles of Association of the Company, not less than two-third of the total number of directors should retire by rotation. One third of retiring directors are required to retire every year by rotation and if eligible, these directors qualify for re-appointment.

Mr. Kailash Chandra Chowdhary and Mr. Piyush Pandey, retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

A brief resume of the Directors being re-appointed at the forthcoming Annual General Meeting

1. Name of the Director	Mr. Kailash Chandra Chowdhary
Date of Birth	8th May, 1940
Date of Appointment	28th November, 2007
Areas of Experience	Mr. Chowdhary is a retired banker. He began his career as a probationary officer in 1965, He has risen up in the corporate ladder in the banking industry, including the position of Executive Director in Central Bank of India, Chairman & Managing Director of Vijaya Bank, Chairman of Cent Bank Home Finance Ltd., Director of Agricultural Finance Corporation Ltd. and has also served in Master Card Asia/Pacific Board and as a trustee of Unit Trust of India.
Educational Qualifications	Bachelor's degree in Commerce and Chartered Accountant
Companies in which he holds Directorship	1. D. B. Corp Limited 2. C. Mahendra Exports Ltd.
Membership/ Chairmanship of Board Committees	Audit Committee – Chairman Compensation Committee – Chairman Remuneration Committee – Chairman
Shareholding	Nil

2. Name of the Director	Mr. Piyush Pandey
Date of Birth	5th September, 1955
Date of Appointment	28th November, 2007
Areas of Experience experience	Mr. Pandey has over 31 years of in the field of advertising. He began his career at Ogilvy and Mather Private Limited in 1982 and is currently the Executive Chairman of the company. He is the only Indian to have won a double gold at Cannes and a triple grand prize at London International Advertising Awards held in 2002.
Educational Qualifications	Post Graduate in History from Delhi University
Companies in which he holds Directorship	1. D. B. Corp Limited 2. Ogilvy & Mather Pvt. Ltd. 3. Brand David Communications Pvt. Ltd. 4. Soho Square Advertising & Marketing Communications Pvt. Ltd.
Membership/ Chairmanship of Board Committees	Audit Committee – Member Compensation Committee – Member
Shareholding	Nil

2. Conduct of Board Proceedings

The day-to-day business is conducted by the executives and business heads of the Company under the direct control of the Managing Director who acts under the supervision and directions of the Board. The Board holds minimum four meetings every year to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company.

The Board performs the following specific functions in addition to overseeing the business and the management:

- review, monitor and approve major financial and business strategies and corporate actions;
- assess critical risks facing the Company - review options for their mitigation;
- provide guidance on the selection, evaluation, development and compensation of senior management;
- ensure that the processes are in place for maintaining the integrity of:
  - a. the company
  - b. the financial statements
  - c. compliance with law
  - d. relationships with all the stakeholders
- delegation of appropriate authority to various Committee/s of the Board and the senior executives of the Company for effective management of operations.

3. Board Meetings

Four Board Meetings were held during the financial year 2012-13 on 4th May, 2012, 19th July, 2012, 18th October, 2012 and 21st January, 2013. At least one meeting of the Board of

Directors was held in every quarter and maximum time gap between two meetings was less than 4 months. All these meetings were held in Mumbai.

The Board periodically reviews compliance report of all laws applicable to the Company. The Notice convening the meeting and the agenda is sent 7 days in advance to all the Directors of the Company.

4. Attendance of Directors

Attendance of Directors at the Board meetings held during the financial year 2012-13 and the last Annual General Meeting of the Company held on 5th September, 2012 and the details of Directorships (calculated as per provisions of Section 275 and 278 of the Companies Act, 1956), Committee Chairmanships / Memberships held by the Directors as on 31st March, 2013 (calculated as per provisions of Clause 49 of the Listing Agreement) are as follows:

Name of the Director	No. of Board meetings attended during the financial year 2012-13	Attendance at the last AGM held on 5th September, 2012	No. of Directorships (including DBCL)	No. of Committee[a] Memberships[b] in Public Limited Companies	
				Memberships	Chairmanships
Mr. Ramesh Chandra Agarwal	2	Absent	10	Nil	Nil
Mr. Sudhir Agarwal***	1	Absent	13	1	Nil
Mr. Girish Agarwal***	4	Absent	15	2	1
Mr. Pawan Agarwal***	2	Present	14	3	2
Mr. Niten Malhan*	2	N. A.	N. A.	N. A.	N. A.
Mr. Ajay Piramal**	Nil	Absent	9	Nil	Nil
Mr. Kailash Chandra Chowdhary	4	Present	2	2	2
Mr. Piyush Pandey	1	Absent	1	1	Nil
Mr. Harish Bijoor	3	Absent	2	1	Nil
Mr. Ashwani Singhal***	4	Absent	2	1	Nil

Mr. Niten Malhan resigned from the Board of Directors w.e.f. 17th August, 2012.

*****Mr. Ajay Piramal resigned from the Board of Directors w.e.f 16th May, 2013.***

******Directors ceased to be Director in Synergy Media Entertainment Ltd. consequent to merger of Synergy Media Entertainment Ltd. into I Media Corp Ltd. w.e.f. 1st April, 2012.***

(a) Memberships/Chairmanships in the Audit Committees and Shareholders'/Investors' Grievance Committees are only considered.

(b) Memberships of Committees include Chairmanships, if any.

The Board granted Leave of Absence to the Director(s) who were absent at the respective Board Meeting/s at their request.

5. Other Directorship

None of the Directors hold Directorships in more than 15 public limited companies.

6. Membership of Board Committees

No director holds membership of more than 10 Committees of Board nor is any Director a chairman of more than 5 Committees of Board.

II. Audit Committee

In terms of Clause 49 of the Listing Agreement as well as Section 292A of the Companies Act, 1956, the Audit Committee was constituted by the Board. At present, the Audit Committee consists of four members including three Independent Directors and one Non-Independent Director. Mr. Kailash Chandra Chowdhary, an Independent Director is the Chairman of the Committee. All members of the Committee are financially literate.

The Audit Committee, inter alia, advises the management on the areas where systems, processes and measures for controlling and monitoring revenue assurance, internal audit, etc. can be improved. The minutes of the meetings of the Audit Committee are placed before the Board. The terms of reference of the Audit Committee are in accordance with Clause 49(II) of the Listing Agreement.

During the year, the Committee met 4 times on 4th May, 2012, 19th July, 2012, 18th October, 2012 and 21st January, 2013. The following table provides the composition of the Audit Committee and attendance of members at the meetings of the Committee held during the financial year 2012-13:

Members	Chairman/ Member	Category	No. of meetings attended
Mr. Kailash Chandra Chowdhary	Chairman	Non-Executive, Independent Director	4
Mr. Girish Agarwal	Member	Non-Executive, Non-Independent Director	4
Mr. Niten Malhan*	Member	Non-Executive, Independent Director	2
Mr. Piyush Pandey	Member	Non-Executive, Independent Director	1
Mr. Ashwani Singhal	Member	Non-Executive, Independent Director	4

Mr. Niten Malhan ceased to be a member of the Committee w.e.f. 17th August, 2012.

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 5th September, 2012.

The Company Secretary of the Company acts as the Secretary to the Audit Committee.

III. Shareholders' / Investors' Grievance Committee

At present, the Shareholders' / Investors' Grievance Committee consists of three members including one Executive and two Non-Executive Directors. Mr. Girish Agarwal, Non-Executive Director is the Chairman of the Committee. The Company has appointed Karvy Computershare Private Limited to act as Registrar and Transfer Agent of the Company.

The Shareholders'/Investors' Grievance Committee is responsible for the redressal of shareholders' and investors' grievances such as non-receipt of share certificates, annual reports, dividends, issuance of duplicate share certificates, consolidation and splitting, transfer and transmission, dematerialization / rematerialization of shares, etc. The Committee oversees the performance of the Registrars and

Transfer Agents of the Company (RTA) and recommends measures for overall improvement in the quality of investor services.

During the year, the Committee met 3 times on 19th July, 2012, 18th October, 2012 and 19th January, 2013. The following table provides the composition of the Shareholders'/Investors' Grievance Committee and attendance of the members at the meetings of the Committee held during the financial year 2012-13:

Members	Chairman/ Member	Category	No. of meetings attended
Mr. Girish Agarwal	Chairman	Non-Executive, Non- Independent Director	3
Mr. Pawan Agarwal	Member	Non-Executive, Non- Independent Director	3
Mr. Sudhir Agarwal	Member	Executive, Non- Independent Director	2
Mr. Niten Malhan*	Member	Non-Executive, Independent Director	1

**** Mr. Niten Malhan ceased to be a member of the Committee w.e.f. 17th August, 2012.***

The Company Secretary of the Company acts as the Secretary to the Shareholders' / Investors' Grievances Committee.

During the year under review, 43 complaints in the nature of non-receipt of refund, non-receipts of credit to Demat Accounts, etc. were received from the shareholders and all of them have been resolved and disposed off accordingly, as reported by the RTA of the company.

IV. Remuneration Committee

At present, the Remuneration Committee consists of three members who are Non-Executive Directors and Mr. Kailash Chandra Chowdhary, Independent Director is the Chairman of the Committee.

The Remuneration Committee determines the Company's remuneration policy, having regard to performance standards and existing industry practice. Under the existing policies, the Remuneration Committee determines the remuneration payable to the Directors. Apart from this, the Remuneration Committee also discharges the following functions:

- Framing policies and compensation including salaries and salary adjustments, incentives, bonuses, promotion, benefits, stock options and performance targets of the top executives; and
- Formulating strategies for attracting and retaining employees and employee development programs.

There was no meeting of the Remuneration Committee held during the year. The following table provides the composition of the Remuneration Committee:

Members	Chairman / Member	Category
Mr. Kailash Chandra Chowdhary	Chairman	Non-Executive, Independent Director
Mr. Girish Agarwal	Member	Non-Executive, Non-Independent Director
Mr. Ajay Piramal**	Member	Non-Executive, Independent Director
Mr. Niten Malhan*	Member	Non Executive, Independent Director
Mr. Pawan Agarwal***	Member	Non-Executive, Non-Independent Director

**** Mr. Niten Malhan ceased to be a member of the Committee w.e.f. 17th August, 2012.***
***** Mr. Ajay Piramal ceased to be a member of the Committee w.e.f. 16th May, 2013.***
****** Mr. Pawan Agarwal was appointed as the member of the Committee w.e.f 16th May, 2013.***

The Company Secretary of the Company acts as the Secretary to the Remuneration Committee.

None of the Directors have been granted any stock option.

The tenure of office of Mr. Sudhir Agarwal, Managing Director of the company, is for the period of 5 years w.e.f. 1st January, 2012, pursuant to Managing Director's agreement dated 10th January, 2012. The Managing Director is entitled to an annual salary of ₹ 60,00,000/- per annum. As per the agreement, he is not paid any sitting fees for attending the meetings of the Board or any Committee.

During the financial year 2012-13, the Company has paid remuneration to its Executive Director as per the details given below:

(in ₹)

Name of Director	Salaries and perquisites
Mr. Sudhir Agarwal - Managing Director	60,00,000/- p.a.

Details of sitting fees paid to Non-Executive Directors for the year ended 31st March, 2013 are as under:

(in ₹)

Name of Director	Sitting fees
Mr. Ramesh Chandra Agarwal	40,000
Mr. Girish Agarwal	80,000
Mr. Pawan Agarwal	40,000
Mr. Niten Malhan*	Nil
Mr. Kailash Chandra Chowdhary	1,75,000
Mr. Ajay Piramal**	Nil
Mr. Piyush Pandey	45,000
Mr. Harish Bijoor	60,000
Mr. Ashwani Singhal	1,75,000
Total	**6,15,000**

**** Mr. Niten Malhan resigned from the Board w.e.f. 17th August, 2012. While on the Board, he had opted not to accept any sitting fees for attending meetings of the Board and Committee/s.***

***** Mr. Ajay Piramal resigned from the Board w.e.f. 16th May, 2013.***

V. Compensation Committee

At present, the Compensation Committee consists of four members (three of whom are Independent Directors) and Mr. Kailash Chandra Chowdhary, Independent Director is the Chairman of the Committee.

With a view to comply with the provisions of the SEBI (Employees Stock Option Scheme & Employees Stock Purchase Scheme) Guidelines, 1999 and other provisions as applicable, the Board has constituted a Compensation Committee. The main scope of functions of this Committee is administration, implementation, execution and monitoring of the Employees Stock Option Scheme/s of the Company from time to time.

During the year, 3 meetings of the Compensation Committee were held on 19th July, 2012, 18th October, 2012 and 21st January, 2013. The following table provides the composition of the Compensation Committee and attendance of members at the meetings of the Committee held during the financial year 2012-13:

Members	Chairman/ Member	Category	No. of meetings attended
Mr. Kailash Chandra Chowdhary	Chairman	Non-Executive, Independent Director	3
Mr. Piyush Pandey	Member	Non-Executive, Independent Director	1
Mr. Pawan Agarwal	Member	Non-Executive, Non-Independent Director	2
Mr. Niten Malhan*	Member	Non-Executive, Independent Director	1
Mr. Ashwani Singhal	Member	Non-Executive, Independent Director	3

Mr. Niten Malhan ceased to be a member of the Committee w.e.f. 17th August, 2012.

The Company Secretary of the Company acts as the Secretary to the Compensation Committee.

VI. Executive Committee

At present, the Executive Committee consists of four members and Mr. Ramesh Chandra Agarwal, Non -Executive Director is the Chairman of the Committee.

The Executive Committee handles matters related to the day-to-day operations of the Company including opening and closing of bank accounts, authorisation for representing the company to all statutory and regulatory authorities, government departments, courts of law, etc., review of operating plans and budges, liability on account of foreign exchange exposures, if any, manpower resources, etc. and any other matter delegated by the Board.

During the year, four meetings of the Executive Committee were held on 2nd April, 2012, 18th June, 2012, 10th December, 2012 and 5th March, 2013. The following table provides the composition of the Executive Committee and attendance of the members at the meetings of the Committee held during the financial year 2012-13:

Members	Chairman/ Member	Category	No. of meetings attended
Mr. Ramesh Chandra Agarwal	Chairman	Non-Executive, Non-Independent Director	4
Mr. Sudhir Agarwal	Member	Executive, Non-Independent Director	3
Mr. Girish Agarwal	Member	Non-Executive, Non-Independent Director	2
Mr. Pawan Agarwal	Member	Non-Executive, Non-Independent Director	3
Mr. Niten Malhan*	Member	Non-Executive, Independent Director	0

Mr. Niten Malhan ceased to be a member of the Committee w.e.f. 17th August, 2012.

The Company Secretary of the Company acts as the Secretary to the Executive Committee.

VII. Subsidiary Companies

There is no material non-listed Indian subsidiary company of D. B. Corp Limited for the year ended 31st March, 2013.

The Company monitors the performance of all its subsidiaries, inter alia, by the following means:

- The financial statements of the unlisted subsidiary companies are reviewed by the Audit Committee of the Company as and when required.
- The minutes of the Board Meetings of the subsidiaries are placed at the Board Meetings of the Company.

VIII. Employees Stock Option Scheme

In order to share the growth of the Company and reward the employees for having participated in the success of the Company, Employee Stock Option Schemes ("the Schemes") have been implemented by the Company for the eligible employees based on specified criteria, named DBCL-ESOS 2008, DBCL-ESOS 2010 & DBCL-ESOS 2011 Schemes.

The Schemes are prepared in due compliance of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and other applicable laws.

IX. Management Discussion and Analysis Report

A Management Discussion and Analysis Report forms part of this Annual Report and includes discussions on various matters specified under Clause 49(IV)(F) of the listing agreement.

X. General Body Meetings

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

All the above Annual General Meetings were held at Registered Office of the Company at Ahmedabad.

Year	Date and Time	Special Resolution Passed, if any
2009-10	20th July, 2010 4.00 p.m.	Nil
2010-11	8th July, 2011 4.00 p.m.	Resolution for re-appointment of Mr. Sudhir Agarwal, Managing Director of the Company for a period of 5 years w.e.f. 1st January, 2012.
2011-12	5th September,2012 4.00 p.m.	Resolution for Alteration of Articles of Association by way of substitution of the existing set of Articles with a new set of Articles.

XI. Postal Ballot

The Company had not conducted any Postal Ballot during the financial year 2012-13 and none of the businesses proposed to be transacted in the ensuring Annual General Meeting require passing a special resolution through Postal Ballot.

XII. Policy on Insider Trading

The Company has formulated a Code of Conduct for Prevention of Insider Trading (Code) in accordance with the guidelines specified under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. The Board has appointed Ms. Anita Gokhale, Company Secretary as the Compliance Officer under the Code responsible for complying with the procedures, monitoring adherence to the rules for the preservation of price sensitive information, pre-clearance of trade, monitoring of trades and implementation of the Code of Conduct under the overall supervision of the Board. The Company's Code, inter alia, prohibits purchase and/or sale of shares of the Company by an insider while in possession of unpublished price sensitive information in relation to the Company and also during the period when the trading window is closed. The Company's Code is made available on the intranet of the Company for compliance by the designated employees.

XIII. Means of Communication

a. Publication of Results: The Unaudited Quarterly Results and Audited Results of the Company are published in English daily newspaper circulating in substantially the whole of India and in Gujarati daily newspaper circulating in Ahmedabad for the information of the shareholders and are also posted on the Company's website www.bhaskarnet.com.

b. Press Release and Presentations: Official Press Releases are sent to the Stock Exchanges. Presentation made to media, analyst, institutional investors, etc. are posted on the Company's website.

c. Website: The Company's website contains a separate dedicated section "Our Investors". It contains comprehensive database of information of interest to the investors including the financial results and Annual Reports of the Company, any information disclosed to the regulatory authorities from time to time, business activities and the services rendered/ facilities extended by the Company to the investors, in a user friendly manner. The basic information about the Company as called for in terms of clause 54 of the Listing Agreement is provided on this website and the same is updated regularly.

d. Annual Report: Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto and are also uploaded on the Company's website.

e. Designated email-id: The Company has also designated the email-id dbcs@dainikbhaskargroup.com for investor servicing.

f. Investor Conference Call: Every quarter, the conference calls are held for discussing financial results with investors and analysts. Transcripts of the calls are also posted on the website of the Company.

XIV. Disclosures

a. There are no materially significant transactions made by the Company with its Promoters, Directors or Management, their subsidiaries or relatives, etc. that may have a potential conflict with the interest of the Company at large. The related party transactions with subsidiary companies and others are disclosed in "Notes to Accounts" under schedules to financial statements.

b. Since the date of listing of the company's shares in January, 2010, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any other statutory authority for non – compliance of any matter.

c. The Company has adopted the Code of Conduct for its Directors and Senior Management Personnel. The Board members and Senior Management personnel have affirmed their compliance with the code and a declaration signed by the Managing Director of the Company confirming this as prescribed under Clause 49(I)(D) of the Listing Agreement is appended to this Report.

d. The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement. From among the non-mandatory requirements, the Board has constituted a Remuneration Committee. At present, the Remuneration Committee consists of three Non-executive Directors and the Chairman is an Independent Director. This committee determines the Company's remuneration policy in the light of performance standards and existing industry practice and also determines the remuneration payable to the Directors.

e. The Company discloses to the Audit Committee, the uses/applications of proceeds/funds raised from IPO, as part of quarterly review of its financial results.

f. Mr. Sudhir Agarwal, Managing Director and Mr. P. G. Mishra, Chief Financial Officer of the Company have provided certification on financial reporting and internal controls to the Board as required under Clause 49(V) of the Listing Agreement which has been placed before Board.

g. The Board in its report has confirmed that the annual accounts for the year ended March 31, 2013 have been prepared as per applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

h. The Company is complying with all the mandatory requirements of Clause 49 and quarterly compliance report in prescribed format has been submitted to the concerned stock exchanges.

i. The Auditors' Certificate on Compliance of Clause 49 of the Listing Agreement relating to corporate governance is appended to this Report.

XV. General Shareholder Information

Annual General Meeting

The Annual General Meeting (AGM) for the financial year 2012-13 will be held on Wednesday, 24th July, 2013 at 4.00 p.m. at Hotel Planet Landmark, 139/1, Amli Bopal Road, Nr. Ashok Vatika, Off. S. G. Road, Ahmedabad, Gujarat - 380051.

Financial Year of the Company

The Financial Year of the Company is from 1st day of April in a year till 31st day of March in the next succeeding year.

Website

www.bhaskarnet.com contains section 'Our Investors'. It carries comprehensive information of interest to the investors including that on the results of the Company, any information disclosed to the regulatory authorities from time to time, business activities of the company and the services rendered / facilities extended by the Company to the investors.

Dedicated email id for investors

For the convenience of our investors, the Company has designated an email id for investors which is "dbcs@dainikbhaskargroup.com".

Registrar & Share Transfer Agent (RTA)

For any assistance regarding Share Transfers, Transmissions, change of address, non-receipt of dividends, duplicate / missing share certificates and other relevant matters, the Registrar and Transfer Agents of the Company at the following address may be contacted:

Karvy Computershare Pvt. Ltd.
(Unit: D. B. Corp Limited)
Plot No. 17 to 24, Vittal Rao Nagar, Madhapur,
Hyderabad - 500 081,
Tel. No.: 040-4465 5000,
Fax No.: 040-2343 1551

E-mail Id: einward.ris@karvy.com

Contact person: Mr. U. S. Singh

Book closure dates for the purpose of AGM

The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 17th July, 2013 to Wednesday, 24th July, 2013 (both days inclusive) for the purpose of AGM.

Equity Shares held in Suspense Account

In term of Clause 5A.I of the Listing Agreement, the Company reports that 247 Shares of 6 shareholders are lying in the Demat Suspense Account as on 31st March, 2013 since they are still unclaimed by the respective allottee under Initial Public Offer of the Company in January, 2010.

Shareholding Pattern as on 31st March, 2013

Sr. No.	Category	No. of Holders	Total Shares	Percentage
1	Promoters	10	95909922	52.30
2	Promoters Bodies Corporate	7	41595057	22.69
3	Foreign Institutional Investors	51	26311908	14.35
4	Overseas Corporate Bodies	1	1404	0.00
5	Mutual Funds	41	10067886	5.49
6	Resident Individuals	10681	2173062	1.19
7	Bodies Corporate	231	6993759	3.81
8	H U F	398	50825	0.03
9	Non Resident Indians	158	193963	0.11
10	Clearing Members	28	63472	0.03
11	Indian Financial Institutions	1	3861	0.00
12	Trusts	1	8725	0.00
	Total	**11608**	**183373844**	**100.00**

Distribution of Shareholding as on 31st March, 2013

Share or debenture holding of nominal value	Share/debenture holders		Share/debenture Amount (in ₹)	
	Number	% to Total	in ₹	% to Total
Upto - 5000	10629	91.57	7333110	0.40
5001 - 10000	494	4.26	3254120	0.18
10001 - 20000	201	1.73	2812840	0.15
20001 - 30000	62	0.53	1503590	0.08
30001 - 40000	36	0.31	1295920	0.07
40001 - 50000	21	0.18	972690	0.05
50001 - 100000	35	0.30	2709040	0.15
100001 & Above	130	1.12	1813857130	98.92
Total	**11608**	**100.00**	**1833738440**	**100.00**

Share Transfer System

The process of recording of share transfers, transmissions, etc., for shares held in electronic form is handled by Karvy Computershare Pvt. Ltd (RTA) and a report thereof is sent to the company periodically and the Shareholders'/Investors' Grievance Committee of the Company takes note of the same at its meetings. In respect of shares held in physical form the transfer documents are lodged with the RTA and after processing, the same are sent to the company, and the Shareholders' / Investors' Grievance Committee conveys its approval to the Registrars, who dispatch the duly transferred share certificates to the shareholders concerned, after complying with the applicable provisions. The average time taken for processing share transfer requests including dispatch of share certificates is 30 days, while it takes minimum of 15 days for processing dematerialization requests by the Share Transfer Agents.

Dematerialization of shares and Liquidity

The Company has admitted its shares to the depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of Shares. The International Securities Identification Number (ISIN) allotted to the Company is INE950I01011. The equity shares of the Company are compulsorily traded in dematerialized form as mandated by SEBI.

As on 31st March, 2013, status of the dematerialized and physical form of shares of the Company is as under:

Shares held in	No. of Shares	%
Electronic Form with CDSL	4,09,942	0.22
Electronic Form with NSDL	18,29,61,727	99.78
Physical Form	2,175	0.00
Total	**18,33,73,844**	**100.00**

Annual Report - Green Initiative in Corporate Governance

The Ministry of Corporate Affairs (MCA) has taken a “Green Initiative in Corporate Governance” by allowing paperless compliances by Companies through electronic mode. In accordance with circular no. 17/2011 dated April 21, 2011 and circular no. 18/2011 dated April 29, 2011 issued by the Ministry, companies can send various notices and documents, including Annual Report, to its shareholders through electronic mode to the registered e-mail addresses of its shareholders. This initiative of MCA will reduce paper consumption to a great extent and enhance corporate contribution to a greener and safer environment.

All shareholders of the Company can contribute to this initiative and reduce paper usage by opting to receive various notices and documents through electronic mode to their registered e-mail address.

Company had written vide letters dated 27th May, 2011 and 19th July, 2012 to all its shareholders who have registered their e-mail address with the Depositary/Company seeking their consent to use their e-mail address for sending documents including Annual Report through email. Others were also appealed to register their e-mail address and opt for receiving all the communication through e-mail. Accordingly, the Company has sent last 2 years' annual report through e-mail to the shareholders who have registered their e-mail address with the Registrar.

All the shareholders are requested to contribute to this initiative and reduce paper usage by opting to receive various notices and documents through electronic mode to their registered e-mail address with the Depositary/Company. The shareholders who hold shares in physical form can also register their e-mail address with the Registrar and Transfer Agent – Karvy Computershare Private Limited.

However, those who want to receive hard copies of all the communication have to make a specific request to the company by sending a letter in this regard.

Stock Exchange Listings

The shares of the Company are listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

The Annual Listing fees for the year 2013-14 have been paid to both these Stock Exchanges.

Stock Code

BSE Limited: Scrip Code / Symbol – 533151 / DBCORP

National Stock Exchange of India Limited: Scrip Symbol: DBCORP

The GDR/ADR/Convertible instruments

The Company has not issued any GDR/ADR/Convertible instruments during the financial year 2012-13.

Stock market price data for the year 2012-13

The Market quotation of Company's scrip on BSE and NSE is as follows:

(Price in ₹)

Month	BSE share price		S&P BSE Sensex		NSE share price		CNX Nifty	
	High	Low	High	Low	High	Low	High	Low
Apr 2012	220.80	203.00	17664.10	17010.16	219.75	201.00	5378.75	5154.30
May 2012	215.00	191.05	17432.33	15809.71	222.00	190.70	5279.60	4788.95
Jun 2012	207.00	182.00	17448.48	15748.98	208.60	181.00	5286.25	4770.35
Jul 2012	224.80	192.05	17631.19	16598.48	224.70	192.05	5348.55	5032.40
Aug 2012	235.00	180.55	17972.54	17026.97	234.40	181.15	5448.60	5164.65
Sept 2012	213.00	185.60	18869.94	17250.80	205.95	185.15	5735.15	5215.70
Oct 2012	228.70	196.30	19137.29	18393.42	235.00	197.05	5815.35	4888.20
Nov 2012	228.00	205.20	19372.70	18255.69	225.00	205.00	5885.25	5548.35
Dec 2012	230.50	213.00	19612.18	19149.03	229.95	213.30	5965.15	5823.15
Jan 2013	250.85	222.80	20203.66	19508.93	251.75	222.30	6111.80	5935.20
Feb 2013	247.70	227.05	19966.69	18793.97	250.00	227.00	6052.95	5671.90
Mar 2013	261.00	210.05	19754.66	18568.43	264.00	213.90	5971.20	5604.85

Shares held by Directors

The details of the shares held by the Directors of the Company as on 31st March, 2013 are as under:

Name of the Director	No. of Equity Shares held
Mr. Ramesh Chandra Agarwal	1,00,001
Mr. Sudhir Agarwal	2,66,81,449
Mr. Girish Agarwal	2,50,87,256
Mr. Pawan Agarwal	2,81,52,456
Mr. Kailash Chandra Chowdhary	Nil
Mr. Ajay Piramal*	Nil
Mr. Piyush Pandey	Nil
Mr. Harish Bijoor	Nil
Mr. Ashwani Kumar Singhal	Nil

***** Mr. Ajay Piramal resigned from the Board w.e.f. 16th May, 2013.***

Key Financial Reporting Dates for the Financial Year 2013-14

Unaudited results for the first quarter ended 30th June, 2013:	On or before 14th August, 2013
Unaudited results for the second quarter/half year ended 30th September, 2013:	On or before 14th November, 2013
Unaudited results for the third quarter ended 31st December, 2013:	On or before 14th February, 2014
Audited results for the financial year 2013-14:	On or before 30th May, 2014

Other Information

1. **Permanent Account Number (PAN) for transfer of shares in physical form mandatory**

   SEBI vide its Circular dated May 20, 2009 has stated that for securities market transactions and off-market transactions of listed companies involving transfer of shares in physical form, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company's RTA for registration of such transfer of shares.

2. **Insider Trading**

   In order to prohibit insider trading and protect the rights of innocent investors, SEBI has enacted the SEBI (Prohibition of Insider Trading) Regulations, 1992. As per Regulation 13 of the said Regulations, initial and continual disclosures are required to be made by investors as under:

   Initial Disclosure

   As per sub-regulation (1), any person who holds more than 5% shares or voting rights in any listed company shall disclose to the company in Form A, the number of shares or voting rights held by such person, on becoming such holder, within 2 working days of: (a) the receipt of intimation of allotment of shares; or (b) the acquisition of shares or voting rights, as the case may be.

   Continual Disclosure

   As per sub-regulation (3), any person who holds more than 5% shares or voting rights in any listed company shall disclose to the company in Form C, the number of shares or voting rights held and change in shareholding or voting rights, even if such change results in shareholding falling below 5%, if there has been change in such holdings from the last disclosure made under sub-regulation (1) or under this sub-regulation; and such change exceeds 2% of total shareholding or voting rights in the Company.

3. **SEBI Complaints Redress System (SCORES)**

   The investor complaints are processed through a centralized web-based complaint redressal system by SEBI called "SCORES". The salient features of SCORES are availability of centralised data base of complaints, uploading online Action Taken Reports (ATRs) by the company. Through SCORES the investors can view online, the actions taken and current status of the complaints.

4. **Online Portal for submission of various filings**

National Electronic Application Processing System (NEAPS)

The NEAPS is web-based system designed by NSE for Corporates. The Shareholding Pattern, Corporate Governance Report, Announcements, Board Meeting and Corporate Action are also filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the "Listing Centre")

It is a web based facility accessible from anywhere through the company's allotted unique login. Listing Centre of BSE accepts periodical compliance filings from the Companies.

5. **Un-claimed Dividend**

The Dividend for the following years remaining unclaimed for 7 years from the date of declaration are required to be transferred by the Company to Investor Education and Protection Fund (IEPF) and various dates for the transfer of such amounts are as under:

Unclaimed Dividend	Date of Payment of Dividend	Due Date of Transfer to IEPF
Final Dividend 2006-07	3-Oct-07	2-Oct-14
Final Dividend 2007-08	2-Sep-08	1-Sep-15
Final Dividend 2008-09	28-Jul-09	27-Jul-16
Interim Dividend 2009-10	27-Mar-10	26-Mar-17
Final Dividend 2009-10	26-Jul-10	25-Jul-17
Interim Dividend 2010-11	17-Feb-11	16-Feb-18
Final Dividend 2010-11	26-Jul-11	25-Jul-18
Interim Dividend 2011-12	17-Feb-12	16-Feb-19
Second Interim Dividend 2011-12	25-May-12	24-May-19
Final Dividend 2011-12	12-Sep-12	11-Sep-19
Interim Dividend 2012-13	8-Feb-13	7-Feb-20

Members who have so far not encashed dividend warrant for the aforesaid years are requested to approach the Company's Registrar and Transfer Agent, Karvy Computershare Private Limited, immediately.

Members are requested to note that no claims shall lie against the Company or the IEPF in respect of any amounts which were unclaimed and unpaid for a period of seven years from the date that it first became due for payment and no payment shall be made in respect of any such claim.

Ministry of Corporate Affairs has notified the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 in compliance of which the Company regularly uploads the details of unpaid and unclaimed dividend on the website of the Company.

6. **Payment of Dividend**

SEBI vide circular no. CIR/MRD/DP/10/2013 dated 21st March, 2013 has made it mandatory to use electronic payment modes like NEFT, ECS, RTGS to make the payments to investors. Shareholders may kindly note the following:

a. National Electronic Clearing Services (NECS)/ Electronic Clearing Services (ECS) facility: Shareholders holding shares in electronic form and desirous of availing NECS/ ECS facility, are requested to ensure that their correct bank details along with 9 digit MICR code of the bank is noted in the records of the Depository Participant (DP). Shareholders holding shares in physical form may please contact the RTA.

b. Payment by Dividend Warrants: In order to prevent fraudulent encashment of dividend warrants, holders of shares in demat and physical form, are requested to provide their correct bank account details to the DP or RTA, as the case may be.

7. **Course of Action in case of Non-receipt of Dividend, Revalidation of Dividend Warrant, etc.**

Shareholders may write to the Company's RTA, furnishing the particulars of the dividend not received, quoting the folio number/ DP ID and Client ID particulars (in case of dematerialised shares). On expiry of the validity period, if the dividend warrant still appears as unpaid in records of the Company, duplicate warrant will be issued. The Company's RTA would request the concerned shareholder to execute an indemnity before issuing the duplicate warrant. However, duplicate warrants will not be issued against those shares wherein a 'stop transfer indicator' has been instituted either by virtue of a complaint or by law, unless the procedure for releasing the same has been completed.

Shareholders are requested to note that they have to wait till the expiry of the validity of the original warrant before a duplicate warrant is issued to them, since the dividend warrants are payable at par at several centers across the country and the banks do not accept 'stop payment' instructions on the said warrants.

8. **Address for correspondence**

Investors' correspondence may be addressed to the RTA / Compliance Officer of the Company. Shareholders' / Investors' are requested to forward documents related to share transfer, dematerialization requests (through their respective Depository Participant) and other related correspondence directly to Karvy Computershare Private Limited at the below mentioned address for speedy response:

Karvy Computershare Pvt. Ltd.
(Unit: D. B. Corp Limited)
Plot No. 17 to 24, Vittalrao Nagar, Madhapur,
Hyderabad - 500 081,
Tel. No: 040-4465 5000 Fax No.: 040-2343 1551
E-mail Id: einward.ris@karvy.com

Shareholders' / Investors' can also send the above correspondence to the Compliance Officer of the Company at the following address

Anita Gokhale
Company Secretary & Compliance Officer
D. B. Corp Limited, 501, 5th Floor, Naman Corporate Link,
Opp. Dena Bank, C-31, G- Block, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051.
Tel No.: 022-39888840 • Fax No.: 022-26597217/39804793
E-mail Id: dbcs@dainikbhaskargroup.com

For D. B. Corp Limited

Place: Mumbai
Date: May 16, 2013

Anita Gokhale
Company Secretary

Auditors' Certificate on Compliance with the conditions of Corporate Governance

To

The Members of D. B. Corp Limited

We have examined the compliance of conditions of corporate governance by D. B. Corp Limited ('the Company'), for the year ended on March 31, 2013, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W

per Amit Majmudar
Partner
Membership No. 36656

For **Gupta Navin K. & Co.**
Chartered Accountants
ICAI Firm registration number: 06263C

per Navin K. Gupta
Partner
Membership No. 75030

Place: Mumbai
Date: May 16, 2013

Declaration regarding compliance by the Board and Senior Management Personnel with the Code of Conduct

This is to certify that the Company has adopted a Code of Conduct for all Board Members and Senior Managerial Personnel of the Company and this Code has been posted on the website of the Company.

I confirm that in respect of the financial year 31st March, 2013, the Company has received a declaration of compliance with the Code of Conduct as applicable to them, from the Members of the Board and the Senior Managerial Personnel of the Company.

Place: Mumbai
Date: May 16, 2013

Sudhir Agarwal
Managing Director

CEO/CFO Certification Pursuant to Clause 49 of the Listing Agreement

To

The Board of Directors
D. B. Corp Limited

This is to certify that:

a) We have reviewed the financial statements and the cash flow statement for the financial year 2012-13 and that to the best of our 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 and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated, wherever applicable, to the Auditors and the Audit Committee:
   i. significant changes, if any, in internal control over financial reporting during the year;
   ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in notes to the financial statements; and
   iii. instances of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For D. B. Corp Limited

Place: Mumbai
Date: May 16, 2013

Sudhir Agarwal
Managing Director

P. G. Mishra
Chief Financial Officer

D. B. Corp Limited
INDEPENDENT AUDITORS' REPORT

To the Members of D. B. Corp. Limited

Report on the Financial Statements

We have audited the accompanying financial statements of D. B. Corp Limited (the 'Company'), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss 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 accounting principles generally accepted in India, including 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.

Auditors' 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:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

(b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) 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') 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 Act;

   (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For S.R. Batliboi & Associates LLP **Chartered Accountants** **ICAI Firm Registration Number: 101049W**	**For Gupta Navin K. & Co.** **Chartered Accountants** **ICAI Firm Registration Number: 06263C**
per Amit Majmudar **Partner** Membership Number : 36656 Mumbai May 16, 2013	**per Navin K. Gupta** **Partner** Membership Number : 75030 Mumbai May 16, 2013

Annexure referred in our report of even date
Re: D. B. Corp Limited (the 'Company')

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) There was no disposal of a substantial part of fixed assets during the year.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.

(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

(iii) (a) The Company has granted unsecured loans to two companies covered in the register maintained under section 301 of the Act one of which is wholly owned subsidiary. The maximum amount involved during the year was Rs. 574,698,712 and the year-end balance of loans granted was Rs. 487,198,720.

(b) In respect of one of the loans granted to wholly owned subsidiary, the loan granted is interest free. According to the information and explanations given to us and having regard to management's representation that the interest free loan is given to wholly-owned subsidiary of the Company in the interest of the Company's business, the rate of interest and other terms and conditions for such loan is not prima facie prejudicial to the interest of the Company. In case of other loans including the loan given to other party, in our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the Company.

(c) In respect of loan granted to wholly owned subsidiary, the loan including interest thereon is re-payable on demand. We are informed that the Company has not demanded repayment of any such loan or interest during the year and thus, there has been no default on the part of wholly owned subsidiary. The interest free loan referred above is convertible into equity shares. In case of loan granted to other party, repayment of the principal amount is as stipulated and payment of interest has been regular.

(d) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 301 of the Act.

(e) According to information and explanations given to us, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, clauses 4 (iii) (f) and (g) of the Order are not applicable and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in internal control system of the Company in respect of these areas.

(v) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.

(b) In respect of transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs entered into during the financial year, because of the unique and specialized nature of the items involved and absence of any comparable prices, we are unable to comment whether the transactions were made at prevailing market prices at the relevant time.

(vi) The Company has not accepted any deposits from the public.

(vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Act, related to the manufacture of newspaper and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, duty, cess and other material statutory dues applicable to it. The provisions relating to excise duty are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to excise duty are not applicable to the Company.

(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Demand of Income tax	4,629,990	Assessment year 2009-10	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Demand of Income tax	11,319,440	Assessment year 2010-11	Commissioner of Income Tax (Appeals)

(x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.

(xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution and bank. The Company did not have any outstanding debentures during the year.

(xii) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.

(xiv) 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 Order are not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has given guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof in our opinion are not prima-facie prejudicial to the interest of the Company.

(xvi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(xvii) 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.

(xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Act.

(xix) The Company did not have any outstanding debentures during the year.

(xx) We have verified that the end use of money raised by public issues is as disclosed in the notes to the financial statements.

(xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S.R. Batliboi & Associates LLP	**For Gupta Navin K. & Co.**
Chartered Accountants	**Chartered Accountants**
ICAI Firm Registration Number: 101049W	**ICAI Firm Registration Number: 06263C**
per Amit Majmudar	**per Navin K. Gupta**
Partner	**Partner**
Membership Number : 36656	Membership Number : 75030
Mumbai	Mumbai
May 16, 2013	May 16, 2013

D. B. Corp Limited

Balance sheet as at March 31, 2013

(Amount in Indian rupees, except share data)

	Notes	March 31, 2013 ₹	March 31, 2012 ₹
Equity and liabilities			
Shareholders' funds			
Share capital	3	1,833,748,440	1,833,093,540
Reserves and surplus	4	8,910,101,402	7,765,265,687
		10,743,849,842	9,598,359,227
Non-current liabilities			
Long-term borrowings	5	878,017,103	1,028,578,808
Deferred tax liabilities (net)	6	833,737,074	745,798,195
Other long-term liabilities	7	322,975,231	292,421,372
		2,034,729,408	2,066,798,375
Current liabilities			
Short-term borrowings	8	495,848,872	772,249,360
Trade payables	9	958,482,145	1,073,945,168
Other current liabilities	9	1,552,357,939	1,376,858,707
Short-term provisions	10	941,346,207	837,482,391
		3,948,035,163	4,060,535,626
TOTAL		**16,726,614,413**	**15,725,693,228**
Assets			
Non-current assets			
Fixed assets	11		
Tangible assets		7,595,617,818	7,130,397,801
Intangible assets		294,150,527	316,654,279
Capital work-in-progress		70,248,234	449,639,047
Non-current investments	12	1,584,093,741	827,673,600
Long-term loans and advances	13	983,796,404	872,701,183
Other non-current assets	14	64,389,383	89,996,061
		10,592,296,107	9,687,061,971
Current assets			
Inventories	15	1,298,195,514	1,183,838,589
Trade receivables	16	3,038,928,041	2,446,283,549
Cash and bank balances	17	1,247,277,235	1,867,895,994
Short-term loans and advances	13	534,047,838	524,743,447
Other current assets	14	15,869,678	15,869,678
		6,134,318,306	6,038,631,257
TOTAL		**16,726,614,413**	**15,725,693,228**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants

per Amit Majmudar
Partner
Membership No. 36656

Place : Mumbai
Date : May 16, 2013

For Gupta Navin K. & Co.
ICAI Firm Registration Number: 06263C
Chartered Accountants

per Navin K. Gupta
Partner
Membership No. 75030

Place : Mumbai
Date : May 16, 2013

For and on behalf of the Board of Directors of
D. B. Corp Limited

Managing Director Director

Company Secretary

Place : Mumbai
Date : May 16, 2013

D. B. Corp Limited

Statement of profit and loss for the year ended March 31, 2013

(Amount in Indian rupees, except share data)

	Notes	March 31, 2013 ₹	March 31, 2012 ₹
Income			
Revenue from operations	18	15,788,596,499	14,418,107,698
Other income	19	247,328,288	230,520,256
(I)		16,035,924,787	14,648,627,954
Expenses			
Cost of raw materials consumed	20	5,425,922,444	5,070,579,203
Decrease/(increase) in inventories of finished goods		275,183	(415,865)
Event expenses		117,028,193	140,466,862
Employee benefit expenses	21	2,683,488,577	2,351,143,176
Foreign exchange loss (net)	22	59,980,652	101,155,271
Other expenses	23	3,658,952,430	3,327,987,041
(II)		11,945,647,479	10,990,915,688
Earning before interest, tax, depreciation and amortisation (EBITDA) (I - II)		4,090,277,308	3,657,712,266
Finance costs	24	79,779,503	92,261,275
Depreciation and amortisation expenses	11 & 12	573,070,400	500,020,416
Profit before tax		3,437,427,405	3,065,430,575
Tax expenses			
Current tax (refer note 40)		1,043,430,000	929,500,000
Deferred tax		87,938,879	51,200,568
Total tax expense		1,131,368,879	980,700,568
Profit for the year		2,306,058,526	2,084,730,007
Earning per equity share [nominal value of share ₹ 10 (March 31, 2012: ₹ 10)]	25		
Basic		12.58	11.37
Diluted		12.56	11.36
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants

per Amit Majmudar
Partner
Membership No. 36656

Place : Mumbai
Date : May 16, 2013

For Gupta Navin K. & Co.
ICAI Firm Registration Number: 06263C
Chartered Accountants

per Navin K. Gupta
Partner
Membership No. 75030

Place : Mumbai
Date : May 16, 2013

For and on behalf of the Board of Directors of D. B. Corp Limited

Managing Director **Director**

Company Secretary

Place : Mumbai
Date : May 16, 2013

D. B. Corp Limited

Cash flow statement for the year ended March 31, 2013

(Amount in Indian rupees, except share data)

			For the year ended March 31, 2013 ₹	For the year ended March 31, 2012 ₹
A.	**Cash flow from operating activities**			
	Profit before tax		3,437,427,405	3,065,430,575
	Non-cash adjustments to reconcile profit before tax to net cash flows			
	Loss on sale/disposal of fixed assets (net)		13,822,674	18,742,046
	Interest expenses		63,909,825	76,348,120
	Interest income		(103,256,592)	(113,425,616)
	Depreciation and amortisation expenses		573,070,400	500,020,416
	Gain on subsidiary merger		(29,470,730)	-
	Amortisation of term loan processing fees		15,869,678	15,913,155
	Provision for doubtful advances		-	27,500,000
	Provision for other than temporary diminution in value of investments		62,500,000	-
	Bad trade receivables written off		-	9,489,462
	Provision for doubtful advances written back		(5,000,000)	-
	Provision for doubtful trade receivables		67,414,298	61,796,563
	Unrealised foreign exchange loss/(gain)		7,021,534	(4,211,482)
	Operating profit before working capital changes		**4,103,308,492**	**3,657,603,239**
	Movements in working capital			
	(Increase) in inventories		(114,356,925)	(455,805,490)
	(Increase) in trade receivables		(660,058,792)	(131,880,937)
	(Increase) in long-term loans and advances		(2,958,045)	(306,263,217)
	(Increase) in short-term loans and advances		(75,037,228)	(13,954,734)
	Increase in other long-term liabilities		33,948,733	34,563,370
	(Decrease)/increase in trade payables		(115,463,023)	312,878,760
	Increase in other current liabilities		289,614,780	177,792,902
	Increase in short-term provisions		41,094,387	11,049,016
	Cash generated from operations		**3,500,092,379**	**3,285,982,909**
	Direct taxes paid		(1,039,168,229)	(909,345,090)
	Net cash flow from operating activities	(A)	**2,460,924,150**	**2,376,637,819**
B.	**Cash flow from investing activities**			
	Purchase of fixed assets		(601,903,704)	(1,225,796,602)
	Proceeds from sale of fixed assets		16,085,946	11,486,723
	Purchase of shares in subsidiary companies		(379,675,107)	(9,995,800)
	Purchase of investments		(410,000,000)	(297,350,000)
	Sale of investments		8,000,000	-
	Interest received		101,489,437	113,425,616
	Loans and advances given to subsidiary companies (net)		(134,625,486)	(2,573,234)
	Inter-corporate deposits recovered		87,499,992	272,339,556
	Fixed deposits with maturity period more than three months matured (net)		443,428,479	164,689,282
	Net cash used in investing activities	(B)	**(869,700,443)**	**(973,774,459)**
C.	**Cash flow from financing activities**			
	Long-term loans repaid		(316,310,099)	(725,320,117)
	Long-term loans taken		-	136,703,218
	Short-term loans (repaid)/taken		(283,422,021)	435,468,768
	Dividend paid		(962,408,295)	(687,274,325)
	Dividend distribution tax		(156,152,726)	(111,510,921)
	Interest paid		(68,028,038)	(71,606,975)
	Proceeds from issue of shares		8,170,192	3,593,136
	Net cash used in financing activities	(C)	**(1,778,150,987)**	**(1,019,947,214)**
	Net (decrease)/increase in cash and cash equivalents	(A)+(B)+(C)	**(186,927,280)**	**382,916,146**
	Cash and cash equivalents at the beginning of the year		1,347,550,155	964,634,009
	Cash and cash equivalents at the end of the year		1,160,622,875	1,347,550,155
	Net (decrease)/increase in cash and cash equivalents		**(186,927,280)**	**382,916,146**

For details of components of cash and cash equivalents - refer note - 17

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants

per Amit Majmudar
Partner
Membership No. 36656

Place : Mumbai
Date : May 16, 2013

For Gupta Navin K. & Co.
ICAI Firm Registration Number: 06263C
Chartered Accountants

per Navin K. Gupta
Partner
Membership No. 75030

Place : Mumbai
Date : May 16, 2013

For and on behalf of the Board of Directors of D. B. Corp Limited

Managing Director **Director**

Company Secretary

Place : Mumbai
Date : May 16, 2013

1. Nature of operations

D. B. Corp Limited (the 'Company') is in the business of publishing newspapers, radio broadcasting, event management, internet and wind energy. The major brands in publishing business are 'Dainik Bhaskar' and 'Business Bhaskar' (Hindi dailies), 'Divya Bhaskar' and 'Saurashtra Samachar' (Gujarati dailies), 'Divya Marathi' (Marathi daily) ,'DNA English', (English daily) and monthly magazines such as 'Aha Zindagi', 'Bal Bhaskar', etc. Presently, the Company's radio station is on air in 17 cities under the brand name 'My FM'. The frequency allotted to the Company's radio station is 94.3. The Company derives its revenue mainly from the sale of these publications and advertisements published in the publications and aired on radio.

2. Summary of significant accounting policies

a) Basis of preparation

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 (the 'Act'). The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India. The financial statements have been prepared under the historical cost convention and on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

b) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c) Tangible fixed assets

Fixed assets are stated at cost, less accumulated depreciation / amortisation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

The Company adjusts exchange differences arising on translation / settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with the Ministry of Corporate Affairs circular dated August 09, 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Company does not differentiate between exchange differences arising from long- term foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

d) Depreciation

Depreciation is provided using the Straight Line Method at the rates computed based on estimated useful lives of the assets as estimated by the management, which are equal to the corresponding rates prescribed in Schedule XIV to the Act.

Leasehold land and buildings are amortised on a straight line basis over the period of lease, i.e. lease period which ranges from 30 years to 99 years in case of leasehold land and up to 74 years in case of leasehold buildings as per the agreement.

Leasehold Improvements are amortised on a straight line basis over the shorter of the estimated useful life of the asset or the lease term, which does not exceed 10 years.
Assets individually costing up to ₹ 5,000 are fully depreciated in the year of its acquisition.

e) Intangible assets

Goodwill
Goodwill is amortised on a straight-line basis over a period of five years.

Computer software- ERP
Computer Software, being the cost of ERP License and Installation, is amortised on a straight-line basis over a period of five years.

One time entry fees
One time Entry fees represent amount paid for acquiring licenses for radio stations and is amortised on a straight line basis over a period of ten years i.e. period as per Grant of Permission Agreement entered into with Ministry of Information and Broadcasting for each station, commencing from the date on which the radio station becomes operational.

f) Expenditure on new projects

Capital work-in-progress:
Costs of construction that relate directly to the specific asset and cost that are attributable to the construction activity in general and can be allocated to the specific assets are capitalised.

Pre-operative expenditure:

Indirect expenditure incurred during construction period is capitalised under the respective asset-head as part of the indirect construction cost to the extent to which the expenditure is allocable / apportioned to the asset-head. Other indirect expenditure incurred during the construction period, which is not related to the construction activity or which is not incidental thereto is written off in the statement of profit and loss.

Income earned during the construction period and income from trial runs is deducted from preoperative expenditure pending allocation.

g) Impairment of tangible and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations if any, including impairment on inventories, are recognised in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

h) Investments

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for other than temporary diminution in value is made to recognise a decline other than temporary in the value of the long-term investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

Investment Property

An investment in land or buildings, which is not intended to be occupied substantially for use by, or in the operations of, the Company, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the investment property to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation on building component of investment property is calculated on a straight-line basis using the rate arrived at based on the useful life estimated by the management, or that prescribed under the Schedule XIV to the Act, whichever is higher.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

i) **Leases**

Where Company is the lessee
Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

j) **Inventories**

Inventories are valued as follows:

Raw materials News Prints and Stores and Spares	-	Lower of cost and net realisable value. However, material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
Magazines	-	Lower of cost and net realisable value. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

k) **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Specifically, the following bases are adopted.

Advertisements
Revenue is recognised as and when advertisement is published/displayed/aired and is disclosed net of trade discounts and service tax, wherever applicable.

Sale of newspaper, magazine, waste paper and scrap
Revenue is recognised when all the significant risks and rewards of ownership have passed on to the buyer, usually on delivery of the goods and is disclosed net of sales return, trade discounts and taxes.

Printing job work
Revenue from printing job work is recognised on the completion of job work as per terms of the agreement with the customer and is disclosed net of trade discounts and service tax.

Sale of power
Revenue from sale of power generated in the Wind Energy Units of the Company is accounted on the basis of supply made to Madhya Pradesh Paschim Kshetra V.V. Co. Limited, as per the agreement.

Event
Revenue from event management is recognised once the related event is completed.

Interest
Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income
Revenue is recognised when the shareholders' right to receive the payment is established by the Balance sheet date.

l) **Foreign currency transactions**

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences

The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

- Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalised and depreciated over the remaining useful life of the asset.

- Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortised over the remaining life of the concerned monetary item.

- All other exchange differences are recognised as income or as expenses in the period in which they arise.

The Company treats a foreign currency monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination. In accordance with Ministry of Corporate Affairs circular dated August 09, 2012, exchange differences for this purpose, are total differences arising on long-term foreign currency monetary items for the period. In other words, the Company does not differentiate between exchange differences arising from long-term foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability

The premium or discount arising at the inception of forward exchange contract is amortised and recognised as an expense / income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or as expense for the period.

m) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation done as per projected unit credit method, carried out by an independent actuary at the end of the year.

The Company makes contributions to a trust administered and managed by the Insurance Company to fund the gratuity liability. Under this scheme, the obligation to pay gratuity remains with the Company, although the insurance company administer the scheme.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Company presents the leave as a short-term provision in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as long-term provision.

Actuarial gains / losses are immediately taken to the statement of profit and loss both for gratuity and leave encashment and are not deferred.

n) Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date, unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably or virtually certain, as the case may be, that sufficient future taxable income will be available.

o) Provisions

A provision is recognised when the Company has a present obligation as a result of past event; 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 not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

p) Borrowing costs

Borrowing costs includes interest and amortisation of term loan processing fees over the period of loans which are incurred in connection with arrangements of borrowings and exchange differences arising from short- term foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of cost of the respective assets. All other borrowing costs are expensed in the period in which they occur.

(Amount in Indian rupees, except share data)

q) **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) (if any).

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

r) **Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

s) **Cash and cash equivalents**

Cash and Cash equivalents comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

t) **Employee stock compensation cost**

In accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method and recognised, together with a corresponding increase in the “Stock option outstanding” account in reserves. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company’s best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognised in the statement of profit and loss for the year represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefit expenses. Under this method compensation expense is recorded over the vesting period of the option on straight line basis, if the fair market value of the underlying stock exceeds the exercise price at the grant date.

u) **Measurement of EBITDA**

As permitted by the Guidance note on the Revised Schedule VI to the Act, the Company has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBIDTA on the basis of profit / (loss) from continuing operation. In this measurement, the Company does not include depreciation and amortisation expenses, finance costs and tax expenses.

3) **Share capital**

	March 31, 2013 ₹	March 31, 2012 ₹
Authorised shares		
249,000,000 (March 31, 2012: 249,000,000) equity shares of ₹ 10 each	2,490,000,000	2,490,000,000
1,000 (March 31, 2012: 1,000), zero % non- convertible redeemable preference shares of ₹ 10,000 each	10,000,000	10,000,000
	2,500,000,000	**2,500,000,000**
Issued, subscribed and fully paid-up shares		
183,373,844 (March 31, 2012: 183,308,354) equity shares of ₹ 10 each fully paid up [refer note (b) (i) below]	1,833,738,440	1,833,083,540
1 (March 31, 2012: 1), zero % non - convertible redeemable preference share of ₹ 10,000 each [refer note (b) (ii) below]	10,000	10,000
Total issued, subscribed and fully paid-up share capital	**1,833,748,440**	**1,833,093,540**

(a) **Reconciliation of number of shares outstanding at the beginning and at the end of the year**

Equity shares

	March 31, 2013		March 31, 2012	
	Nos	₹	Nos	₹
At the beginning of the year	183,308,354	1,833,083,540	183,283,231	1,832,832,310
Issued during the year- Employee Stock Option Schemes (‘ESOS’)	65,490	654,900	25,123	251,230
Outstanding at the end of the year	**183,373,844**	**1,833,738,440**	**183,308,354**	**1,833,083,540**

Preference shares

	March 31, 2013		March 31, 2012	
	No.	₹	No.	₹
At the beginning of the year	1	10,000	1	10,000
Outstanding at the end of the year	1	10,000	1	10,000

(b) Terms/ right attached to each class of shares

(i) Equity shares

The Company has only one class of equity shares having a par value ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2013, the amount of per share dividend recognised as distributions to equity shareholders is ₹ 5.50 per share (March 31, 2012: ₹ 5.00 per share).

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

(ii) Preference shares

The Company has class of zero % non-convertible redeemable preference shares having value of ₹ 10,000 per share. These preference shares are redeemable at par at any time after five years but before twenty years from the date of allotment i.e. July 31, 2007. Each preference share holder is entitled to one vote per share.

(c) Aggregate number of bonus shares issued, shares issued for consideration other than cash, shares issued pursuant to the scheme of arrangement during the period of five years immediately preceding the reporting date:

		March 31, 2013 No.	March 31, 2012 No.	March 31, 2011 No.	March 31, 2010 No.	March 31, 2009 No.
(i)	**Equity shares :**					
	Allotted as fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	201
	Allotted as fully paid up by way of bonus shares	-	-	-	-	1,638
	Allotted as fully paid up pursuant to ESOS	65,490	25,123	36,126	-	-
	Allotted as share issued in pursuant to the scheme of arrangement	-	-	1,732,500	-	-
(ii)	**Preference shares :**					
	Allotted as fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
		65,490	**25,123**	**1,768,626**	**-**	**1,839**

(d) Detail of shareholders holding more than 5% shares of the Company

		March 31, 2013		March 31, 2012	
	Name of shareholders	**Nos**	**% of holding**	**Nos**	**% of holding**
(i)	**Equity shares of ₹ 10/- each fully paid**				
	Ramesh Chandra Agarwal	100,001	0.05	32,010,062	17.46
	Jyoti Agarwal	4,948,007	2.70	19,875,007	10.84
	Sudhir Agarwal	26,681,449	14.55	19,139,206	10.44
	Girish Agarwal	25,087,256	13.68	16,360,186	8.92
	Pawan Agarwal	28,152,456	15.35	18,557,808	10.12
	Bhaskar Infrastructure Limited	12,112,420	6.61	12,112,420	6.61
	Peacock Trading and Investments Private Limited	10,127,247	5.52	10,127,247	5.52
	Nalanda India Equity Fund Limited	12,233,041	6.67	-	-
(ii)	**Preference share of ₹ 10,000/- fully paid**				
	Sunderbabu Venugopal	1	100.00	1	100.00

(e) Shares reserved for issue under options

For detail of shares reserved for issue under the Employee Stock Option Schemes ('ESOS') of the Company refer note 43.

4 Reserves and surplus

	March 31, 2013 ₹	March 31, 2012 ₹
General reserve		
Balance as per the last financial statements	824,034,042	614,034,042
Add: Amount transferred from surplus balance in the statement of profit and loss	235,000,000	210,000,000
	1,059,034,042	824,034,042
Securities premium account		
Balance as per the last financial statements	2,378,004,188	2,372,796,378
Add: Premium received on shares issued as per ESOS	13,847,162	5,207,810
	2,391,851,350	2,378,004,188
Stock option outstanding (refer note 43)		
Gross employee stock options at the beginning of the year	94,065,503	57,831,008
Add: Gross compensation for options granted during the year	-	36,234,495
Less: Gross employee compensation for options cancelled / lapsed during the year	18,397,689	10,628,356
Less: Deferred employee compensation outstanding at the end of the year	13,359,505	29,619,925
	62,308,309	53,817,222
Less: Value of employee compensation of option exercised	10,943,350	4,611,480
	51,364,959	49,205,742
Surplus in the statement of profit and loss		
Balance as per the last financial statements	4,514,021,715	3,704,618,574
Profit for the year	2,306,058,526	2,084,730,007
Less: Appropriations		
Transfer to general reserve	235,000,000	210,000,000
Proposed final equity dividend [amount per share ₹ 3.50 (March 31, 2012: ₹ 1.50)]	641,913,454	275,020,000
Interim equity dividend [amount per share ₹ 2.00 (March 31, 2012: ₹ 3.50)]	366,729,802	641,607,042
Tax on dividend	168,585,934	148,699,824
	5,407,851,051	4,514,021,715
Total reserves and surplus	**8,910,101,402**	**7,765,265,687**

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2013

(Amount in Indian rupees, except share data)

5 Long-term borrowings

	Non-current portion		Current maturities	
	March 31, 2013 ₹	March 31, 2012 ₹	March 31, 2013 ₹	March 31, 2012 ₹
Term loans				
Indian Rupee loans from banks (secured) [refer note (a) below]	-	-	-	93,439,452
Foreign currency loans from financial institution (secured) [refer note (b) below]	878,017,103	1,028,578,808	219,504,329	205,715,810
	878,017,103	**1,028,578,808**	**219,504,329**	**299,155,262**
The above amount includes				
Amount disclosed under the head "Current liabilities" (refer note 9)	-	-	(219,504,329)	(299,155,262)
	878,017,103	**1,028,578,808**	**-**	**-**

The Term loans are secured by:

(a) **Indian Rupee loans from banks**

UCO Bank:

- Exclusive first charge on the fixed assets acquired from the said term loan.
- Personal guarantee of directors aggregating to ₹ Nil (March 31, 2012: ₹ 93,439,452) (Shri Ramesh Chandra Agarwal and Shri Sudhir Agarwal).
- The loan carried interest @14.75% p.a. The loan was repayable in six equal quarterly installments. The loan has been completely repaid in the current financial year.

(b) **Foreign currency loans from financial institution**

Agco Finance GmbH:

- The loan carries interest rate @ LIBOR plus 0.68%. The loan is repayable in 18 consecutive half yearly installments. The loan is secured by first pari passu charge with other lenders on plant and machinery and other project assets acquired from the said term loan.

6 Deferred tax liabilities (net)

	March 31, 2013 ₹	March 31, 2012 ₹
Deferred tax liability		
Depreciation	1,018,547,731	901,970,371
Gross deferred tax liability	**1,018,547,731**	**901,970,371**
Deferred tax assets		
Provision for doubtful trade receivables and advances	96,952,732	89,315,549
Provision for gratuity and leave encashment	34,142,976	19,257,949
Provision for other than temporary diminution in value of investment	36,256,000	31,633,875
Provision for employee stock option scheme	17,458,949	15,964,803
Gross deferred tax assets	**184,810,657**	**156,172,176**
Deferred tax liabilities (net)	**833,737,074**	**745,798,195**

7 Other long-term liabilities

	Non-current portion		Current maturities	
	March 31, 2013 ₹	March 31, 2012 ₹	March 31, 2013 ₹	March 31, 2012 ₹
Security deposits from newspaper agencies	322,975,231	292,421,372	35,886,137	32,491,264
	322,975,231	**292,421,372**	**35,886,137**	**32,491,264**
The above amount includes				
Amount disclosed under the head "Current liabilities" (refer note 9)			(35,886,137)	(32,491,264)
	322,975,231	**292,421,372**	**-**	**-**

8 Short-term borrowings

	March 31, 2013 ₹	March 31, 2012 ₹
Secured		
Cash credit facilities (availed and repaid during the year) [refer note (a) below]	-	-
Buyers' credit from banks [refer note (b) below]	298,853,920	576,690,099
Total secured borrowings	298,853,920	576,690,099
Unsecured		
Buyers' credit from banks [refer note (c) below]	196,994,952	195,559,261
Total unsecured borrowings	196,994,952	195,559,261
Total short-term borrowings	**495,848,872**	**772,249,360**

(Amount in Indian rupees, except share data)

(a) **Cash credit facilities are secured by :**
IDBI Bank

- First pari-passu charge on the entire current assets of the Company with other consortium bankers.
- First pari-passu charge on the entire movable fixed assets of the Company with other consortium bankers.
- The cash credit is repayable on demand.
- Interest rates for cash credit facilities are multiline rates ranging between 10% p.a. and 12% p.a. (as mutually agreed).

(b) **Buyers' credit facilities are secured by:**

- Standard Chartered Bank: First charge on the current assets of the Company.
- HSBC Bank: First pari passu charge over current assets of the Company second charge over plant and machinery of the Company and corporate guarantee of Writers and Publishers Private Limited.
- DBS Bank: First pari-passu charge on current assets of the Company, second pari-passu charge on movable fixed assets.
- Interest rates for buyers' credits are multiline rates ranging between 1.25% p.a. and 4.18% p.a. (as mutually agreed).

(c) **Unsecured buyers' credit facility:**

- The unsecured buyers' credit facility is provided by Citibank and DBS Bank.
- Interest rates for buyers' credits are multiline rates ranging between 1.25% p.a. and 4.18% p.a. (as mutually agreed).

9 Current liabilities	March 31, 2013 ₹	March 31, 2012 ₹
Trade payables [refer note 33(b) and 46]	958,482,145	1,073,945,168
Other current liabilities		
Current maturities of long-term borrowings (refer note 5)	219,504,329	299,155,262
Current maturities of other long-term liabilities (refer note 7)	35,886,137	32,491,264
Payables for purchase of capital goods	14,450,047	39,860,746
Accrued expenses	519,604,813	441,875,753
Unclaimed dividend*	406,941	246,430
Advances from customers	707,851,977	514,010,833
Interest accrued but not due on term loan and buyers' credit	2,445,882	6,564,095
Statutory liabilities	52,207,813	42,654,324
	1,552,357,939	**1,376,858,707**
Total current liabilities	**2,510,840,084**	**2,450,803,875**

*No amount due and outstanding to be credited to Investor Education and Protection Fund.

10 Short-term provisions	March 31, 2013 ₹	March 31, 2012 ₹
Provision for employee benefits (refer note 42)		
Provision for gratuity	37,843,610	8,908,997
Provision for leave encashment	62,606,453	50,446,679
	100,450,063	59,355,676
Other provisions		
Provision for tax (net of taxes paid of ₹ 4,754,641,714) (March 31, 2012: ₹ 3,715,473,485)	89,889,498	79,014,411
Provision for fringe benefit tax (net of taxes paid ₹ 74,903,642) (March 31, 2012: ₹ 74,903,642)	-	6,613,316
Proposed dividend	641,913,454	595,839,004
Tax on proposed dividend	109,093,192	96,659,984
	840,896,144	778,126,715
	941,346,207	**837,482,391**

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2013

(Amount in Indian rupees, except share data)

11 Fixed assets

Assets	Gross block				Depreciation / amortisation				Net block	
	As at April 1, 2012 ₹	Additions during the year ₹	Deductions during the year ₹	As at March 31,2013 ₹	Up to April1,2012 ₹	For the year ₹	On deductions ₹	Up to March 31, 2013 ₹	As at March 31, 2013 ₹	As at March 31, 2012 ₹
Tangible assets										
Land										
- Freehold	62,234,313	12,603,293	-	74,837,606	-	-	-	-	74,837,606	62,234,313
- Leasehold	28,905,498	3,190,238	3,190,238	28,905,498	1,379,204	584,409	3,620	1,959,993	26,945,505	27,526,294
Buildings										
- Freehold	691,037,142	49,816,422	-	740,853,564	71,130,564	23,394,436	-	94,525,000	646,328,564	619,906,578
- Leasehold	509,727,738	2,856,000	-	512,583,738	7,487,528	6,926,271	-	14,413,799	498,169,939	502,240,210
Leasehold improvements	138,541,302	37,371,703	140,808	175,772,197	22,570,984	16,034,417	1,234	38,604,167	137,168,030	115,970,318
Plant and machinery (refer note 2 and 3 below)	6,127,740,033	760,298,524	10,770,968	6,877,267,589	1,261,830,860	342,423,983	3,796,946	1,600,457,897	5,276,809,692	4,865,909,173
Office equipments	211,581,078	31,284,633	6,005,746	236,859,965	58,491,562	16,688,196	2,724,753	72,455,005	164,404,960	153,089,516
Vehicles	32,896,869	2,102,827	796,637	34,203,059	16,577,815	2,013,229	86,490	18,504,554	15,698,505	16,319,054
Furniture and fixtures	285,005,301	37,443,615	13,669,320	308,779,596	88,585,296	23,605,550	5,542,422	106,648,424	202,131,172	196,420,005
Electric fitting, fans and coolers	345,866,369	23,801,032	2,932,824	366,734,577	58,541,682	19,672,931	1,238,015	76,976,598	289,757,979	287,324,687
Computers	425,977,925	31,660,620	29,913,366	427,725,179	281,273,913	44,777,777	24,117,807	301,933,883	125,791,296	144,704,012
D.G.Sets	162,101,665	6,651,735	-	168,753,400	23,348,024	7,830,806	-	31,178,830	137,574,570	138,753,641
Total Tangible assets	**9,021,615,233**	**999,080,642**	**67,419,907**	**9,953,275,968**	**1,891,217,432**	**503,952,005**	**37,511,287**	**2,357,658,150**	**7,595,617,818**	**7,130,397,801**
Intangible assets										
Computer software - including ERP	82,866,928	46,490,647	-	129,357,575	29,673,284	17,774,299	-	47,447,583	81,909,992	53,193,644
Goodwill	25,609,517	-	-	25,609,517	25,609,517	-	-	25,609,517	-	-
One time license fees	512,201,000	-	-	512,201,000	248,740,365	51,220,100	-	299,960,465	212,240,535	263,460,635
Total Intangible assets	**620,677,445**	**46,490,647**	**-**	**667,168,092**	**304,023,166**	**68,994,399**	**-**	**373,017,565**	**294,150,527**	**316,654,279**
Total	**9,642,292,678**	**1,045,571,289**	**67,419,907**	**10,620,444,060**	**2,195,240,598**	**572,946,404**	**37,511,287**	**2,730,675,715**	**7,889,768,345**	**7,447,052,080**
Capital work-in-progress (refer note 1 and 3 below)									70,248,234	449,639,047
Previous year ended March 31, 2012	**8,363,183,802**	**1,325,686,987**	**46,578,111**	**9,642,292,678**	**1,711,569,524**	**500,020,416**	**16,349,342**	**2,195,240,598**	**7,447,052,080**	

Notes

1) For details of preoperative expenses capitalised refer note 45.

2) Plant and machinery above includes common transmitters infrastructure which are jointly held assets as at March 31, 2013:

Gross block - ₹ 122,386,729 (March 31, 2012: ₹ 122,386,729)

Net block - ₹ 49,469,079 (March 31, 2012: ₹ 61,782,454)

% of Ownership- 30.26% (March 31, 2012: 30.26%)

3) Additions during the year includes exchange differences net loss / (gain) capitalised as follows:

Name of block	March 31, 2013 ₹	March 31, 2012 ₹
Plant and machinery	86,097,461	135,795,314
Capital work-in-progress	-	28,891,019
Total foreign exchange loss	**86,097,461**	**164,686,333**

D. B. Corp Limited
Notes to financial statements as at and for the year ended March 31, 2013
(Amount in Indian rupees, except share data)

				March 31, 2013 ₹	March 31, 2012 ₹
12	**Non-current investments**				
A	**Trade investments in subsidiaries (Unquoted, fully paid up, valued at cost unless stated otherwise):**				
(i)	**Investment in equity shares:**				
	(1)	Nil (March 31, 2012: 136,800) equity shares of ₹ 10 each of Synergy Media Entertainment Limited (refer note 27(B), 27(C) and 41]		-	1,741,800
	(2)	1,122,914 (March 31, 2012: 577,500) equity shares of ₹ 10 each of I Media Corp Limited [refer note 27(B), 27(C), 41 and 44(a)]		416,662,637	5,775,000
	(3)	21,730 (March 31, 2012: 21,730) equity shares of ₹ 10 each of Divya Prabhat Publications Private Limited (refer note 41)		9,995,800	9,995,800
(ii)	**Investment in debentures:**				
		350,000 (March 31, 2012: 350,000) zero % compulsorily convertible debentures of ₹ 1,000 each of I Media Corp Limited [refer note 41 and 44(a)]		350,000,000	350,000,000
B	**Non trade investments (fully paid up, valued at cost unless stated otherwise) (net of provision, wherever applicable)** [refer note 44(b)]:				
(a)	**Quoted investments in equity shares of other companies:**				
	(1)	300,000 (March 31, 2012: 300,000) equity shares of ₹ 10 each of Ajcon Global Services Limited [Market Value as at March 31, 2013 is ₹ 5,415,000 (March 31, 2012: ₹ 4,965,000)] [Provision for other than temporary diminution in value of investment is ₹ 17,500,000 (March 31, 2012: ₹ 17,500,000)]		5,000,000	5,000,000
	(2)	52,136 (March 31, 2012: 52,136) equity shares of ₹ 10 each of Everonn Education Limited [Market Value as at March 31, 2013 is ₹ 2,885,728 (March 31, 2012: ₹ 13,581,428)] [Provision for other than temporary diminution in value of investment is ₹ 20,000,000 (March 31, 2012: ₹ Nil)]		2,800,000	22,800,000
	(3)	5,340,000 (March 31, 2012: Nil) equity shares of ₹ 5 each of DMC Education Limited [Market Value as at March 31, 2013 is ₹ 10,252,800 (March 31, 2012: ₹ Nil)] [Provision for other than temporary diminution in value of investment is ₹ 10,000,000 (March 31, 2012: ₹ Nil)]		16,700,000	-
(b)	**Unquoted investments in other companies:**				
(i)	**Investment in equity shares:**				
	(1)	100,000 (March 31, 2012: 100,000) equity shares of ₹ 10 each of Dwarkas Gems Limited [Provision for other than temporary diminution in value of investment is ₹ 15,000,000 (March 31, 2012: ₹ 15,000,000)]		-	-
	(2)	Nil (March 31, 2012: 14,286) equity shares of ₹ 10 each of Aayam Herbal Private Limited		-	5,000,000
	(3)	375,000 (March 31, 2012: 375,000) equity shares of ₹ 10 each of Arvind Coirfoam Private Limited [Provision for other than temporary diminution in value of investment is ₹ 15,000,000 (March 31, 2012: ₹ 15,000,000)]		-	-
	(4)	325,000 (March 31, 2012: 325,000) equity shares of ₹ 10 each of Micro Secure Solution Limited		141,250,000	141,250,000
	(5)	81,085 (March 31, 2012: 81,085) equity shares of ₹ 10 each of Naaptol Online Shopping Private Limited		30,000,000	30,000,000
	(6)	486,825 (March 31, 2012: 486,825) equity shares of ₹ 10 each of Neesa Leisure Limited		100,000,000	100,000,000
	(7)	Nil (March 31, 2012: 27,778) equity shares of ₹ 10 each of Professionals Coaching Company Private Limited		-	10,000,000
	(8)	140,000 (March 31, 2012: 140,000) equity share of ₹ 10 each of Trophic Wellness Private Limited		39,900,000	39,900,000
	(9)	1,100,917 (March 31, 2012: 1,100,917) equity shares of ₹ 1 each of Abbee Consumables and Peripherals Sshope Limited [Provision for other than temporary diminution in value of investment is ₹ 30,000,000 (March 31, 2012: ₹ 30,000,000)]		-	-
	(10)	2,434 (March 31, 2012: Nil) equity share of ₹ 10 each of Koochie Play Systems Private Limited		20,000,000	-
	(11)	100 (March 31, 2012: 100) equity shares of ₹ 100 each of United News of India		10,000	10,000
	(12)	10 (March 31, 2012: 10) equity shares of ₹ 100 each of Press Trust of India		1,000	1,000
(ii)	**Investment in debentures and warrants:**				
	(1)	200,000 (March 31, 2012: 200,000), zero % fully convertible debentures of ₹ 100 each of Cubit Computers Private Limited [Provision for other than temporary diminution in value of investment is ₹ 20,000,000 (March 31, 2012: ₹ 20,000,000)]		-	-
	(2)	700,935 (March 31, 2012: 700,935) convertible warrants of ₹ 53.50 of Edserv Softsystems Limited [Provision for other than temporary diminution in value of investment is ₹ 32,500,000 (March 31, 2012: ₹ Nil)]		5,000,000	37,500,000
	(3)	1 (March 31, 2012: 1), zero % fully convertible debenture of ₹ 8,500,000 each of Roxton (Italy) Clothing Private Limited		8,500,000	8,500,000
	(4)	Nil (March 31, 2012: 1), zero % fully convertible debenture of ₹ 26,700,000 each of DMC Education Limited		-	26,700,000
	(5)	1 (March 31, 2012: 1), zero % fully convertible debenture of ₹ 25,500,000 each of Timbor Home Limited		25,500,000	25,500,000
	(6)	Nil (March 31, 2012: 1), zero % fully convertible debenture of ₹ 8,000,000 each of Arvind International Limited		-	8,000,000
	(7)	1 (March 31, 2012: Nil), zero % fully convertible debenture of ₹ 390,000,000 each of Gitanjali Gems Limited		390,000,000	-
C	**Investment property (at cost less accumulated depreciation):**				
		Cost of property	22,898,300		
		Less: Accumulated Depreciation	(123,996)	22,774,304	
				1,584,093,741	**827,673,600**
		Aggregate amount of quoted investments (net of other than temporary diminution in value of investments)		24,500,000	27,800,000
		Aggregate market value of quoted investments		18,553,528	18,546,428
		Aggregate amount of unquoted investments (net of other than temporary diminution in value of investments)		1,536,819,437	799,873,600
		Aggregate provision for other than temporary diminution in value of investments		160,000,000	97,500,000

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2013

(Amount in Indian rupees, except share data)

13 Loans and advances

(Unsecured, considered good unless stated otherwise)

		Non-current		Current	
		March 31, 2013 ₹	March 31, 2012 ₹	March 31, 2013 ₹	March 31, 2012 ₹
a	**Capital advances**				
	Advances for capital goods	54,362,695	139,487,216	-	-
	Advances for properties	210,717,545	152,081,334	-	-
		265,080,240	**291,568,550**	**-**	**-**
b	**Security deposits**				
	Deposit with government authorities	55,238,311	55,383,853	-	-
	Security deposit against lease of properties [refer note 28(b)]	453,320,200	453,320,200	-	-
	Deposit with others	72,958,933	69,855,346	-	-
		581,517,444	**578,559,399**	**-**	**-**
c	**Loans and advances to related parties** [refer note 28(b) and 41]				
	Loans and advances to subsidiaries	137,198,720	2,573,234	-	-
	Inter corporate deposits	-	-	-	87,499,992
	Advances recoverable in cash or kind or for value to be received	-	-	307,518,078	283,022,978
		137,198,720	**2,573,234**	**307,518,078**	**370,522,970**
d	**Other loans and advances**				
	Advances recoverable in cash or kind or for value to be received	-	-	207,016,598	129,491,418
	Advances to employees	-	-	19,513,162	24,729,059
	Unsecured considered doubtfu				
	Advances recoverable in cash or kind or for value to be received	-	-	679,338	5,679,338
		-	**-**	**227,209,098**	**159,899,815**
	Less: Provision for doubtful advances	-	-	679,338	5,679,338
		-	**-**	**226,529,760**	**154,220,477**
	Total loans and advances	**983,796,404**	**872,701,183**	**534,047,838**	**524,743,447**

Loans, advances and deposits due by directors or other officers, etc.

	Non-current		Current	
	March 31, 2013 ₹	March 31, 2012 ₹	March 31, 2013 ₹	March 31, 2012 ₹
Firm in which directors are partner				
R.C. Printer- Raipur	16,870,200	16,870,200	-	44,766
Private companies in which directors are member				
Writers and Publishers Private Limited	423,233,800	423,233,800	140,000,000	227,499,992
Bhaskar Publication and Allied Industries Private Limited	-	-	166,666,635	141,295,953
DB Malls Private Limited	-	-	818,720	818,720
Bhaskar Industries Private Limited (Formerly known as Bhaskar Industries Limited)	1,619,435	1,619,435	-	-

14 Other asset

(Unsecured, considered good unless stated otherwise)

	Non-current		Current	
	March 31, 2013 ₹	March 31, 2012 ₹	March 31, 2013 ₹	March 31, 2012 ₹
Non-current bank balance (refer note 17)	2,215,000	11,952,000	-	-
Unamortised term loan processing fees (ancillary borrowing costs)	62,174,383	78,044,061	15,869,678	15,869,678
	64,389,383	**89,996,061**	**15,869,678**	**15,869,678**

(Amount in Indian rupees, except share data)

15 Inventories (valued at lower of cost and net realisable value)

	March 31, 2013 ₹	March 31, 2012 ₹
Raw materials		
News print	843,111,966	715,844,420
News print in transit	236,302,171	278,563,554
	1,079,414,137	**994,407,974**
Finished goods - Magazines	1,090,143	1,365,326
Stores and spares	217,691,234	188,065,289
	1,298,195,514	**1,183,838,589**

16 Trade receivables
(Unsecured, considered good unless stated otherwise)

	March 31, 2013 ₹	March 31, 2012 ₹
Outstanding for a period less than six months from the date they are due for payment		
Considered good	2,796,650,866	2,283,633,570
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	242,277,175	162,649,979
Considered doubtful	210,059,654	187,103,599
	452,336,829	349,753,578
Less: Provision for doubtful trade receivables	210,059,654	187,103,599
	242,277,175	162,649,979
	3,038,928,041	**2,446,283,549**

For details of debts due by firms or private companies in which any director is a partner or a director / member respectively, refer note 28(b).

17 Cash and bank balance

	Non-current		Current	
	March 31, 2013 ₹	March 31, 2012 ₹	March 31, 2013 ₹	March 31, 2012 ₹
Cash and cash equivalents				
Balances with banks:				
On current account			444,622,932	524,404,050
Unclaimed dividend accounts			406,941	246,430
Deposits with original maturity of less than 3 months			450,003,000	589,089,871
Cheques on hand / transit			240,521,916	216,144,182
Cash on hand			25,068,086	17,665,622
			1,160,622,875	1,347,550,155
Other bank balances:				
Deposits with original maturity of more than 3 months but less than 12 months	-	-	84,626,084	517,062,280
Deposits with original maturity of more than 12 months	2,215,000	11,952,000	2,028,276	3,283,559
	2,215,000	11,952,000	1,247,277,235	1,867,895,994
The above includes				
Amount disclosed under the head “Other non-current assets” (refer note 14)	(2,215,000)	(11,952,000)		
	-	-	**1,247,277,235**	**1,867,895,994**

(Amount in Indian rupees, except share data)

		March 31, 2013 ₹	March 31, 2012 ₹
18	**Revenue from operations**		
	Sale of products:-		
	Sale of newspapers	2,754,679,515	2,361,690,402
	Sale of power	5,133,235	6,472,822
	Sale of magazines	59,493,811	56,343,543
		2,819,306,561	2,424,506,767
	Sale of services:-		
	Advertisement revenue	11,965,430,638	11,220,438,594
	Other operating revenue :-		
	Income from event management	111,290,863	160,078,641
	Printing job charges	695,391,777	437,034,836
	Sale of wastage arising during printing activity	197,176,660	176,048,860
		1,003,859,300	773,162,337
	Total revenue from operations	**15,788,596,499**	**14,418,107,698**
19	**Other income**		
	Interest income from:-		
	Bank deposits	88,896,026	74,239,303
	Loans to subsidiaries	6,953,027	81,371
	Inter-corporate deposits	5,264,381	34,869,523
	Others	2,143,158	4,235,419
	Gain on subsidiary merger [refer note 27(C)]	29,470,730	-
	Excess liabilities / provisions written back	59,145,894	65,777,072
	Miscellaneous income	55,455,072	51,317,568
		247,328,288	**230,520,256**
20	**Cost of raw materials consumed**		
	Newsprint (refer note 36 and 37)		
	Opening inventories	994,407,974	573,865,091
	Add: Purchased during the year	5,510,928,607	5,491,122,086
		6,505,336,581	6,064,987,177
	Less: Closing inventories	1,079,414,137	994,407,974
		5,425,922,444	**5,070,579,203**
21	**Employee benefit expenses**		
	Salaries, wages and bonus	2,376,174,669	2,101,981,468
	Contribution to provident fund and employee's state insurance corporation (refer note 42)	137,862,678	117,326,541
	Employee stock option scheme	8,491,087	17,382,609
	Gratuity expenses (refer note 42)	38,758,289	13,681,480
	Workmen and staff welfare expenses	122,201,854	100,771,078
		2,683,488,577	**2,351,143,176**
22	**Foreign exchange loss (net)**		
	Foreign exchange difference- loss (net)	13,792,066	47,559,906
	Foreign exchange difference- loss (net) on buyers' credit from banks	46,188,586	53,595,365
		59,980,652	**101,155,271**

(Amount in Indian rupees, except share data)

			March 31, 2013 ₹	March 31, 2012 ₹
23	**Other expenses**			
	Consumption of stores and spares (refer note 37)		948,117,147	836,160,849
	Electricity and water charges		334,028,199	279,315,303
	Distribution expenses		277,951,394	242,394,813
	Repair and maintenance:-			
	Plant and machinery		150,038,182	142,522,735
	Building		17,621,202	13,168,834
	Others		57,928,721	30,921,480
	Rent (refer note 30)		215,106,022	155,561,603
	Business promotion		210,900,754	155,311,705
	Survey expenses		172,621,953	266,510,543
	Advertisement and publicity		162,650,341	142,851,813
	News collection charges		151,345,657	141,653,243
	Traveling and conveyance		139,932,720	138,836,673
	Legal and professional charges (refer note 47)		115,454,187	93,718,729
	Royalty		64,125,562	66,509,619
	Communication expenses		61,575,935	57,643,946
	Printing job work charges		39,714,571	78,960,616
	License fees		32,596,223	27,059,070
	Printing and stationery		28,867,546	30,068,843
	Insurance		12,823,186	11,330,807
	Auditors' remuneration (refer note 39)		11,360,174	9,284,300
	Rates and taxes		7,208,983	6,436,554
	Bank charges		12,419,011	25,298,165
	Loss on sale/disposal of fixed assets (net)		13,822,674	18,742,046
	Bad trade receivables written off	44,458,243		
	Less: Already provided	(44,458,243)	-	9,489,462
	Provision for other than temporary diminution in value of investments		62,500,000	-
	Provision for doubtful trade receivables		67,414,298	61,796,563
	Provision for doubtful advances		-	27,500,000
	Miscellaneous expenses		290,827,788	258,938,727
			3,658,952,430	**3,327,987,041**
24	**Finance costs**			
	Interest expenses			
	On term loans		18,410,859	42,198,672
	On banks		22,395,006	16,348,812
	On others		23,103,960	17,800,636
	Amortisation of term loan processing fees		15,869,678	15,913,155
			79,779,503	**92,261,275**

(Amount in Indian rupees, except share data)

25. Earnings Per Share (EPS)

Particulars	March 31, 2013	March 31, 2012
i) Profit for the year (₹)	2,306,058,526	2,084,730,007
ii) Weighted average number of equity shares outstanding for Basic EPS	183,340,073	183,297,890
iii) Basic Earnings per share (₹)	12.58	11.37
iv) On account of shares to be issued under ESOS	230,446	255,535
v) Weighted average number of Equity Shares outstanding for Diluted EPS	183,570,520	183,553,425
vi) Diluted Earnings per share (₹)	12.56	11.36
vii) Nominal value of shares (₹)	10.00	10.00

26. Initial public offer

During the year 2009-10, the Company completed an Initial Public Offer (IPO) of its 18,175,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 210 each for Retail Investors and ₹ 212 each for other than retail investors. Out of total shares, 12,725,000 fresh equity shares were issued by the Company and an offer for sale of 5,450,000 equity shares of the Company was made by Cliffrose Investments Limited.

Pursuant to the Public Issue, shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited with effect from January 06, 2010.

The total IPO proceeds received by the Company were ₹ 2,690,065,000. Following are the details of utilisation of IPO proceeds till March 31, 2013 and March 31, 2012.

Particulars	Amount to be utilised as per Prospectus	Actual utilisation till March 31, 2013	Balance to be utilised/ (excess utilised) as on March 31, 2013
	₹	₹	₹
Setting up publishing units	600,000,000	818,515,123	(218,515,123)
Upgrading existing plant and machinery	305,000,000	614,570,741	(309,570,741)
Sales and marketing	501,000,000	3,804,070	497,195,930
Reducing working capital loans	41,460,000	41,460,000	-
Prepaying existing term loans	1,100,000,000	1,100,000,000	-
Issue Expenses paid out of IPO Proceeds	142,605,000	111,599,845	31,005,155
Total	**2,690,065,000**	**2,689,949,779**	**115,221**

Particulars	Amount to be utilised as per Prospectus	Actual utilisation till March 31, 2012	Balance to be utilised/ (excess utilised) as on March 31, 2012
	₹	₹	₹
Setting up publishing units	600,000,000	799,720,448	(199,720,448)
Upgrading existing plant and machinery	305,000,000	509,811,500	(204,811,500)
Sales and marketing	501,000,000	3,804,070	497,195,930
Reducing working capital loans	41,460,000	41,460,000	-
Prepaying existing term loans	1,100,000,000	1,100,000,000	-
Issue Expenses paid out of IPO Proceeds	142,605,000	111,595,721	31,009,279
Total	**2,690,065,000**	**2,566,391,739**	**123,673,261**

Note:

1) As per the provisions in the Prospectus, the management of the Company has the discretion to change the allocation as well as reschedule the utilisation of IPO proceeds proposed in the prospectus depending on the business scenario and funding requirements. Accordingly, the management has reallocated the proposed utilisation as follows:

   a) The Proceeds allocated towards Sales and marketing expenses and IPO expenses and lying utilised were used for setting up new publishing units and upgrading the existing plant and machinery;

   b) The proceeds were utilised for setting up publishing units as well as upgrading the existing plant and machinery at locations / states in addition to the number of locations / states mentioned in the prospectus.

   The Audit Committee and the Board of Directors of the Company in the meeting held on May 16, 2013 have approved the revised allocation and resultant utilisation of proceeds of IPO till March 31, 2013.

2) Pending utilisation, the funds were temporarily held in :

Particulars	Amount in ₹	
	March 31, 2013	March 31, 2012
Fixed deposit	-	120,000,000
Balance in current account	115,221	3,673,261
Total	**115,221**	**123,673,261**

(Amount in Indian rupees, except share data)

27. Scheme of arrangements:

A) Purchase of M.P. Printers business (Unit of Writers and Publishers Private Limited) on slump sale basis

a) During the year ended March 31, 2012, the Company entered in to a business transfer agreement with Writers and Publishers Private Limited ['WPPL'] to purchase the business of M.P. Printers. M.P. Printers was a unit of WPPL and engaged in the business of commercial printing of books, magazines, annual reports, news papers, calendars and other specialised printing activity.

b) WPPL vide its board resolution dated September 12, 2011 had agreed to transfer and sell and the Company had pursuant to the resolution passed by the Executive Committee of the Board of Directors on September 12, 2011, agreed to purchase and acquire the business of M.P. Printers together with its assets, employees, debts and liabilities as a going concern with effect from the transfer date i.e. September 16, 2011.

c) As per the agreement, the Company had paid ₹ 350,000,000 as purchase consideration for the purchase of said business which includes the entire undertaking of M.P. Printers.

d) As prescribed in the Scheme, following assets and liabilities of M.P. Printer as at September 16, 2011 were transferred to and accounted by the Company at their respective fair values:-

Particulars	Amount
	₹
Fixed assets	438,390,221
Current Assets	178,331,242
Total Assets	**616,721,463**
Current liabilities and provision	119,181,350
Secured loans	147,865,175
Total Liabilities	**267,046,525**
Net Assets	**349,674,938**
Charged to statement of profit and loss	325,062
Total Purchase consideration	**350,000,000**

B) On December 11, 2012, the Company acquired additional stake in its two subsidiaries i.e. 45% stake in I Media Corp Limited ('IMCL') and 43.18% stake in Synergy Media Entertainment Limited ('SMEL') by acquiring the shares from the shareholders of IMCL and SMEL for the total consideration of ₹ 355,957,875 and ₹ 23,717,232 respectively.

Accordingly, with effect from December 11, 2012, IMCL and SMEL had become wholly-owned subsidiaries of the Company.

C) Scheme of Amalgamation between Synergy Media Entertainment Limited and I Media Corp Limited

During the year, with an objective of consolidation of event management business in one single entity, the management of the Company decided to merge Synergy Media Entertainment Limited ('SMEL'), a wholly owned subsidiary of the Company with another wholly owned subsidiary of the Company, I Media Corp Limited ('IMCL'). As per the scheme of amalgamation (the 'scheme'), SMEL would merge in to IMCL with effect from April 01, 2012. The Board of directors of IMCL as well as SMEL approved the scheme on December 21, 2012.

Subsequently, the scheme was filed with the Honorable High Court of Madhya Pradesh (the 'High Court'). The Scheme was approved by the High Court vide its order dated April 30, 2013. The certified copy of the order was received on May 03, 2013 and was filed with the Registrar of Companies, Gwalior, on May 08, 2013. Accordingly, the scheme became effective from May 08, 2013 and operative from the appointed date i.e. April 01, 2012.

According to the scheme, the entire business of SMEL was merged with IMCL. The purchase consideration will be discharged by IMCL by issue of 72,914 fully paid equity shares of ₹ 10 each of IMCL valued at ₹ 753.35 per share to the only shareholder of SMEL i.e. D. B. Corp Limited.

As a result of above mentioned transaction, the Company will receive 72,914 equity shares of IMCL in exchange of 240,750 equity shares of SMEL. As per the provisions of Accounting Standard 13 –Accounting for Investments, the difference between the fair value of shares received and the book value of shares of SMEL i.e. ₹ 29,470,730 is accounted as Gain on subsidiary merger, under the head 'Other income' (refer note 19).

(Amount in Indian rupees, except share data)

28. (a) Related party disclosure

Related party disclosures, as required by Accounting Standard 18 - "Related Party Disclosures" notified by the Companies (Accounting Standards) Rules, 2006, (as amended) are given below:

Particulars	Related Party
1) Related parties where control exists	
Subsidiaries	- Synergy Media Entertainment Limited (up to March 31, 2012) [refer note 27(B) and (C)] - I Media Corp Limited - Divya Prabhat Publications Private Limited (with effect from October 1, 2011)
2) Related parties with whom transaction have taken place during the year	
Key Management Personnel	- Shri Sudhir Agarwal, Managing Director - Shri Girish Agarwal, Director
Relatives of Key Management Personnel	- Shri Ramesh Chandra Agarwal (Father of Shri Sudhir Agarwal and Shri Girish Agarwal) - Smt Kasturi Devi Agarwal (Grand Mother of Shri Sudhir Agarwal and Shri Girish Agarwal) - Shri Pawan Agarwal (Brother of Shri Sudhir Agarwal and Shri Girish Agarwal) - Smt Jyoti Agarwal (Wife of Shri Sudhir Agarwal) - Smt Namita Agarwal (Wife of Shri Girish Agarwal) - Smt Nitika Agarwal (Wife of Shri Pawan Agarwal)
Enterprises owned or significantly influenced by key management personnel or their relatives	- Abhivyakti Kala Kendra - Bhaskar Printing Press - Rajasthan - Bhaskar Printing Press- MPCG - Bhaskar Printing Press- CPH2 - Bhaskar Printing Press- Gujarat (up to March 31, 2012) - Bhaskar Samachar Seva - Bhaskar Publication and Allied Industries Private Limited. - Bhaskar Infrastructure Limited - Bhaskar Industries Private Limited (Formerly known as Bhaskar Industries Limited) - Decore Exxoil Private Limited (Formerly known as Bhaskar Exxoil Private Limited) - Bhaskar Venkatesh Products Private Limited (up to December 11, 2012) - D B Malls Private Limited - D B Power Limited - R.C. Printer - Raipur - Writers and Publishers Private Limited - Diligent Media Corporation Limited (up to October 09, 2012) - Peacock Trading and Investments Private Limited - Chambal Tradings Private Limited - Dev Fiscal Service Private Limited - Stitex Global Limited - Bhopal Financial Services Private Limited - Bhaskar Multinet Limited (Merged with Bhaskar Infrastructure Limited with effect from April 01, 2012)

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2013

(Amount in Indian rupees, except share data)

28. (b) Details of transactions with related parties:

Particulars	Transactions for the Year ended March 31, 2013	Transactions for the Year ended March 31, 2012	Amount receivable / (Payable) As at March 31, 2013	Amount receivable / (Payable) As at March31, 2012
	₹	₹	₹	₹
Advertisement revenue				
Synergy Media Entertainment Limited	-	3,275,490	-	819,906
I Media Corp Limited	31,545,820	13,520,471	3,358,395	3,722,290
Divya Prabhat Publications Private Limited	12,600	-	-	-
Writers and Publishers Private Limited	3,541,444	26,092,269	-	4,884
Abhivyakti Kala Kendra	-	66,150	-	66,150
Bhaskar Industries Private Limited	216,571	164,984	61,742	15,968
Decore Exxoil Private Limited	-	18,160	-	17,200
D B Malls Private Limited	275,470	346,936	-	445,896
Bhaskar Venkatesh Products Private Limited	1,848,627	2,991,807	-	3,227,286
DB Power Limited	252,900	184,797	-	23,184
Deligent Hotels Corporation Private Limited	58,800	-	66,068	-
Sale of magazines				
Bhaskar Publication and Allied Industries Private Limited	312,920	292,125	590,984	515,332
Printing job charges				
Bhaskar Publication and Allied Industries Private Limited	4,276,693	4,566,131	-	-
Divya Prabhat Publications Private Limited	993,147	-	-	-
Salaries, wages and bonus				
Shri Sudhir Agarwal	6,000,000	4,200,000	-	-
Rent income on machinery leased				
Bhaskar Publication and Allied Industries Private Limited	1,000,000	1,020,000	-	-
Rent Paid				
Writers and Publishers Private Limited	65,339,568	39,199,514	-	-
Bhaskar Industries Private Limited	156,000	160,000	-	-
Bhaskar Publication and Allied Industries Private Limited	-	100,000	-	-
Bhaskar Infrastructure Limited	3,951,312	3,829,260	(146,510)	-
R.C. Printer- Raipur	12,275,136	2,102,153	-	-
Shri Girish Agarwal	-	100,000	-	-
Decore Exxoil Private Limited	9,711,459	17,912,044	-	(3,582,775)
D B Malls Private Limited	125,000	-	-	-
News collection charges				
Bhaskar Samachar Seva	426,699	12,447,534	(2,010,760)	(5,483,152)
Diligent Media Corporation Limited	1,128,558	2,568,295	-	(801,996)
Printing job work charges				
Diligent Media Corporation Limited	4,174,030	8,388,262	-	(314,244)
Bhaskar Printing Press Rajasthan	-	599,076	-	(3,379,566)
Bhaskar Printing Press- MPCG	-	2,865,869	(442,220)	(977,367)
Bhaskar Printing Press- CPH2	-	1,099,657	(271,975)	(285,203)
Bhaskar Printing Press- Gujarat	-	12,915,451	-	(3,391,898)
Writers and Publishers Private Limited	-	16,293,261	-	-
Royalty				
Diligent Media Corporation Limited	4,629,676	6,168,323	-	-
Advertisement and publicity expenses				
I Media Corp Limited	4,363,048	3,543,788	(348,206)	-
Abhivyakti Kala Kendra	-	2,100,000	-	-
Diligent Media Corporation Limited	-	1,679,163	-	-
Writers and Publishers Private Limited	-	2,503,920	-	-
Interest income from inter-corporate deposits				
Writers and Publishers Private Limited	5,264,381	19,302,740	-	-
Bhaskar Multinet Limited	-	17,836,103	-	-
Interest income from loans to subsidiaries				
Divya Prabhat Publications Private Limited	125,227	81,371	-	73,234
I Media Corp Limited	6,827,800	-	-	-
Sale of Fixed Assets				
Bhaskar Publication and Allied Industries Private Limited	-	247,966	-	205,441
DB Power Limited	-	34,339	-	-
Writers and Publishers Private Limited	-	724,044	-	-
Purchase of Fixed Assets				
Bhaskar Publication and Allied Industries Private Limited	13,332	154,354	-	-

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2013

(Amount in Indian rupees, except share data)

28. (b) Details of transactions with related parties:

Particulars	Transactions for the Year ended March 31, 2013	Transactions for the Year ended March 31, 2012	Amount receivable / (Payable) As at March 31, 2013	Amount receivable / (Payable) As at March31, 2012
	₹	₹	₹	₹
Loan and advances given to / (repaid by) party				
I Media Corp Limited	137,198,720	-	137,198,720	-
Bhaskar Multinet Limited	-	(170,750,252)	-	-
Divya Prabhat Publications Private Limited	(2,500,000)	2,500,000	-	2,500,000
Writers and Publishers Private Limited	(87,499,992)	(116,666,668)	-	87,499,992
Amounts paid towards purchase of debentures				
I Media Corp Limited	-	-	350,000,000	350,000,000
Advance repaid for publication of advertisement				
Writers and Publishers Private Limited	(3,731,464)	(32,237,481)	(18,427,431)	(22,158,895)
Security Deposit given against lease of properties				
Writers and Publishers Private Limited	-	290,283,800	423,233,800	423,233,800
R.C. Printer, Raipur	-	16,870,200	16,870,200	16,870,200
Bhaskar Infrastructure Limited	-	11,596,765	11,596,765	11,596,765
Bhaskar Industries Private Limited	-	1,619,435	1,619,435	1,619,435
Security Deposit Received				
Bhaskar Publication and Allied Industries Private Limited	-	-	(10,000,000)	(10,000,000)
Sale of Investments				
Writers and Publishers Private Limited	-	-	60,000,000	60,000,000
Purchase of investments in subsidiaries made from minority shareholders				
Bhaskar Infrastructure Limited	23,621,405	-	-	-
Writers and Publishers Private Limited	355,954,108	-	-	-
Shri Sudhir Agarwal	19,006	9,995,800	-	-
Shri Girish Agarwal	19,006	-	-	-
Shri Pawan Agarwal	19,006	-	-	-
Smt Jyoti Agarwal	14,443	-	-	-
Smt Namita Agarwal	13,690	-	-	-
Smt Nitika Agarwal	13,690	-	-	-
News print loan given / (taken)				
Diligent Media Corporation Limited	-	(14,901,520)	-	-
Divya Prabhat Publications Private Limited	42,709	1,272,550	-	-
Bhaskar Publication and Allied Industries Private Limited	34,148,338	22,443,813	54,740,706	20,592,369
Writers and Publishers Private Limited	-	8,926,069	-	-
Purchase of Business [refer note 27(A)]				
Writers and Publishers Private Limited	-	350,000,000	-	-
Dividend Paid				
Shri Ramesh Chandra Agarwal	160,367,055	123,119,325	-	-
Shri Sudhir Agarwal	100,480,832	71,772,023	-	-
Shri Girish Agarwal	85,890,977	61,350,698	-	-
Shri Pawan Agarwal	97,428,492	69,591,780	-	-
Smt Jyoti Agarwal	45,239,787	74,594,838	-	-
Smt Namita Agarwal	34,346,550	24,533,250	-	-
Smt Nitika Agarwal	18,254,250	13,038,750	-	-
Smt Kasturi Devi Agarwal	281,899	201,356	-	-
Bhaskar Infrastructure Limited	63,590,205	45,421,575	-	-
Peacock Trading and Investments Private Limited	53,168,047	37,977,176	-	-
Chambal Tradings Private Limited	44,212,350	31,580,250	-	-
Bhopal Financial Services Private Limited	29,700,248	21,214,463	-	-
Dev Fiscal Service Private Limited	8,709,750	6,221,250	-	-
Bhaskar Publication and Allied Industries Private Limited	15,843,450	11,316,750	-	-
Stitex Global Limited	3,150,000	2,250,000	-	-
Balance outstanding at the year end				
Synergy Media Entertainment Limited	-	-	-	(4,929,704)
I Media Corp Limited	-	-	(11,906,870)	-
Diligent Media Corporation Limited	-	-	-	(8,800,463)
D B Malls Private Limited	-	-	818,720	818,720
R.C. Printer- Raipur	-	-	-	44,766
Bhaskar Publication and Allied Industries Private Limited	-	-	111,925,929	120,498,143
Abhivyakti Kala Kendra	-	-	-	(40,568)
DB Power Limited	-	-	32,723	18,715
Writers and Publishers Private Limited	-	-	80,000,000	80,000,000

Note: For details of guarantees given by related parties, refer note 5 and 8.

29. **Provision made for contingencies:**

a) **Indian Performing Rights Society Limited (IPRS)**

The Indian Performing Rights Society Limited (IPRS) had filed a suit against the Company on May 27, 2006 before the Honorable High Court of Delhi contesting against the refusal by the Company to obtain a license from the IPRS with regards to broadcasting / performing its copyrighted works and pay royalty to IPRS.

IPRS had prayed for a permanent injunction restraining the Company from infringing any of the copyrights owned by the IPRS as well as for damages in favor of the IPRS. The Honorable Delhi High Court has denied IPRS's application for injunction. IPRS had since preferred an appeal in the Supreme Court.

Considering the litigation involved, as a matter of abundant caution, the Company has provided for royalty based on the best judgment assessment of the case. The management believes that the provision made in the books is sufficient to take care of the liability for royalty, if any, which would be confirmed only after the final result of the litigation.

Since the matter is under litigation, the disclosures required as per the provisions of Accounting Standard 29 – Provisions, Contingent Liabilities and Contingent Assets relating to the provisions made are not given as it can be expected to prejudice seriously the position of the Company with regards to the litigation.

b) **Phonographic Performance Limited (PPL)**

A legal Suit was filed by the Company on July 28, 2008 against Phonographic Performance Limited (PPL) before the Copy Right Board against the exorbitant rates proposed by PPL for grant of compulsory licenses. The Copy Right Board passed an order on August 25, 2010 by which PPL was directed to charge the proportionate amount (as per the music played) i.e. royalty was to be calculated @ 2% of the net revenue. Accordingly, the Company is paying royalty to PPL since then.

PPL has been claiming that the said revised rates were applicable only for the period starting from August 25, 2010 and the royalty for the period earlier to August 25, 2010 would be charged at a higher rate. PPL had subsequently filed a summary suit in Bombay High Court towards recovery of the said amount. At present the matter is pending before the Bombay High Court.

Considering the litigation involved, as a matter of abundant caution, the Company has provided for the royalty based on the best judgment assessment of the case. The management believes that the provision made in the books is sufficient to take care of the liability for royalty, if any, which would be confirmed only after the final result of the litigation.

Since the matter is under litigation, the disclosures required as per the provisions of Accounting Standard 29 – Provisions, Contingent Liabilities and Contingent Assets relating to the provisions made are not given as it can be expected to prejudice seriously the position of the Company with regards to the litigation.

30. **Leases**

Rentals in respect of operating leases are recognised as an expense in the statement of profit and loss, on a straight-line basis over the lease term.

Operating lease (for assets taken on Lease)

a) The Company has taken various residential, office and godown premises under operating lease agreements. These are generally renewable by mutual consent.

b) Lease payments recognised for the year are ₹ 215,106,022 (March 31, 2012 ₹ 155,561,603).

c) There are no restrictions imposed in these lease agreements. There are escalation clauses in agreement with some parties. There are no purchase options. There are no sub leases.

d) There are no non-cancelable leases.

31. **Commitments**

a) **Capital commitment**
Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 112,205,232 (March 31, 2012: ₹ 204,615,373).

b) For commitments relating to derivatives refer note 33(a)

32. **Contingent liabilities not provided for**

a) The Company has given Corporate Guarantee of ₹ 450,000,000 (March 31, 2012: ₹ 450,000,000) in favor of Export Development Canada on behalf of Decore Exxoils Private Limited (Formerly known as Bhaskar Exxoils Private Limited).

The Company has also entered into an agreement with Decore Exxoils Private Limited and Shri Ramesh Chandra Agarwal, in his personal capacity, whereby the Company has the right for reimbursement in case it has to make payment to lenders on account of default by Decore Exxoils Private Limited.

b) There are several defamation and other legal cases pending against the Company and its directors. These include criminal and civil cases. There are certain employee related cases also pending against the Company. In view of large number of cases, it is impracticable to disclose the details of each case separately.

The estimated amount of claims against the Company in respect of these cases is ₹ 4,189,036 (March 31, 2012: ₹ 21,858,169). The estimated contingency in respect of some cases cannot be ascertained. Based on discussions with the solicitors and also the past trend in respect of such cases, the Company believes that there is no present obligation in respect of the above and hence no provision is considered necessary against the same.

33. Derivative Instruments

a) Particulars of derivative contracts outstanding as at the balance sheet date:

		March 31, 2013		March 31, 2012	
Nature of derivative contract	Nature of underlying exposures	Amount in USD	Amount in Indian currency ₹	Amount in USD	Amount in Indian currency ₹
Foreign exchange forward contracts	Citibank Buyers Credit	200,000	10,870,000	-	-
Foreign exchange forward contacts	HSBC Bank Buyers Credit	309,857	16,819,204	-	-

b) Particulars of unhedged foreign currency exposures as at the balance sheet date:

		March 31, 2013		March 31, 2012	
Particulars	Currency	Amount in foreign currency	Amount in Indian currency ₹	Amount in foreign currency	Amount in Indian currency ₹
Trade payables	USD	3,027,987	164,374,274	2,788,697	140,835,933
Trade payables	HKD	-	-	91,396	598,874
Other payables	USD	-	-	589,418	29,986,615
Standard Chartered Bank Buyers credit	USD	616,470	33,465,048	1,198,332	60,965,161
HSBC Bank Buyers credit	USD	4,578,975	248,569,668	6,800,647	345,982,897
DBS Bank Buyers credit	USD	-	-	7,180,370	365,301,302
Citibank Buyers credit	USD	3,428,663	186,124,952	-	-
AGCO Finance GmbH term loan	USD	20,217,766	1,097,521,432	24,261,319	1,234,294,618
Advances recoverable in cash or kind	EURO	-	-	580,500	39,397,084

34. Opening and Closing stock of finished goods:

	March 31, 2013	March 31, 2012
Magazines	No. of Copies	No. of Copies
Closing stock	64,200	109,500
Opening stock	109,500	65,500

35. Value of imports on CIF Basis:

Particulars	March 31, 2013	March 31, 2012
	₹	₹
Raw materials	1,735,154,411	1,718,412,099
Stores and spares	24,497,809	39,835,626
Capital goods	78,048,450	1,852,853

36. Consumption of raw material:

	March 31, 2013		March 31, 2012	
	Quantity In Kgs.	₹	Quantity In Kgs.	₹
Newsprint	164,696,126	5,425,922,444	161,910,303	5,070,579,203

37. Imported and indigenous raw materials, stores and spares consumed:

	March 31, 2013		March 31, 2012	
	₹	% of Total consumption	₹	% of total consumption
i) Raw materials				
Imported	2,177,562,510	40.13%	1,547,450,375	30.52%
Indigenous	3,248,359,934	59.87%	3,523,128,828	69.48%
Total	**5,425,922,444**	**100.00%**	**5,070,579,203**	**100.00%**
ii) Stores and spares				
Imported	18,900,634	1.99%	20,615,385	2.47%
Indigenous	929,216,513	98.01%	815,545,464	97.53%
Total	**948,117,147**	**100.00%**	**836,160,849**	**100.00%**

38. Expenditure in foreign currency (on accrual basis):

Particulars	March 31, 2013 ₹	March 31, 2012 ₹
Traveling and conveyance	419,990	182,275
Finance Costs	49,298,408	37,659,320
Repairs and maintenance	-	13,265,036
Others	5,587,114	3,062,156

39. Auditors' remuneration:

Particulars	March 31, 2013 ₹	March 31, 2012 ₹
As Auditor		
Audit fees	8,663,534	6,526,800
Limited review fees	1,685,400	1,654,500
Tax audit fees	449,440	551,500
Reimbursement of out of pocket expenses	561,800	551,500
Total	**11,360,174**	**9,284,300**

(Amount in Indian rupees, except share data)

40. The current tax expense includes a net reversal of ₹ 28,771,316 (March 31, 2012: ₹ Nil) relating to earlier periods.

41. Details as required under Clause 32 of the listing agreement of Loans, advances and investments in the Companies under the same management:

Name of the Company	Closing Balance ₹		Maximum amount Outstanding during the year ₹	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
I Media Corp Limited	903,861,357	355,775,000	903,861,357	357,146,848
Synergy Media Entertainment Limited[refer note 27(B) and (C)]	-	1,741,800	25,459,032	1,741,800
Divya Prabhat Publications Private Limited	9,995,800	12,569,034	12,715,930	13,230,560
Bhaskar Multinet Limited	-	-	-	194,475,002
Diligent Media Corporation Limited	-	-	-	1,220,197
DB Malls Private Limited	818,720	818,720	818,720	1,151,822
D B Power Limited	32,723	18,715	432,357	989,771
R.C. Printers-Raipur	-	44,766	44,766	44,766
Writers and Publishers Private Limited	-	87,499,992	87,499,992	204,680,432

42. Employee benefits:

Defined contribution plan

During the year ended March 31, 2013 and March 31, 2012; the Company contributed the following amounts to defined contribution plans:

Particulars	March 31, 2013	March 31, 2012
	₹	₹
Provident Fund	110,514,489	91,753,637
Employees' State Insurance Corporation	27,348,189	25,572,904
Total	**137,862,678**	**117,326,541**

Defined benefit plan

Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days' salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

The following table's summaries the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plan.

Statement of profit and loss:
Net Employee benefit expense (recognised in Employee cost)

Particulars - Gratuity	March 31, 2013	March 31, 2012
	₹	₹
Current service cost	19,836,347	16,058,815
Liability taken over under the scheme of arrangement	-	(3,385,546)
Interest cost on benefit obligation	7,934,817	6,754,086
Expected return on plan assets	(7,177,552)	(6,109,977)
Net actuarial (gain) / loss recognised in the year	18,164,677	364,102
Past service cost	-	-
Net benefit expense	38,758,289	13,681,480
Actual return on plan assets	6,856,013	2,336,535

Balance sheet
Details of Provision and fair value of plan assets

Particulars - Gratuity	March 31, 2013	March 31, 2012
	₹	₹
Present value of defined benefit obligation	127,982,879	93,350,785
Fair value of plan assets	(90,139,269)	(84,441,788)
Net (asset) / liability	37,843,610	8,908,997

(Amount in Indian rupees, except share data)

Changes in the present value of the defined benefit obligation are as follows:

Particulars - Gratuity	March 31, 2013	March 31, 2012
Opening defined benefit obligation	93,350,785	81,867,707
Interest cost	7,934,817	6,754,086
Current service cost	19,836,347	16,058,815
Benefits paid	(10,982,208)	(7,920,476)
Actuarial losses / (gains) on obligation	17,843,138	(3,409,347)
Closing benefit obligation	127,982,879	93,350,785

Changes in the fair value of plan assets are as follows:

Particulars - Gratuity	March 31, 2013	March 31, 2012
	₹	₹
Opening fair value of plan assets	84,441,788	74,060,336
Expected return	7,177,552	6,109,977
Contributions by employer	9,823,676	15,965,397
Benefits paid	(10,982,208	(7,920,476)
Actuarial losses on plan assets	(321,539)	(3,773,446)
Closing fair value of plan assets	90,139,269	84,441,788
Actuarial losses recognised in the year	18,164,677	364,102

The Company expects to contribute ₹ 10,000,000 (March 31, 2012: ₹ 10,000,000) to gratuity fund during the annual period beginning after balance sheet date.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars - Gratuity	March 31, 2013	March 31, 2012
	%	%
Investments with insurer	100	100

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars - Gratuity	March 31, 2013	March 31, 2012
Discount rate	8.00%	8.50%
Expected rate of return on assets	8.70%	8.50%
Employee turnover	0-5 years of service- 28% and for service thereafter- 14%	'1% age + 6% service' related
Estimated future salary increase	6.00%	6.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Amounts of experience adjustments for the current and previous four years are as follows:

	Gratuity				
	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
	₹	₹	₹	₹	₹
Defined benefit obligation	127,982,879	93,350,785	81,867,707	67,922,829	60,469,425
Plan assets	90,139,269	84,441,788	74,060,336	60,785,240	48,066,911
Asset / (liability)	(37,843,610)	(8,908,997)	(7,807,371)	(7,137,589)	(12,402,514)
Experience adjustments on plan liabilities (Gain) / Loss	14,927,133	(42,389)	4,523,864	3,633,997	7,687,325
Experience adjustments on plan assets Gain / (Loss)	(321,539)	(3,773,443)	(1,209,129)	4,780,173	(1,427,487)

Other long term employee benefits

Leave encashment

In accordance with leave policy, the Company has provided for leave entitlement on the basis of an actuarial valuation carried out at the end of the year.

43. Employee Stock Option Scheme 2008, 2010 and 2011

The Company has granted Stock Options to its employees as per its scheme/s referred to as "DBCL – ESOS 2008", "DBCL- ESOS 2010" and "DBCL-ESOS 2011". During the year ended March 31, 2013 the following schemes were in operation:

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2013

(Amount in Indian rupees, except share data)

	DBCL – ESOS 2008	DBCL – ESOS 2010	DBCL – ESOS 2011
Date of grant	January 5, 2009	May 10, 2010	April 16, 2011
Date of Board Approval	December 19, 2008	March 02, 2010	January 24, 2011
Date of Shareholder's Approval	December 31, 2008	April 24, 2010	March 24, 2011
Number of options granted	700,000 options have been approved by the Board and the shareholders, however 413,427 have been granted till the year ended March 31, 2013	600,000 options have been approved by the Board and the shareholders, however 491,203 have been granted till the year ended March 31, 2013	3,000,000 options have been approved by the Board and the shareholders, however 234,300 have been granted till the year ended March 31, 2013
Method of Settlement	Equity	Equity	Equity
Vesting Period	Options vest equally over the period of five years from the date of grant	Options vest equally over the period of five years from the date of grant	Options vest equally over the period of five years from the date of grant
Exercise Period	Within three years from the date of vesting or listing, whichever is later	Within three years from the date of vesting	Within five years from the date of vesting
Exercise Price	50% discount to the average of first 30 days market price post listing	Discount up to a maximum of 30% to the market price on date of grant.	61.95% Discount to the market price on date of grant.
Vesting Conditions	Option vest on continued association with the Company and achievement of certain performance parameters	Option vest on continued association with the Company and achievement of certain performance parameters	Option vest on continued association with the Company and achievement of certain performance parameters

The details of activity under DBCL ESOS 2008, ESOS 2010 and ESOS 2011 are as summarized below:

DBCL – ESOS 2008

	March 31,2013		March 31,2012	
	Number of Options	Weighted Average Exercise Price(₹)	Number of Options	Weighted Average Exercise Price(₹)
Outstanding at the beginning of the year	231,831	124.00	275,084	124.00
Granted during the year	-	-	-	-
Forfeited / Cancelled during the year	20,915	124.00	28,991	124.00
Exercised during the year	34,702	124.00	14,262	124.00
Expired during the year	20,605	124.00	-	-
Outstanding at the end of the year	155,609	124.00	231,831	124.00
Exercisable at the end of the year	107,016	124.00	118,943	124.00
Weighted Average Remaining contractual life	3.76		4.76	
Weighted average fair value of options granted	101.3		101.31	

DBCL – ESOS 2010

	March 31,2013		March 31,2012	
	Number of Options	Weighted Average Exercise Price(₹)	Number of Options	Weighted Average Exercise Price(₹)
Outstanding at the beginning of the year	411,944	168.00	474,709	168.00
Granted during the year	-	-	-	-
Forfeited / Cancelled during the year	41,370	168.00	51,904	168.00
Exercised during the year	12,908	168.00	10,861	168.00
Expired during the year	-	168.00	-	168.00
Outstanding at the end of the year	357,666	168.00	411,944	168.00
Exercisable at the end of the year	128,888	168.00	73,700	168.00
Weighted Average Remaining contractual life	5.11		6.11	
Weighted average fair value of options granted	124.97		124.97	

DBCL – ESOS 2011

	March 31,2013		March 31,2012	
	Number of Options	Weighted Average Exercise Price(₹)	Number of Options	Weighted Average Exercise Price(₹)
Outstanding at the beginning of the year	203,850	95.00	-	95.00
Granted during the year	-	-	234,300	-
Forfeited / Cancelled during the year	10,560	95.00	30,450	95.00
Exercised during the year	17,880	95.00	-	95.00
Expired during the year	-	95.00	-	95.00
Outstanding at the end of the year	175,410	95.00	203,850	95.00
Exercisable at the end of the year	22,890	95.00	-	95.00
Weighted Average Remaining contractual life	8.05		9.05	
Weighted average fair value of options granted	177.57		177.57	

For options exercised during the period, the weighted average share price during the year was ₹ 212.24 per share (March 31, 2012: ₹ 215.98 per share).

The details of exercise price for stock options outstanding at the end of the year as at March 31, 2013 is as under:

(Amount in Indian rupees, except share data)

ESOP Schemes	Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Estimated Weighted average exercise price
ESOP 2008	124.00	155,609	3.76	124.00
ESOP 2010	168.00	357,666	5.11	168.00
ESOP 2011	95.00	175,410	8.05	95.00

The details of exercise price for stock options outstanding at the end of the year as at March 31, 2012 is as under:

ESOP Schemes	Range of exercise prices	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Estimated Weighted average exercise price
ESOP 2008	124.00	231,831	4.76	124.00
ESOP 2010	168.00	411,944	6.11	168.00
ESOP 2011	95.00	203,850	9.05	95.00

Stock options granted

No new options have been granted during the year ended March 31, 2013. The weighted average fair value of stock options granted during the previous year ended March 31, 2012 was ₹ 177.57. The Black and Scholes Options Pricing model has been used for computing the weighted average fair value considering the following inputs:

	March 31, 2013	March 31, 2012
Weighted average share price (₹)	No options have been granted during the year	215.98
Exercise Price (₹)		Discount up to a maximum of 61.95% to the market price. i.e. ₹ 95/-
Expected Volatility		29.48%
Life of the options granted (Vesting and exercise period) in years		5.5 years
Average risk-free interest rate		7.84%
Expected dividend yield		0.80%

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome (historical volatility includes early years of the companies' life).

The employee stock compensation cost is accounted using intrinsic value method. Had compensation cost been determined in accordance with the fair value approach described in the Guidance Note, the Company's net profit after tax and earnings per share as reported would have changed to amounts indicated below:

	March 31, 2013 ₹	March 31, 2012 ₹
Profit after tax as reported	**2,306,058,526**	**2,084,730,007**
Add: Employee stock compensation cost under intrinsic value method	8,491,087	17,382,609
Less: Employee stock compensation cost under fair value method	10,880,440	29,834,818
Proforma profit after tax	**2,303,669,173**	**2,072,277,798**
Earnings Per Share		
Basic		
- As reported	12.58	11.37
- As adjusted	12.57	11.31
Diluted		
- As reported	12.56	11.36
- As adjusted	12.55	11.29

44. Investments

a) The Company has invested ₹ 416,662,637 (March 31, 2012: ₹ 5,775,000) in Equity shares and ₹ 350,000,000 (March 31, 2012: ₹ 350,000,000) in zero coupon Compulsorily Convertible debentures of I Media Corp Limited ['IMCL'], the wholly owned subsidiary of the Company. The investment in IMCL is a strategic investment.

IMCL has incurred losses during the year and the accumulated losses of IMCL at the close of the year exceed its paid up capital.

IMCL is in the initial years of its operations and such results / position are integral part of operations i.e. initial period in such industry. With the internet market in India booming and internet penetration increasing every year, the management expects continuous growth in the business and profitability in the future years. Considering the nature of business as explained, the management of the Company is of the view that there is no other than temporary diminution in the value of this investment.

Further, in the meeting of Board of Directors of the Company and I Media Corp Limited ('IMCL'), the wholly owned subsidiary of the Company held on May 16, 2013, the Board of Directors of the Company and IMCL approved the proposed scheme of demerger of Internet and Mobile Interactive Service Business of IMCL and transfer of the same to the Company. According to the proposed scheme of demerger the Internet and Mobile Interactive Service Business of IMCL would be demerged and transferred to the Company with effect from April 01, 2013. The Company is in the process of completion of statutory formalities.

(Amount in Indian rupees, except share data)

b) **Other investments**

The Company has entered into arrangements with various parties whereby the Company has invested in the securities of these parties. In accordance with these arrangements, the said parties have also agreed to offer their advertisements in the Company's print and non print media periodically, for a specified term.

On periodic basis, the Company performs the assessment to assess whether there is any diminution other than temporary in the value of investments. Up to March 31, 2013, the Company has made provision of ₹ 160,000,000 (March 31, 2012: ₹ 97,500,000) in respect of other than temporary diminution, in the value of these investments.

45. The detail of Preoperative expenses capitalised during the year are as under.

Particulars	March 31, 2013 ₹	March 31, 2012 ₹
Opening Balance of Pre - operative expenses	-	-
Expenditure during the year :		
Raw materials consumed	50,732	5,877,129
Employee benefit expenses	637,060	-
Other expenses	4,514,236	8,812,004
Total	**5,202,028**	**14,689,133**
Less:- Capitalised during the year	4,590,835	14,689,133
Closing Balance of Pre- operative expenses (included in Capital work-in-progress)	**611,193**	-

46. Details of dues to Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006.

a) An amount of ₹ 6,721,914 (March 31, 2012: ₹ 5,699,243) and ₹ Nil (March 31, 2012: ₹ Nil) was due and outstanding to suppliers as at March 31, 2013 on account of Principal and Interest respectively.

b) No interest was paid during the year to any supplier (March 31, 2012: ₹ Nil).

c) No interest was paid to any suppliers for payments made beyond the appointed date during the accounting year (March 31, 2012: ₹ Nil).

d) No claims have been received till the end of the year for interest under Micro, Small and Medium Enterprises Development Act, 2006 (March 31, 2012: ₹ Nil).

e) No amount of interest was accrued and unpaid at March 31, 2013 (March 31, 2012: ₹ Nil)

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

47. Legal and professional charges include sitting fees paid to Directors ₹ 615,000 (March 31, 2012: ₹ 755,000).

48. Since the segment information as per notified Accounting Standard 17 - Segment Reporting notified by the Companies (Accounting Standards) Rules, 2006 (as amended) is provided on the basis of consolidated financial statements, the separate segment information based on standalone financial statements are not provided.

49. Previous year figures
Previous year figures have been regrouped / reclassified where necessary to confirm to this years' classification.

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants

per Amit Majmudar
Partner
Membership No. 36656

Place : Mumbai
Date : May 16, 2013

For Gupta Navin K. & Co.
ICAI Firm Registration Number: 06263C
Chartered Accountants

per Navin K. Gupta
Partner
Membership No. 75030

Place : Mumbai
Date : May 16, 2013

For and on behalf of the Board of Directors of D. B. Corp Limited

Managing Director **Director**

Company Secretary

Place : Mumbai
Date : May 16, 2013

D. B. Corp Limited

Independent Auditors' Report

To The Board of Directors of D. B. Corp Limited

We have audited the accompanying consolidated financial statements of D. B. Corp Limited (the 'Company') and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated 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 presentation of the consolidated financial statements that give a true and fair view 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 consolidated 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 consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

(b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matter

Gupta Navin K. & Co. did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of ₹ 100,704,361 as at March 31, 2013, the total revenue of ₹117,716,683 and cash flows amounting to ₹10,771,667 for the year then ended. These financial statements and other financial information have been audited solely by one of the joint auditors S.R. Batliboi & Associates LLP, whose reports have been furnished to Gupta Navin K. & Co. and our joint opinion is based on these reports.

S.R. Batliboi & Associates LLP did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of ₹ 40,339,799 as at March 31, 2013, the total revenue of ₹ 52,138,143 and cash flows amounting to ₹ 2,577,935 for the year then ended. These financial statements and other financial information have been audited solely by one of the joint auditors Gupta Navin K. & Co., whose reports have been furnished to S.R. Batliboi & Associates LLP and our joint opinion, is based on these reports.

Our opinion, in so far as it relates to the affairs of such subsidiaries is based solely on the report of other auditors. Our opinion is not qualified in respect of this matter.

For S.R. Batliboi & Associates LLP **Chartered Accountants** **ICAI Firm Registration Number: 101049W**	**For Gupta Navin K. & Co.** **Chartered Accountants** **ICAI Firm Registration Number: 06263C**
per Amit Majmudar Partner Membership Number: 36656 Mumbai May 16, 2013	**per Navin K. Gupta** Partner Membership No. 75030 Mumbai May 16, 2013

D. B. Corp Limited
Consolidated balance sheet as at March 31, 2013
(Amount in Indian rupees, except share data)

	Notes	March 31, 2013 ₹	March 31, 2012 ₹
Equity and liabilities			
Shareholders' funds			
Share capital	4	1,833,748,440	1,833,093,540
Reserves and surplus	5	8,457,842,696	7,437,700,416
		10,291,591,136	9,270,793,956
Minority Interest (refer note 35)		10,627,285	15,407,602
Non-current liabilities			
Long-term borrowings	6	878,017,103	1,028,578,808
Deferred tax liabilities (net)	7	833,874,518	745,869,435
Other long-term liabilities	8	325,709,545	296,215,193
		2,037,601,166	2,070,663,436
Current liabilities			
Short-term borrowings	9	495,848,872	772,249,360
Trade payables	10	961,200,245	1,077,625,829
Other current liabilities	10	1,584,145,265	1,404,763,102
Short-term provisions	11	946,065,272	841,008,184
		3,987,259,654	4,095,646,475
TOTAL		**16,327,079,241**	**15,452,511,469**
Assets			
Non-current assets			
Fixed assets	12		
Tangible assets		7,631,615,238	7,153,180,649
Intangible assets		681,342,566	330,031,329
Capital work-in-progress		70,248,235	449,639,047
Non-current investments	13	807,435,304	460,161,000
Long-term loans and advances	14	850,118,808	872,503,879
Other non-current assets	15	64,429,361	89,996,061
		10,105,189,512	9,355,511,965
Current assets			
Inventories	16	1,299,155,890	1,185,648,791
Trade receivables	17	3,083,275,556	2,484,108,883
Cash and bank balances	18	1,276,634,427	1,883,942,178
Short-term loans and advances	14	546,954,178	527,429,974
Other current assets	15	15,869,678	15,869,678
		6,221,889,729	6,096,999,504
TOTAL		**16,327,079,241**	**15,452,511,469**
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm registration number: 101049W
Chartered Accountants

per Amit Majmudar
Partner
Membership No. 36656

Place : Mumbai
Date : May 16, 2013

For Gupta Navin K. & Co.
ICAI Firm registration number: 06263C
Chartered Accountants

per Navin K. Gupta
Partner
Membership No. 75030

Place : Mumbai
Date : May 16, 2013

For and on behalf of the Board of Directors of D. B. Corp Limited

Managing Director **Director**

Company Secretary

Place : Mumbai
Date : May 16, 2013

D. B. Corp Limited

Consolidated statement of profit and loss for the year ended March 31, 2013

(Amount in Indian rupees, except share data)

	Notes	March 31, 2013 ₹	March 31, 2012 ₹
Income			
Revenue from operations	19	15,923,164,283	14,515,088,618
Other income	20	213,422,990	240,217,783
(I)		16,136,587,273	14,755,306,401
Expenses			
Cost of raw materials consumed	21	5,445,432,796	5,080,423,643
Decrease/(increase) in inventories of finished goods		275,183	(415,865)
Event expenses		120,800,040	150,381,106
Employee benefit expenses	22	2,795,024,476	2,429,281,375
Foreign exchange loss (net)	23	60,531,067	101,191,152
Other expenses	24	3,741,003,316	3,390,577,252
(II)		12,163,066,878	11,151,438,663
Earning before interest, tax, depreciation and amortisation (EBITDA) (I - II)		3,973,520,395	3,603,867,738
Finance costs	25	79,892,236	92,325,399
Depreciation and amortisation expenses	12 & 13	580,641,591	505,662,827
Profit before tax		3,312,986,568	3,005,879,512
Tax expenses			
Current tax (refer note 42)		1,043,813,543	932,001,378
Deferred tax		88,005,083	51,171,781
Total tax expense		1,131,818,626	983,173,159
Profit for the year before minority interest		2,181,167,942	2,022,706,353
Minority Interest in the (profits) / losses of subsidiary companies		197,149	(1,557,305)
Profit for the year		2,181,365,091	2,021,149,048
Earning per equity share [nominal value of share ₹ 10 (March 31, 2012: ₹ 10)]	26		
Basic		11.90	11.03
Diluted		11.88	11.01
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm registration number: 101049W
Chartered Accountants

per Amit Majmudar
Partner
Membership No. 36656

Place : Mumbai
Date : May 16, 2013

For Gupta Navin K. & Co.
ICAI Firm registration number: 06263C
Chartered Accountants

per Navin K. Gupta
Partner
Membership No. 75030

Place : Mumbai
Date : May 16, 2013

For and on behalf of the Board of Directors of
D. B. Corp Limited

Managing Director

Director

Company Secretary

Place : Mumbai
Date : May 16, 2013

D. B. Corp Limited

Consolidated cash flow statement for the year ended March 31, 2013

(Amounts in Indian rupees, except share data)

			For the year ended March 31, 2013 ₹	For the year ended March 31, 2012 ₹
A.	**Cash flow from operating activities**			
	Profit before tax		3,312,986,568	3,005,879,512
	Non-cash adjustments to reconcile profit before tax to net cash flows			
	Loss on sale/disposal of fixed assets (net)		13,822,674	19,217,718
	Interest expenses		64,022,558	76,412,244
	Interest income		(96,325,851)	(115,814,082)
	Depreciation and amortisation expenses		580,641,591	505,662,827
	Amortisation of term loan processing fees		15,869,678	15,913,155
	Provision for doubtful advances		-	27,500,000
	Provision for other than temporary diminution in value of investments		62,500,000	-
	Bad trade receivables written off		1,676,210	10,745,341
	Provision for doubtful advances written back		(5,000,000)	-
	Provision for doubtful trade receivables		68,731,157	62,596,563
	Unrealised foreign exchange loss/(gain)		7,021,533	(4,211,481)
	Operating profit before working capital changes		**4,025,946,118**	**3,603,901,797**
	Increase / Decrease in working capital			
	(Increase) in inventories		(113,507,099)	(455,462,049)
	(Increase) in trade receivables		(669,574,046)	(139,340,358)
	(Increase) in long-term loans and advances		(3,022,190)	(305,532,360)
	(Increase) in short-term loans and advances		(85,257,042)	(14,492,684)
	Increase in other long-term liabilities		32,771,502	38,778,728
	(Decrease)/increase in trade payables		(116,425,584)	316,048,940
	Increase in other current liabilities		293,615,434	165,840,174
	Increase in short-term provisions		42,951,305	12,317,700
	Cash generated from operations		**3,407,498,398**	**3,222,059,888**
	Direct taxes paid		(1,041,296,468)	(911,365,000)
	Net cash from operating activities	(A)	**2,366,201,930**	**2,310,694,888**
B.	**Cash flow from investing activities**			
	Purchase of fixed assets		(625,919,425)	(1,226,812,286)
	Proceeds from sale of fixed assets		20,592,859	12,196,587
	Acquisition of stake from minority shareholders		(379,675,107)	(9,995,800)
	Purchase of investments		(410,000,000)	(297,350,000)
	Sale of investments		8,000,000	-
	Interest received		94,558,697	115,814,082
	Inter-corporate deposits recovered		87,499,992	272,339,556
	Fixed deposits with maturity period more than three months matured (net)		443,388,501	226,689,282
	Net cash used in investing activities	(B)	**(761,554,483)**	**(907,118,579)**
C.	**Cash flow from financing activities**			
	Long-term loans repaid		(316,310,099)	(725,320,118)
	Long-term loans taken		-	136,703,220
	Short-term loans (repaid)/taken		(283,422,021)	435,468,768
	Dividend paid		(962,408,295)	(687,274,325)
	Dividend distribution tax		(156,152,726)	(111,510,920)
	Interest paid		(68,140,770)	(71,671,099)
	Proceeds from issue of shares		8,170,192	3,593,136
	Net cash used in financing activities	(C)	**(1,778,263,719)**	**(1,020,011,338)**
	Net (decrease)/increase in cash and cash equivalents	(A)+(B)+(C)	**(173,616,272)**	**383,564,971**
	Cash and cash equivalents at the beginning of the year		1,363,596,339	971,971,883
	Cash and cash equivalents taken over as per scheme of arrangement with DPPPL [refer note 28(B)]		-	8,059,485
	Cash and cash equivalents at the end of the year		1,189,980,067	1,363,596,339
	Net (decrease)/increase in cash and cash equivalents		**(173,616,272)**	**383,564,971**

For details of components of cash and cash equivalents - refer note - 18

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm registration number: 101049W
Chartered Accountants

per Amit Majmudar
Partner
Membership No. 36656

Place : Mumbai
Date : May 16, 2013

For Gupta Navin K. & Co.
ICAI Firm registration number: 06263C
Chartered Accountants

per Navin K. Gupta
Partner
Membership No. 75030

Place : Mumbai
Date : May 16, 2013

For and on behalf of the Board of Directors of D. B. Corp Limited

Managing Director **Director**

Company Secretary

Place : Mumbai
Date : May 16, 2013

(Amount in Indian rupees, except share data)

1. **Nature of operations**

D. B. Corp Limited (the 'Company' or 'DBCL') and its subsidiaries I Media Corp Limited ('IMCL') and Divya Prabhat Publications Private Limited ('DPPPL') (together referred as the 'Group') are engaged in the business of publishing of newspapers, Radio broadcasting, Event Management, Internet and wind energy. The major brands in publication business are 'Dainik Bhaskar' and 'Business Bhaskar' (Hindi dailies), 'Divya Bhaskar' and 'Saurashtra Samachar' (Gujarati dailies), 'Divya Marathi' (Marathi daily), 'DNA English' (English daily) and monthly magazines such as 'Aha Zindagi' and 'Bal Bhaskar', etc. The Company's radio station is on air in 17 cities under the brand name 'My FM'. The frequency allotted to the radio station is 94.3. IMCL is involved in the internet as well as event management business. DPPPL is involved in the publication business. The Group derives revenue mainly from the sale of publications and advertisements published in those publications, websites and aired on radio.

2. **Basis of consolidation**

The consolidated financial statements ('CFS') are related to the Company and its subsidiary companies given in table below.

a) **Basis of accounting:**

The CFS has been prepared in accordance with Accounting Standard 21 (AS 21) – 'Consolidated financial statements' notified by Companies (Accounting Standard) Rules, 2006 (as amended).

The subsidiaries considered in the preparation of the CFS and the shareholding of the Company in these Companies is as follows:

Sr. No.	Name of Subsidiary Companies:	Country of Incorporation	Percentage of Ownership interest as at March 31, 2013
1.	Synergy Media Entertainmen Limited (up to March 31, 2012) [refer note 28(C) and 28(D)]	India	Nil (March 31, 2012: 56.82%)
2.	I Media Corp Limited [refer note 28(C)]	India	100% (March 31, 2012: 55%)
3.	Divya Prabhat Publications Private Limited (with effect from October 01, 2011) [refer note 28(B)]	India	51% (March 31, 2012: 51%)

b) **Principles of consolidation:**

The CFS has been prepared using uniform accounting policies and on the following basis:

i) The financial statements of the Company and its subsidiary companies have been combined on a line to line basis by adding together like items of assets, liabilities, income and expenses. The subsidiaries are consolidated from acquisition date till the date they cease to become a subsidiary. The intra group balances and intra group transactions and unrealised profits or losses have been fully eliminated unless cost cannot be recovered.

ii) The excess of the cost to the Company of its investment in a subsidiary over the Company's portion of equity of the subsidiary, at the date on which the investment in the subsidiary is made, is accounted as goodwill; when the cost to the Company of its investment in the subsidiary is less than the Company's portion of equity of the subsidiary, at the date on which investment in the subsidiary is made, the difference is accounted as capital reserve. In case of acquisition of additional stake in the existing subsidiary, the excess of purchase consideration over the Company's portion of equity of the subsidiary on the date on which the additional investment is made is treated as Goodwill.

iii) Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the date on which investments are made by the Company in the subsidiary companies and further movements in their share in the equity subsequent to the date of investments as stated above.

c) The CFS are based, in so far as they are related to amounts included in respect of subsidiaries, on the audited financial statements of each of the subsidiaries.

3. **Summary of significant accounting policies**

a) **Basis of preparation**

The CFS has been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 (the 'Act'). The CFS has been prepared in accordance with generally accepted accounting principles in India. The CFS has been prepared under the historical cost convention and on an accrual basis. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year.

b) **Use of estimates**

The preparation of CFS in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the CFS and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c) **Tangible fixed assets**

Fixed assets are stated at cost, less the accumulated depreciation / amortisation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

The Group adjusts exchange differences arising on translation / settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with the Ministry of Corporate Affairs circular dated August 09, 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Group does not differentiate between exchange differences arising from long-term foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

d) **Depreciation**

Depreciation is provided using the Straight Line Method at the rates computed based on the estimated useful lives of the assets as estimated by the management, which are equal to the corresponding rates prescribed in Schedule XIV to the Act.

Leasehold land and buildings are amortised on a straight line basis over the period of lease, i.e. lease period which ranges from 30 years to 99 years in case of leasehold land and up to 74 years in case of leasehold buildings as per the agreement.

Leasehold Improvements are amortised on a straight line basis over the shorter of the estimated useful life of the asset or the lease term which is 10 years.

Assets individually costing up to ₹ 5,000 are fully depreciated in the year of its acquisition.

e) **Intangible assets**

Goodwill

Goodwill is amortised on a straight-line basis over a period of five years.

Goodwill arising on consolidation is not amortised but tested for impairment in accordance with the accounting policy stated in para (g) below.

Computer software-ERP

Computer Software, being the cost of ERP License and Installation, is amortised on a straight-line basis over a period of five years.

One time entry fees

One time Entry fees represent amount paid for acquiring licenses for radio stations and is amortised on a straight line basis over a period of ten years i.e. period as per Grant of Permission Agreement entered into with Ministry of Information and Broadcasting for each station, commencing from the date on which the radio station becomes operational.

f) **Expenditure on new projects**

Capital work-in-progress:

Costs of construction that relate directly to the specific asset and cost that are attributable to the construction activity in general and can be allocated to the specific assets are capitalised.

Pre-operative expenditure:

Indirect expenditure incurred during construction period is capitalised under the respective asset-head as part of the indirect construction cost to the extent to which the expenditure is allocable/apportioned to the asset-head. Other indirect expenditure incurred during the construction period, which is not related to the construction activity or which is not incidental thereto is written off in the statement of profit and loss.

Income earned during the construction period and income from trial runs is deducted from preoperative expenditure pending allocation.

g) **Impairment of tangible and intangible assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations if any, including impairment on inventories, are recognised in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

h) **Investments**

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for other than temporary diminution in value is made to recognise a decline other than temporary in the value of the long-term investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

Investment Property

An investment in land or buildings, which is not intended to be occupied substantially for use by, or in the operations of, the Group, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the investment property to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation on building component of investment property is calculated on a straight-line basis using the rate arrived at based on the useful life estimated by the management, or that prescribed under the Schedule XIV to the Act, whichever is higher.
On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

i) **Leases**
Where Group is the lessee
Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

j) **Inventories**
Inventories are valued as follows:

Raw materials- News Print and Stores and Spares	Lower of cost and net realisable value. However, material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
Magazines	Lower of cost and net realisable value. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

k) **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Specifically, the following bases are adopted:

Advertisements
Revenue is recognised as and when advertisement is published /displayed /aired and is disclosed net of trade discounts and service tax, wherever applicable.

Sale of newspaper, magazine, waste paper and scrap
Revenue is recognised when all the significant risks and rewards of ownership have passed on to the buyer, usually on delivery of the goods and is disclosed net of sales return, trade discounts and taxes.

Printing job work
Revenue from printing job work is recognised on the completion of job work as per terms of the agreement with the customer and is disclosed net of trade discounts and service tax.

Revenue from sales of portal and SMS
Revenue is recognised as and when the related services are rendered as per the terms of agreement and are disclosed net of trade discounts.

Sale of power
Revenue from sale of power generated in the Wind Energy Units of the Group is accounted on the basis of supply made to Madhya Pradesh Paschim Kshetra V.V. Co. Limited, as per the agreement.

Event
Revenue from event management is recognised once the related event is completed.

Interest
Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income
Revenue is recognised when the shareholders' right to receive the payment is established by the Balance sheet date.

l) **Foreign currency transactions**

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences

The Group accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

- Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalised and depreciated over the remaining useful life of the asset.

- Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortised over the remaining life of the concerned monetary item.

- All other exchange differences are recognised as income or as expenses in the period in which they arise.

The Group treats a foreign currency monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination. In accordance with Ministry of Corporate Affairs circular dated August 09, 2012, exchange differences for this purpose, are total differences arising on long-term foreign currency monetary items for the period. In other words, the Group does not differentiate between exchange differences arising from long-term foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability

The premium or discount arising at the inception of forward exchange contract is amortised and recognised as an expense / income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or as expense for the period.

m) **Retirement and other Employee Benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation done as per projected unit credit method, carried out by an independent actuary at the end of the year.

The Company makes contributions to a trust administered and managed by the Insurance Group to fund the gratuity liability. Under this scheme, the obligation to pay gratuity remains with the Company, although the insurance company administers the scheme.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Group presents the leave as a short-term provision in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as long-term provision.

Actuarial gains / losses are immediately taken to statement of profit and loss both for gratuity and leave encashment and are not deferred.

n) **Income taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the respective legal entity has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date, unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain or virtually certain, as the case may be, that future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Group writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

o) **Provisions**

A provision is recognised when the Group has a present obligation as a result of past event; 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 not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

p) **Borrowing cost**

Borrowing costs includes interest and amortisation of term loan processing fees over the period of loans which are incurred in connection with arrangements of borrowings and exchange differences arising from short-term foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of cost of the respective assets. All other borrowing costs are expensed in the period in which they occur.

q) **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) (if any).

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

r) **Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

s) **Cash and cash equivalents**

Cash and Cash equivalents comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

t) **Segment information**

Identification of segments

The Group's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. There are no geographical reportable segments since the Group caters to the Indian market only and has only one reportable segment.

Inter segment transfers

The Group generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Includes general corporate income and expense items which are not allocated to any business segment.

Segment policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

u) **Employee stock compensation cost**

In accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method and recognised, together with a corresponding increase in the "Stock option outstanding" account in reserves. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognised in the statement of profit and loss for the year represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefit expenses. Under this method compensation expenses is recorded over the vesting period of the option on straight line basis, if the fair market value of the underlying stock exceeds the exercise price at the grant date.

v) **Measurement of EBITDA**

As permitted by the Guidance note on the Revised Schedule VI to the Act, the Group has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the statement of profit and loss. The Group measures EBIDTA on the basis of profit / (loss) from continuing operation. In this measurement, the Group does not include depreciation and amortisation expenses, finance costs and tax expenses.

4 **Share capital**

	March 31, 2013	March 31, 2012
Authorised shares	₹	₹
249,000,000 (March 31, 2012: 249,000,000) equity shares of ₹ 10 each	2,490,000,000	2,490,000,000
1,000 (March 31, 2012: 1,000), zero % non- convertible redeemable preference shares of ₹ 10,000 each	10,000,000	10,000,000
	2,500,000,000	**2,500,000,000**
Issued, subscribed and fully paid-up shares		
183,373,844 (March 31, 2012: 183,308,354) equity shares of ₹ 10 each fully paid up [refer note (b) (i) below]	1,833,738,440	1,833,083,540
1 (March 31, 2012: 1), zero % non - convertible redeemable preference share of ₹ 10,000 each [refer note (b) (ii) below]	10,000	10,000
Total issued, subscribed and fully paid-up share capital	**1,833,748,440**	**1,833,093,540**

(a) **Reconciliation of number of shares outstanding at the beginning and at the end of the year**

Equity shares

	March 31, 2013		March 31, 2012	
	Nos	₹	Nos	₹
At the beginning of the year	183,308,354	1,833,083,540	183,283,231	1,832,832,310
Issued during the year -Employee Stock Option Schemes ('ESOS')	65,490	654,900	25,123	251,230
Outstanding at the end of the year	**183,373,844**	**1,833,738,440**	**183,308,354**	**1,833,083,540**

Preference shares

	March 31, 2013		March 31, 2012	
	Nos	₹	Nos	₹
At the beginning of the year	1	10,000	1	10,000
Outstanding at the end of the year	**1**	**10,000**	**1**	**10,000**

(b) **Terms/ rights attached to each class of shares**

(i) **Equity shares**

The Company has only one class of equity shares having a par value ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2013, the amount of per share dividend recognised as distributions to equity shareholders is ₹ 5.50 per share (March 31, 2012: ₹ 5.00 per share).

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

(ii) **Preference shares**

The Company has class of zero % non-convertible redeemable preference shares having value ₹ 10,000 per share. These preference shares are redeemable at par at any time after five years but before twenty years from the date of allotment i.e. July 31, 2007. Each preference share holder is entitled to one vote per share.

(Amount in Indian rupees, except share data)

(c) **Aggregate number of bonus shares issued, shares issued for consideration other than cash, shares issued pursuant to the scheme of arrangement during the period of five years immediately preceding the reporting date:**

	March 31, 2013 No.	March 31, 2012 No.	March 31, 2011 No.	March 31, 2010 No.	March 31, 2009 No.
(i) Equity shares :					
Allotted as fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	201
Allotted as fully paid up by way of bonus shares	-	-	-	-	1,638
Allotted as fully paid up pursuant to ESOS	65,490	25,123	36,126	-	-
Allotted as shares issued in pursuant to the scheme of arrangement	-	-	1,732,500	-	-
(ii) Preference shares :					
Allotted as fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
	65,490	**25,123**	**1,768,626**	**-**	**1,839**

(d) **Details of shareholders holding more than 5% shares of the Company**

Name of shareholders	March 31, 2013 Nos	March 31, 2013 % of hold	March 31, 2012 Nos	March 31, 2012 % of hold
(i) Equity shares of ₹ 10 each fully paid				
Ramesh Chandra Agarwal	100,001	0.05	32,010,062	17.46
Jyoti Agarwal	4,948,007	2.70	19,875,007	10.84
Sudhir Agarwal	26,681,449	14.55	19,139,206	10.44
Girish Agarwal	25,087,256	13.68	16,360,186	8.92
Pawan Agarwal	28,152,456	15.35	18,557,808	10.12
Bhaskar Infrastructure Limited	12,112,420	6.61	12,112,420	6.61
Peacock Trading and Investments Private Limited	10,127,247	5.52	10,127,247	5.52
Nalanda India Equity Fund Limited	12,233,041	6.67	-	-
(ii) Preference share of ₹ 10,000/- fully paid				
Sunderbabu Venugopal	1	100.00	1	100.00

(e) **Shares reserved for issue under options**
For detail of shares reserved for issue under the Employee Stock Option Schemes ('ESOS') of the Company refer note 38.

5 **Reserves and surplus**

	March 31, 2013 ₹	March 31, 2012 ₹
General reserve		
Balance as per the last financial statements	1,465,620,213	1,255,620,213
Add: Amount transferred from surplus balance in the statement of profit and loss	235,000,000	210,000,000
	1,700,620,213	1,465,620,213
Capital reserve		
Balance as per the last financial statements	473,310	-
Add: Capital reserve on investment in Divya Prabhat Publications Private Limited	-	473,310
	473,310	473,310
Securities premium account		
Balance as per the last financial statements	2,378,004,188	2,372,796,378
Add: Premium received on shares issued as per ESOS	13,847,162	5,207,810
	2,391,851,350	2,378,004,188

(Amount in Indian rupees, except share data)

	March 31, 2013 ₹	March 31, 2012 ₹
Stock option outstanding (refer note 38)		
Gross employee stock options at the beginning of the year	94,065,503	57,831,008
Add: Gross compensation for option granted during the year	-	36,234,495
Less: Gross employee compensation for options forfeited / lapsed during the year	18,397,689	10,628,356
Less: Deferred employee compensation outstanding at the end of the year	13,359,505	29,619,925
	62,308,309	53,817,222
Less: Value of employee compensation of option exercised	10,943,350	4,611,480
	51,364,959	49,205,742
Surplus in the statement of profit and loss		
Balance as per the last financial statements	3,544,396,963	2,798,574,780
Profit for the year	2,181,365,091	2,021,149,048
Less: Appropriations		
Transfer to general reserve	235,000,000	210,000,000
Proposed final equity dividend [amount per share ₹ 3.50 (March 31, 2012: ₹ 1.50)]	641,913,454	275,020,000
Interim equity dividend [amount per share ₹ 2.00 (March 31, 2012: ₹ 3.50)]	366,729,802	641,607,042
Tax on dividend	168,585,934	148,699,823
	4,313,532,864	3,544,396,963
Total reserves and surplus	**8,457,842,696**	**7,437,700,416**

6 Long-term borrowings

	Non-current portion		Current maturities	
	March 31, 2013 ₹	March 31, 2012 ₹	March 31, 2013 ₹	March 31, 2012 ₹
Term loans				
Indian Rupee loans from banks (secured) [refer note (a) below]	-	-	-	93,439,452
Foreign currency loans from financial institution (secured) [refer note (b) below]	878,017,103	1,028,578,808	219,504,329	205,715,810
	878,017,103	**1,028,578,808**	**219,504,329**	**299,155,262**
The above amount includes				
Amount disclosed under the head "Current liabilities" (refer note 10)	-	-	219,504,329	299,155,262
	878,017,103	**1,028,578,808**	**-**	**-**

The Term loans are secured by:

(a) **Indian Rupee loans from banks**
UCO Bank:-

- Exclusive first charge on the fixed assets acquired from the said term loan.
- Personal guarantee of directors aggregating to ₹ Nil (March 31, 2012: ₹ 93,439,452) (Shri Ramesh Chandra Agarwal and Shri Sudhir Agarwal).
- The loan carried interest @14.75% p.a. The loan was repayable in six equal quarterly installments. The loan has been completely repaid in the current financial year.

(b) **Foreign currency loans from financial institution**
Agco Finance GmbH:-

- The loan carries interest rate @ LIBOR plus 0.68%. The loan is repayable in 18 consecutive half yearly installments. The loan is secured by first pari passu charge with other lenders on plant and machinery and other project assets acquired from the said term loan.

(Amount in Indian rupees, except share data)

7 Deferred tax liabilities (net)

	March 31, 2013 ₹	March 31, 2012 ₹
Deferred tax liability		
Depreciation	1,020,652,994	903,205,689
Gross deferred tax liability	**1,020,652,994**	**903,205,689**
Deferred tax assets		
Provision for doubtful trade receivables and advances	97,359,641	89,634,406
Provision for gratuity and leave encashment	35,703,886	20,103,170
Provision for other than temporary diminution in value of investment	36,256,000	31,633,875
Provision for employee stock option scheme	17,458,949	15,964,803
Gross deferred tax assets	**186,778,476**	**157,336,254**
Deferred tax liabilities (net)	**833,874,518**	**745,869,435**

8 Other long-term liabilities

	Non-current portion		Current maturities	
	March 31, 2013 ₹	March 31, 2012 ₹	March 31, 2013 ₹	March31, 2012 ₹
Security deposits from newspaper agencies	325,709,545	296,215,193	36,189,949	32,912,799
	325,709,545	**296,215,193**	**36,189,949**	**32,912,799**
The above amount includes				
Amount disclosed under the head “Current liabilities” (refer note 10)	-	-	(36,189,949)	(32,912,799)
	325,709,545	**296,215,193**	**-**	**-**

9 Short-term borrowings

	March 31, 2013 ₹	March 31, 2012 ₹
Secured		
Cash credit facilities (availed and repaid during the year) [refer note (a) below]	-	-
Buyers’ credit from banks [refer note (b) below]	298,853,920	576,690,099
Total secured borrowings	**298,853,920**	**576,690,099**
Unsecured		
Buyers’ credit from banks [refer note (c) below]	196,994,952	195,559,261
Total unsecured borrowings	**196,994,952**	**195,559,261**
Total short-term borrowings	**495,848,872**	**772,249,360**

(a) **Cash credit facilities are secured by:**
IDBI Bank
- First pari-passu charge on the entire current assets of the Company with other consortium bankers.
- First pari-passu charge on the entire movable fixed assets of the Company with other consortium bankers.
- The cash credit is repayable on demand.
- Interest rates for cash credit facilities are multiline rates ranging between 10% p.a. and 12% p.a. (as mutually agreed).

(b) **Buyers’ credit facilities are secured by:**
- Standard Chartered Bank: First charge on the current assets of the Company.
- HSBC Bank: First pari passu charge over current assets of the Company, second charge over plant and machinery of the Company and corporate guarantee of Writers and Publishers Private Limited.
- DBS Bank: First pari-passu charge on current assets of the Company, second pari-passu charge on movable fixed assets.
- Interest rates for buyers’ credits are multiline rates ranging between 1.25% p.a. and 4.18% p.a. (as mutually agreed).

(c) **Unsecured buyers’ credit facility:**
- The unsecured buyers’ credit facility is provided by Citibank and DBS Bank.
- Interest rates for buyers’ credits are multiline rates ranging between 1.25% p.a. and 4.18% p.a. (as mutually agreed).

(Amount in Indian rupees, except share data)

10 Current liabilities

	March 31, 2013 ₹	March 31, 2012 ₹
Trade payables [refer note 34(b)]	961,200,245	1,077,625,829
Other current liabilities		
Current maturities of long term borrowings (refer note 6)	219,504,329	299,155,262
Current maturities of other long term liabilities (refer note 8)	36,189,949	32,912,799
Payables for purchase of capital goods	14,450,047	39,860,746
Accrued expenses	547,347,543	466,744,942
Unclaimed dividend*	406,941	246,430
Advances from customers	708,668,702	514,219,333
Interest accrued but not due on term loan and buyers' credit	2,445,882	6,564,095
Statutory liabilities	55,131,872	45,059,495
	1,584,145,265	**1,404,763,102**
Total current liabilities	**2,545,345,510**	**2,482,388,931**

* No amount due and outstanding to be credited to Investor Education and Protection Fund.

11 Short-term provisions

	March 31, 2013 ₹	March 31, 2012 ₹
Provision for employee benefits (refer note 37)		
Provision for gratuity	39,924,331	9,990,463
Provision for leave encashment	65,117,993	52,100,556
	105,042,324	62,091,019
Other provisions		
Provision for tax (net of taxes paid of ₹ 4,755,688,904) (March 31, 2012: ₹ 3,715,473,485)	90,016,302	79,804,861
Provision for fringe benefit tax (net of taxes paid ₹81,867,995) (March 31, 2012: ₹ 81,867,995)	-	6,613,317
Proposed dividend	641,913,454	595,839,004
Tax on proposed dividend	109,093,192	96,659,983
	841,022,948	778,917,165
	946,065,272	**841,008,184**

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2013
(Amount in Indian Rupees, expcept share data)

12 Fixed assets

Assets	Gross Block					Depreciation / Amortisation					Net Block	
	As At April 1, 2012 ₹	Transfer in accordance with scheme of arrangement ₹	Additions during the year ₹	Deductions during the year ₹	As At March 31, 2013 ₹	Up to April 1, 2012 ₹	Transfer in accordance with scheme of arrangement ₹	For the Year ₹	On deductions ₹	Up to March 31, 2013 ₹	As At March 31, 2013 ₹	As At March 31, 2012 ₹
Tangible assets												
Land												
- Freehold	62,234,313	-	12,603,293	-	74,837,606	-	-	-	-	-	74,837,606	62,234,313
- Leasehold	28,905,498	-	3,190,238	3,190,238	28,905,498	1,379,204	-	584,409	3,620	1,959,993	26,945,505	27,526,294
Buildings												
- Freehold	691,037,142	-	49,816,422	-	740,853,564	71,130,564	-	23,394,436	-	94,525,000	646,328,564	619,906,578
- Leasehold	509,727,738	-	2,856,000	-	512,583,738	7,487,528	-	6,926,271	-	14,413,799	498,169,939	502,240,210
Leasehold improvements	141,107,320	-	37,371,703	140,808	178,338,215	25,137,002	-	16,034,417	1,234	41,170,185	137,168,030	115,970,318
Plant and machinery (refer note 2 and 3 below)	6,127,740,033	-	760,298,524	10,770,968	6,877,267,589	1,261,830,860	-	342,423,983	3,796,946	1,600,457,897	5,276,809,692	4,865,909,173
Office equipments	219,973,161	-	31,680,852	6,150,546	245,503,467	59,998,556	-	17,086,623	2,757,382	74,327,797	171,175,670	159,974,605
Vehicles	34,302,535	-	2,102,827	796,637	35,608,725	17,133,818	-	2,146,767	86,490	19,194,095	16,414,630	17,168,717
Furniture and fixtures	299,651,225	-	37,443,615	20,512,155	316,582,685	93,257,345	-	24,203,213	7,990,515	109,470,043	207,112,642	206,393,880
Electric fitting, fans and coolers	346,035,917	-	23,801,032	2,932,824	366,904,125	58,585,314	-	19,680,985	1,238,015	77,028,284	289,875,841	287,450,603
Computers	441,380,743	-	53,484,300	29,913,366	464,951,677	291,728,426	-	48,138,509	24,117,807	315,749,128	149,202,549	149,652,317
D.G.sets	162,101,665	-	6,651,735	-	168,753,400	23,348,024	-	7,830,806	-	31,178,830	137,574,570	138,753,641
Total Tangible assets	**9,064,197,290**	**-**	**1,021,300,541**	**74,407,542**	**10,011,090,289**	**1,911,016,641**	**-**	**508,450,419**	**39,992,009**	**2,379,475,051**	**7,631,615,238**	**7,153,180,649**
Intangible assets												
Goodwill on consolidation [refer note 28(c)]	1,606,190	-	375,091,944	-	376,698,134	1,606,190	-	-	-	1,606,190	375,091,944	-
Goodwill	40,609,517	-	-	-	40,609,517	27,232,468	-	3,000,000	-	30,232,468	10,377,049	13,377,049
Computer software - including ERP	82,866,928	-	48,286,469	-	131,153,397	29,673,283	-	17,847,076	-	47,520,359	83,633,038	53,193,645
One time license fees	512,201,000	-	-	-	512,201,000	248,740,365	-	51,220,100	-	299,960,465	212,240,535	263,460,635
Total Intangible assets	**637,283,635**	**-**	**423,378,413**	**-**	**1,060,662,048**	**307,252,306**	**-**	**72,067,176**	**-**	**379,319,482**	**681,342,566**	**330,031,329**
Total	**9,701,480,925**	**-**	**1,444,678,954**	**74,407,542**	**11,071,752,337**	**2,218,268,947**	**-**	**580,517,595**	**39,992,009**	**2,758,794,533**	**8,312,957,804**	**7,483,211,978**
Capital work-in-progress (refer note 1 and 3 below)											70,248,235	449,639,047
Previous year ended March 31, 2012	8,407,506,035	16,232,748	1,326,702,668	48,960,526	9,701,480,925	1,729,494,637	657,703	505,662,827	17,546,220	2,218,268,947	7,483,211,978	

Notes

1) For details of preoperative expenses capitalised refer note 44.

2) Plant and machinery above includes common transmitters infrastructure which are jointly held assets as at March 31, 2013:
   Gross block - ₹ 122,386,729 (March 31, 2012: ₹ 122,386,729)
   Net block - ₹ 49,469,079 (March 31, 2012: ₹ 61,782,454)
   % of Ownership -30.26% (March 31, 2012: 30.26%)

3) Additions during the year includes exchange differences net loss / (gain) capitalised as follows:

Name of block	March 31, 2013 ₹	March 31, 2012 ₹
Plant and machinery	86,097,461	135,795,314
Capital work-in-progress	-	28,891,019
Total foreign exchange loss	**86,097,461**	**164,686,333**

(Amount in Indian rupees, except share data)

13 Non-current investments

				March 31, 2013 ₹	March 31, 2012 ₹
A	**Non trade investments (fully paid up, valued at cost unless stated otherwise) (net of provision, wherever applicable)** (refer note 39):				
(a)	**Quoted investment in equity shares:**				
	(1) 300,000 (March 31, 2012: 300,000) equity shares of ₹ 10 each of Ajcon Global Services Limited			5,000,000	5,000,000
	[Market Value as at March 31, 2013 is ₹ 5,415,000 (March 31, 2012: ₹ 4,965,000)				
	[Provision for other than temporary diminution in value of investment is ₹ 17,500,000 (March 31, 2012: ₹ 17,500,000)]				
	(2) 52,136 (March 31, 2012: 52,136) equity shares of ₹ 10 each of Everonn Education Limited			2,800,000	22,800,000
	[Market Value as at March 31, 2013 is ₹ 2,885,728 (March 31, 2012: ₹ 13,581,428)]				
	[Provision for other than temporary diminution in value of investment is ₹ 20,000,000 (March 31, 2012: ₹ Nil)]				
	(3) 5,340,000 (March 31, 2012: Nil) equity shares of ₹ 5 each of DMC Education Limited			16,700,000	-
	[Market Value as at March 31, 2013 is ₹ 10,252,800 (March 31, 2012: ₹ Nil)]				
	[Provision for other than temporary diminution in value of investment is ₹ 10,000,000 (March 31, 2012: ₹ Nil)]				
(b)	**Unquoted investments:**				
(i)	**Investment in equity shares:**				
	(1) 100,000 (March 31, 2012: 100,000) equity shares of ₹ 10 each of Dwarkas Gems Limited			-	-
	[Provision for other than temporary diminution in value of investment is ₹ 15,000,000 (March 31, 2012: ₹ 15,000,000)]				
	(2) Nil (March 31, 2012: 14,286) equity shares of ₹ 10 each of Aayam Herbal Private Limited			-	5,000,000
	(3) 375,000 (March 31, 2012: 375,000) equity shares of ₹ 10 each of Arvind Coirfoam Private Limited			-	-
	[Provision for other than temporary diminution in value of investment is ₹ 15,000,000 (March 31, 2012: ₹ 15,000,000)]				
	(4) 325,000 (March 31, 2012: 325,000) equity shares of ₹ 10 each of Micro Secure Solution Limited			141,250,000	141,250,000
	(5) 81,085 (March 31, 2012: 81,085) equity shares of ₹ 10 each of Naaptol Online Shopping Private Limited			30,000,000	30,000,000
	(6) 486,825 (March 31, 2012: 486,825) equity shares of ₹ 10 each of Neesa Leisure Limited			100,000,000	100,000,000
	(7) Nil (March 31, 2012: 27,778) equity shares of ₹10 each of Professionals Coaching Company Private Limited			-	10,000,000
	(8) 140,000 (March 31, 2012: 140,000) equity share of ₹10 each of Trophic Wellness Private Limited			39,900,000	39,900,000
	(9) 1,100,917 (March 31, 2012: 1,100,917) equity shares of ₹ 1 each of Abbee Consumables and Peripherals Sshope Limited			-	-
	[Provision for other than temporary diminution in value of investment is ₹ 30,000,000 (March 31, 2012: ₹ 30,000,000)]				
	(10) 2,434 (March 31, 2012: Nil) equity share of ₹ 10 each of Koochie Play Systems Private Limited			20,000,000	-
	(11) 100 (March 31, 2012: 100) equity shares of ₹ 100 each of United News of India			10,000	10,000
	(12) 10 (March 31, 2012: 10) equity shares of ₹ 100 each of Press Trust of India			1,000	1,000
(ii)	**Investment in debentures and warrants:**				
	(1) 200,000 (March 31, 2012: 200,000), zero % fully convertible debentures of ₹ 100 each of Cubit Computers Private Limited			-	-
	[Provision for other than temporary diminution in value of investment is ₹ 20,000,000 (March 31, 2012: ₹ 20,000,000)]				
	(2) 700,935 (March 31, 2012: 700,935) convertible warrants of ₹ 53.50 of Edserv Softsystems Limited			5,000,000	37,500,000
	[Provision for other than temporary diminution in value of investment is ₹ 32,500,000 (March 31, 2012: ₹ Nil)]				
	(3) 1 (March 31, 2012: 1), zero % fully convertible debenture of ₹ 8,500,000 each of Roxton (Italy) Clothing Private Limited			8,500,000	8,500,000
	(4) Nil (March 31, 2012: 1), zero % fully convertible debenture of ₹ 26,700,000 each of DMC Education Limited			-	26,700,000
	(5) 1 (March 31, 2012: 1), zero % fully convertible debenture of ₹ 25,500,000 each of Timbor Home Limited			25,500,000	25,500,000
	(6) Nil (March 31, 2012: 1), zero % fully convertible debenture of ₹ 8,000,000 each of Arvind International Limited			-	8,000,000
	(7) 1 (March 31, 2012: Nil), zero % fully convertible debenture of ₹ 390,000,000 each of Gitanjali Gems Limited			390,000,000	-
B	**Investment property (at cost less accumulated depreciation):**				
	Cost of property		22,898,300		
	Less: Accumulated Depreciation		(123,996)	22,774,304	-
				807,435,304	**460,161,000**
	Aggregate amount of quoted investments (net of other than temporary diminution in value of investments)			24,500,000	27,800,000
	Aggregate market value of quoted investments			18,553,528	18,546,428
	Aggregate amount of unquoted investments (net of other than temporary diminution in value of investments)			760,161,000	432,361,000
	Aggregate provision for other than temporary diminution in value of investments			160,000,000	97,500,000

(Amount in Indian rupees, except share data)

14 **Loans and advances**

(Unsecured, considered good unless stated otherwise)

		Non-current		Current	
		March 31, 2013 ₹	March 31, 2012 ₹	March 31, 2013 ₹	March31, 2012 ₹
a	**Capital advances**				
	Advances for capital goods	54,362,695	139,487,216		
	Advances for properties	210,717,545	152,081,334		
		265,080,240	**291,568,550**		
b	**Security deposits**				
	Deposit with government authorities	55,251,151	55,395,688		
	Security deposit against lease of properties [refer note 29(b)]	453,320,200	453,320,200		
	Deposit with others	74,553,735	71,387,008	-	63,140
		583,125,086	**580,102,896**	**-**	**63,140**
c	**Loans and advances to related parties** [refer note 29(b) and 36]				
	Inter corporate deposits	-	-	-	87,499,992
	Advances recoverable in cash or kind or for value to be received	-	-	307,518,078	287,959,974
		-	**-**	**307,518,078**	**375,459,966**
d	**Other loans and advances**				
	Taxes paid (net of provision for tax ₹ 4,577,901) (March 31, 2012: ₹ 4,577,901)	1,913,482	832,433	-	-
	Advances recoverable in cash or kind or for value to be received			217,191,578	126,730,556
	Advances to employees			22,244,522	25,176,312
	Unsecured considered doubtful				
	Advances recoverable in cash or kind or for value to be received	-	-	679,338	5,679,338
		1,913,482	**832,433**	**240,115,438**	**157,586,206**
	Less: Provision for doubtful advances	-	-	679,338	5,679,338
		1,913,482	**832,433**	**239,436,100**	**151,906,868**
	Total loans and advances	**850,118,808**	**872,503,879**	**546,954,178**	**527,429,974**

Loans, advances and deposits due by directors or other officers, etc.

	Non-current		Current	
	March 31, 2013 ₹	March 31, 2012 ₹	March 31, 2013 ₹	March31, 2012 ₹
Firm in which directors are partner				
R.C. Printer- Raipur	16,870,200	16,870,200	-	44,766
Private companies in which directors are member				
Writers and Publishers Private Limited	423,233,800	423,233,800	140,000,000	227,499,992
Bhaskar Publication and Allied Industries Private Limited	-	-	166,666,635	141,295,953
DB Malls Private Limited	-	-	818,720	818,720
Bhaskar Industries Private Limited (Formerly known as Bhaskar Industries Limited)	1,619,435	1,619,435	-	-

15 **Other asset**

(Unsecured, considered good unless stated otherwise)

	Non-current		Current	
	March 31, 2013 ₹	March 31, 2012 ₹	March 31, 2013 ₹	March31, 2012 ₹
Non-current bank balance (refer note 18)	2,254,978	11,952,000	-	-
Unamortised term loan processing fees (ancillary borrowing costs)	62,174,383	78,044,061	15,869,678	15,869,678
	64,429,361	**89,996,061**	**15,869,678**	**15,869,678**

(Amount in Indian rupees, except share data)

16 Inventories (valued at lower of cost and net realisable value)

	March 31, 2013 ₹	March 31, 2012 ₹
Raw Materials		
News print	844,072,342	717,654,622
News print in transit	236,302,171	278,563,554
	1,080,374,513	**996,218,176**
Finished goods - Magazines	1,090,143	1,365,326
Stores and spares	217,691,234	188,065,289
	1,299,155,890	**1,185,648,791**

17 Trade receivables [refer note 29(b) and 34(b)]

(Unsecured, considered good unless stated otherwise

	March 31, 2013 ₹	March 31, 2012 ₹
Outstanding for a period less than six months from the date they are due for payment		
Considered good	2,837,633,186	2,317,952,115
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	245,642,370	166,156,768
Considered doubtful	211,376,513	189,172,057
	457,018,883	355,328,825
Less: Provision for doubtful trade receivables	211,376,513	189,172,057
	245,642,370	166,156,768
	3,083,275,556	**2,484,108,883**

For details of debts due by firms or private companies in which any director is a partner or a director / member, respectively refer note 29(b).

18 Cash and bank balances

	Non-current		Current	
	March 31, 2013 ₹	March 31, 2012 ₹	March 31, 2013 ₹	March31, 2012 ₹
Cash and cash equivalents				
Balances with banks:				
On current account			473,671,047	539,813,250
Unclaimed dividend accounts			406,941	246,430
Deposits with original maturity of less than 3 months			450,003,000	589,128,466
Cheques on hand / transit			240,521,916	216,144,182
Cash on hand			25,377,163	18,264,011
			1,189,980,067	1,363,596,339
Other bank balances:				
Deposits with original maturity of more than 3 months but less than 12 months	-`	-	84,626,084	517,062,280
Deposits with original maturity of more than 12 months	2,254,978	11,952,000	2,028,276	3,283,559
	2,254,978	11,952,000	1,276,634,427	1,883,942,178
The above includes				
Amount disclosed under the head “Other non-current assets” (refer note 15)	2,254,978	11,952,000		
	-	**-**	**1,276,634,427**	**1,883,942,178**

(Amount in Indian rupees, except share data)

		March 31, 2013 ₹	March 31, 2012 ₹
19	**Revenue from operations**		
	Sale of products:-		
	Sale of newspapers	2,763,243,006	2,366,076,282
	Sale of power	5,133,235	6,472,822
	Sale of magazines	59,493,811	56,343,543
	Portal and wireless revenue	1,830,139	3,110,207
		2,829,700,191	**2,432,002,854**
	Sale of services:-		
	Advertisement revenue	12,075,350,142	11,280,863,290
	Other operating revenue:-		
	Income from event management	125,772,871	188,720,886
	Printing job charges	694,398,630	437,034,836
	Sale of wastage arising during printing activity	197,942,449	176,466,752
		1,018,113,950	**802,222,474**
	Total revenue from operations	**15,923,164,283**	**14,515,088,618**
20	**Other income**		
	Interest income from:-		
	Bank deposits	88,898,414	76,203,552
	Inter-corporate deposits	5,264,381	34,869,523
	Others	2,163,056	4,741,007
	Provision for bad trade receivables written back	2,068,436	-
	Excess liabilities / provisions written back	59,525,423	72,992,244
	Miscellaneous income	55,503,280	51,411,457
		213,422,990	**240,217,783**
21	**Cost of raw materials consumed**		
	Newsprint		
	Opening inventories	996,218,176	573,865,091
	Add: Purchased during the year	5,529,589,133	5,502,776,728
		6,525,807,309	6,076,641,819
	Less: Closing inventories	1,080,374,513	996,218,176
		5,445,432,796	**5,080,423,643**
22	**Employee benefit expenses**		
	Salaries, wages and bonus	2,480,082,647	2,175,067,217
	Contribution to provident fund and employee's state insurance corporation (refer note 37)	141,845,422	120,453,858
	Employee stock option scheme	8,491,086	17,382,609
	Gratuity expenses (refer note 37)	39,757,544	14,070,512
	Workmen and staff welfare expenses	124,847,777	102,307,179
		2,795,024,476	**2,429,281,375**
23	**Foreign exchange loss (net)**		
	Foreign exchange difference- loss (net)	14,342,481	47,595,787
	Foreign exchange difference- loss (net) on buyers' credit from banks	46,188,586	53,595,365
		60,531,067	**101,191,152**

(Amount in Indian rupees, except share data)

			March 31, 2013 ₹	March 31, 2012 ₹
24	**Other expenses**			
	Consumption of stores and spares		948,117,147	836,160,849
	Electricity and water charges		335,168,457	280,192,336
	Distribution expenses		280,064,753	243,358,123
	Repair and maintenance:-			
	Plant and machinery		150,038,182	142,522,735
	Building		17,639,487	13,238,834
	Others		59,676,498	31,717,016
	Rent (refer note 31)		217,489,391	157,747,284
	Business promotion		211,425,016	155,912,263
	Survey expenses		172,621,953	266,510,543
	Advertisement and publicity		172,141,421	150,353,285
	News collection charges		151,441,781	141,706,469
	Traveling and conveyance		147,324,406	143,478,147
	Legal and professional charges (refer note 41)		120,509,725	106,472,285
	Royalty		64,125,562	66,509,619
	Communication expenses		60,423,148	55,031,938
	Printing job work charges		47,639,458	83,331,827
	Data management charges		38,728,909	24,803,895
	License fees		32,596,223	27,059,070
	Printing and stationery		29,237,724	30,485,888
	Insurance		12,844,186	11,330,807
	Auditors' remuneration (refer note 45)		11,560,174	9,483,935
	Rates and taxes		7,208,983	6,436,554
	Bank charges		12,511,248	25,333,362
	Loss on sale/disposal of fixed assets (net)		13,822,674	19,217,718
	Bad trade receivables written off	46,134,453		
	Less: Already provided for	(44,458,243)	1,676,210	10,745,341
	Provision for other than temporary diminution in value of investments		62,500,000	-
	Provision for doubtful trade receivables		68,731,157	62,596,563
	Provision for doubtful advances		-	27,500,000
	Miscellaneous expenses		293,739,443	261,340,566
			3,741,003,316	**3,390,577,252**
25	**Finance costs**			
	Interest expenses			
	On term loans		18,410,859	42,199,100
	On banks		22,395,006	16,348,812
	On others		23,216,693	17,864,332
	Amortisation of term loan processing fees		15,869,678	15,913,155
			79,892,236	**92,325,399**

(Amount in Indian rupees, except share data)

26. Earnings per share (EPS)

Particulars	March 31, 2013	March 31, 2012
i) Profit for the year (₹)	2,181,365,091	2,021,149,048
ii) Weighted average number of Equity Shares outstanding for Basic EPS	183,340,073	183,297,890
iii) Basic Earnings per share (₹)	11.90	11.03
iv) On account of shares to be issued under ESOS	230,446	255,535
v) Weighted average number of Equity Shares outstanding for Diluted EPS	183,570,520	183,553,425
vi) Diluted Earnings per share (₹)	11.88	11.01
vii) Nominal value of shares (₹)	10.00	10.00

27. Initial public offer

During the year 2009-10, the Company completed an Initial Public Offer (IPO) of its 18,175,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 210 each for Retail Investors and ₹ 212 each for other than retail investors. Out of total shares, 12,725,000 fresh equity shares were issued by the Company and an offer for sale of 5,450,000 equity shares of the Company was made by Cliffrose Investments Limited.

Pursuant to the Public Issue, shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited with effect from January 06, 2010.

The total IPO proceeds received by the Company were ₹ 2,690,065,000. Following are the details of utilisation of IPO proceeds till March 31, 2013 and March 31, 2012.

Particulars	Amount to be utilised as per Prospectus	Actual utilisation till March 31, 2013	Balance to be utilised/ (excess utilised) as on March 31, 2013
	₹	₹	₹
Setting up publishing units	600,000,000	818,515,123	(218,515,123)
Upgrading existing plant and machinery	305,000,000	614,570,741	(309,570,741)
Sales and marketing	501,000,000	3,804,070	497,195,930
Reducing working capital loans	41,460,000	41,460,000	-
Prepaying existing term loans	1,100,000,000	1,100,000,000	-
Issue Expenses paid out of IPO Proceeds	142,605,000	111,599,845	31,005,155
Total	**2,690,065,000**	**2,689,949,779**	**115,221**

Particulars	Amount to be utilised as per Prospectus	Actual utilisation till March 31, 2012	Balance to be utilised/ (excess utilised) as on March 31, 2012
	₹	₹	₹
Setting up publishing units	600,000,000	799,720,448	(199,720,448)
Upgrading existing plant and machinery	305,000,000	509,811,500	(204,811,500)
Sales and marketing	501,000,000	3,804,070	497,195,930
Reducing working capital loans	41,460,000	41,460,000	-
Prepaying existing term loans	1,100,000,000	1,100,000,000	-
Issue Expenses paid out of IPO Proceeds	142,605,000	111,595,721	31,009,279
Total	**2,690,065,000**	**2,566,391,739**	**123,673,261**

Note:

1) As per the provisions in the Prospectus, the management of the Company has the discretion to change the allocation as well as reschedule the utilisation of IPO proceeds proposed in the prospectus depending on the business scenario and funding requirements. Accordingly, the management has reallocated the proposed utilisation as follows:

   a) The Proceeds allocated towards Sales and marketing expenses and IPO expenses and lying unutilised were used for setting up new publishing units and upgrading the existing plant and machinery;

   b) The proceeds were utilised for setting up publishing units as well as upgrading the existing plant and machinery at locations / states in addition to the number of locations / states mentioned in the prospectus.

   The Audit Committee and the Board of Directors of the Company in the meeting held on May 16, 2013 have approved the revised allocation and resultant utilisation of proceeds of IPO till March 31, 2013.

2) Pending utilisation, the funds were temporarily held in:

Particulars	Amount in ₹	
	March 31, 2013	March 31, 2012
Fixed deposit	-	120,000,000
Balance in current account	115,221	3,673,261
Total	**115,221**	**123,673,261**

(Amount in Indian rupees, except share data)

28. Scheme of arrangements:

A) Purchase of M.P. Printers business (Unit of Writers and Publishers Private Limited) on slump sale basis

a) During the year ended March 31, 2012, the Company had entered in to a business transfer agreement with Writers and Publishers Private Limited ['WPPL'] to purchase the business of M.P. Printers. M.P. Printers was a unit of WPPL and engaged in the business of commercial printing of books, magazine, annual reports, news papers, calendars and other specialised printing activity.

b) WPPL vide its board resolution dated September 12, 2011 had agreed to transfer and sell and the Company had pursuant to the resolution passed by the Executive Committee of the Board of Directors on September 12, 2011, agreed to purchase and acquire the business of M.P. Printers together with its assets, employees, debts and liabilities as a going concern with effect from the transfer date i.e. September 16, 2011.

c) As per the agreement, the Company had paid ₹ 350,000,000 as purchase consideration for the purchase of said business which includes the entire undertaking of M.P. Printers.

d) As prescribed in the Scheme, following assets and liabilities of M.P. Printer as at September 16, 2011 were transferred to and accounted by the Company at their respective fair values:-

Particulars	Amount
	₹
Fixed assets	438,390,221
Current Assets	178,331,242
Total Assets	**616,721,463**
Current liabilities and provision	119,181,350
Secured loans	147,865,175
Total Liabilities	**267,046,525**
Net Assets	**349,674,938**
Charged to statement of profit and loss	325,062
Total Purchase consideration	**350,000,000**

B) During the year the ended March 31, 2012 the Company purchased 21,730 equity shares representing 51% stake in Divya Prabhat Publications Private Limited ['DPPPL'] for ₹ 9,955,800.

Due to this acquisition, DPPPL became a subsidiary of the Company with effect from October 01, 2011.

The net profit after tax and revenue of DPPPL included in the CFS for the period from October 01, 2011 to March 31, 2012 was ₹ 932,100 and the total revenue is ₹ 53,685,907 respectively.

The net profit after tax and revenue of DPPPL included in the CFS for the year ended March 31, 2013 was ₹ 521,832 and ₹ 52,138,085 respectively.

C) On December 11, 2012, the Company acquired additional stake in its two subsidiaries i.e. 45% stake in I Media Corp Limited ('IMCL') and 43.18% stake in Synergy Media Entertainment Limited ('SMEL') by acquiring the shares from the shareholders of IMCL and SMEL for the total consideration of ₹ 355,957,875 and ₹ 23,717,232 respectively.

Accordingly, with effect from December 11, 2012, IMCL and SMEL had become wholly-owned subsidiaries of the Company.

The excess of the cost to the Group of its investment in its subsidiaries over the Group's portion of their equity as at the date, on which the investment was made, was accounted as goodwill aggregating to ₹ 375,091,944.

D) Scheme of Arrangement between Synergy Media Entertainment Limited and I Media Corp Limited

During the year, with an objective of consolidation of event management business in one single entity, the management of the Company decided to merge Synergy Media Entertainment Limited ('SMEL'), a wholly owned subsidiary of the Company with another wholly owned subsidiary of the Company, I Media Corp Limited ('IMCL'). As per the scheme of amalgamation (the 'scheme'), SMEL would merge in to IMCL with effect from April 01, 2012. The Board of directors of IMCL as well as SMEL approved the scheme on December 21, 2012.

Subsequently, the scheme was filed with the Honorable High Court of Madhya Pradesh (the 'High Court'). The Scheme was approved by the High Court vide its order dated April 30, 2013. The certified copy of the order was received on May 03, 2013 and was filed with the Registrar of Companies, Gwalior, on May 08, 2013. Accordingly, the scheme became effective from May 08, 2013 and operative from the appointed date i.e. April 01, 2012.

According to the scheme, the entire business of SMEL was merged with IMCL. The purchase consideration will be discharged by IMCL by issue of 72,914 fully paid equity shares of Rs.10 each of IMCL valued at Rs 753.35 per share to the only shareholder of SMEL i.e. D. B. Corp Limited.

This transaction did not have any accounting implications on the Consolidated Financial Statements.

(Amount in Indian rupees, except share data)

29. **(a) Related party's disclosure**

Related party disclosures, as required by Accounting Standard 18 - "Related Party Disclosures" notified by the Companies (Accounting Standards) Rules, 2006, (as amended) are given below:

Particulars	Related party
Related Parties where control exists	
Key Management Personnel	- Shri Sudhir Agarwal, Managing Director - Shri Girish Agarwal, Director
Related Parties with whom transactions have taken place during the year	
Relatives of Key Management Personnel	- Shri Ramesh Chandra Agarwal (Father of Shri Sudhir Agarwal and Shri Girish Agarwal) - Smt Kasturi Devi Agarwal (Grand Mother of Shri Sudhir Agarwal and Shri Girish Agarwal) - Shri Pawan Agarwal (Brother of Shri Sudhir Agarwal and Shri Girish Agarwal) - Smt Jyoti Agarwal (Wife of Shri Sudhir Agarwal) - Smt Namita Agarwal (Wife of Shri Girish Agarwal) - Smt Nitika Agarwal (Wife of Shri Pawan Agarwal)
Enterprises owned or significantly influenced by key management personnel or their relatives	- Abhivyakti Kala Kendra - Bhaskar Printing Press - Rajasthan - Bhaskar Printing Press- MPCG - Bhaskar Printing Press- CPH2 - Bhaskar Printing Press- Gujarat (up to March 31, 2012) - Bhaskar Samachar Seva - Bhaskar Publication and Allied Industries Private Limited - Bhaskar Infrastructure Limited - Bhaskar Industries Private Limited (Formerly known as Bhaskar Industries Limited) - Decore Exxoil Private Limited (Formerly known as Bhaskar Exxoil Private Limited) - Bhaskar Venkatesh Products Private Limited (up to December 11, 2012) - D B Malls Private Limited - DB Power Limited - R.C. Printer - Raipur - Writers and Publishers Private Limited - Diligent Media Corporation Limited (up to October 09, 2012) - Deligent Hotels Corporation Private Limited - Peacock Trading and Investments Private Limited - Chambal Tradings Private Limited - Dev Fiscal Service Private Limited - Stitex Global Limited - Bhopal Financial Services Private Limited - Bhaskar Multinet Limited (Merged with Bhaskar Infrastructure Limited with effect from April 1, 2012) - Prabhat Kiran Private Limited

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2013

(Amount in Indian rupees, except share data)

29.(b) Details of transactions with related parties:

Particulars	Transactions for the year ended March 31, 2013 ₹	Transactions for the year ended March 31, 2012 ₹	Amount receivable / (Payable) as at March 31, 2013 ₹	Amount receivable / (Payable) as at March31, 2012 ₹
Advertisement revenue				
Writers and Publishers Private Limited	3,541,444	26,092,269	-	4,884
Abhivyakti Kala Kendra	-	66,150	-	66,150
Bhaskar Industries Private Limited	216,571	164,984	61,742	15,968
Decore Exxoil Private Limited	-	18,160	-	17,200
D B Malls Private Limited	275,470	346,936	-	445,896
Bhaskar Venkatesh Products Private Limited	1,848,627	2,991,807`	-	3,227,286
DB Power Limited	252,900	184,797	-	23,184
Deligent Hotels Corporation Private Limited	58,800	-	66,068	-
Portal and wireless revenue				
Diligent Media Corporation Limited	-	1,471,364	-	921,311
Sale of magazines				
Bhaskar Publication and Allied Industries Private Limited	312,920	292,125	590,984	515,332
Printing job charges				
Bhaskar Publication and Allied Industries Private Limited	4,276,693	4,566,131	-	-
Salaries, wages and bonus				
Shri Sudhir Agarwal	6,000,000	4,200,000	-	-
Shri Pawan Agarwal	1,200,000	1,200,000	(3,893,600)	(2,889,300)
Rent income on machinery leased				
Bhaskar Publication and Allied Industries Private Limited	1,000,000	1,020,000	-	-
Rent Paid				
Writers and Publishers Private Limited	65,639,568	39,499,514	(1,080,500)	(810,500)
Bhaskar Industries Private Limited	156,000	160,000	-	-
Bhaskar Publication and Allied Industries Private Limited	-	100,000	-	-
Bhaskar Infrastructure Limited	3,951,312	3,829,260	(146,510)	-
R.C. Printer- Raipur	12,275,136	2,102,153	-	-
Shri Girish Agarwal	-	100,000	-	-
Decore Exxoil Private Limited	9,711,459	17,912,044	-	(3,582,775)
Prabhat Kiran Private Limited	-	900,000	(1,350,000)	(1,350,000)
D B Malls Private Limited	125,000	-	-	-
News collection charges				
Bhaskar Samachar Seva	426,699	12,447,534	(2,010,760)	(5,483,152)
Diligent Media Corporation Limited	1,128,558	2,568,295	-	(801,996)
Printing job work charges				
Diligent Media Corporation Limited	4,174,030	8,388,262	-	(314,244)
Bhaskar Printing Press- Rajasthan	-	599,076	-	(3,379,566)
Bhaskar Printing Press- MPCG	-	2,865,869	(442,220)	(977,367)
Bhaskar Printing Press- CPH2	-	1,099,657	(271,975)	(285,203)
Bhaskar Printing Press- Gujarat	-	12,915,451	-	(3,391,898)
Writers and Publishers Private Limited	-	16,293,261	-	-
Prabhat Kiran Private Limited	8,003,947	7,273,790	(679,022)	(572,180)
Royalty				
Diligent Media Corporation Limited	4,629,676	6,168,323	-	-
Advertisement and publicity expenses				
Abhivyakti Kala Kendra	-	2,100,000	-	-
Diligent Media Corporation Limited	-	1,679,163	-	-
D B Malls Private Limited	173,760	-	(8,820)	-
Writers and Publishers Private Limited	-	2,503,920	-	-
Interest income from inter-corporate deposits				
Writers and Publishers Private Limited	5,264,381	19,302,740	-	-
Bhaskar Multinet Limited	-	17,836,103	-	-
Sale of Fixed Assets				
Bhaskar Publication and Allied Industries Private Limited	-	247,966	-	205,441
DB Power Limited	-	34,339	-	-
Writers and Publishers Private Limited	-	724,044	-	-
Diligent Media Corporation Limited	4,506,913	-	-	-

(Amount in Indian rupees, except share data)

29.(b) Details of transactions with related parties:

Particulars	Transactions for the year ended March 31, 2013 ₹	Transactions for the year ended March 31, 2012 ₹	Amount receivable / (Payable) as at March 31, 2013 ₹	Amount receivable / (Payable) as at March31, 2012 ₹
Purchase of Fixed Assets				
Bhaskar Publication and Allied Industries Private Limited	13,332	154,354	-	-
Loan and advances given to / (repaid by) party				
Bhaskar Infrastructure Limited	-	(170,750,252)	-	-
Writers and Publishers Private Limited	(87,499,992)	(116,666,668)	-	87,499,992
Advance received / (repaid) for publication of advertisement				
Writers and Publishers Private Limited	(3,725,464)	(32,237,481)	(18,433,431)	(22,158,895)
Security Deposit given against lease of properties				
Writers and Publishers Private Limited	-	290,283,800	423,233,800	423,233,800
R.C. Printer- Raipur	-	16,870,200	16,870,200	16,870,200
Bhaskar Infrastructure Limited	-	11,596,765	11,596,765	11,596,765
Bhaskar Industries Private Limited	-	1,619,435	1,619,435	1,619,435
Security Deposit Received				
Bhaskar Publication and Allied Industries Private Limited	-	-	(10,000,000)	(10,000,000)
Sale of Investments				
Writers and Publishers Private Limited	-	-	60,000,000	60,000,000
Acquisition of stake from minority shareholders				
Bhaskar Infrastructure Limited	23,621,405	-	-	-
Writers and Publishers Private Limited	355,954,108	-	-	-
Shri Sudhir Agarwal	19,006	9,995,800	-	-
Shri Girish Agarwal	19,006	-	-	-
Shri Pawan Agarwal	19,006	-	-	-
Smt Jyoti Agarwal	14,443	-	-	-
Smt Namita Agarwal	13,690	-	-	-
Smt Nitika Agarwal	13,690	-	-	-
News print loan given / (taken)				
Diligent Media Corporation Limited	-	(14,901,520)	-	-
Bhaskar Publication and Allied Industries Private Limited	34,148,338	22,443,813	54,740,706	20,592,369
Writers and Publishers Private Limited	-	8,926,069	-	-
Purchase of Business [refer note 28(A)]				
Writers and Publishers Private Limited	-	350,000,000	-	-
Dividend Paid				
Shri Ramesh Chandra Agarwal	160,367,055	123,119,325	-	-
Shri Sudhir Agarwal	100,480,832	71,772,023	-	-
Shri Girish Agarwal	85,890,977	61,350,698	-	-
Shri Pawan Agarwal	97,428,492	69,591,780	-	-
Smt Jyoti Agarwal	45,239,787	74,594,838	-	-
Smt. Namita Agarwal	34,346,550	24,533,250	-	-
Smt. Nitika Agarwal	18,254,250	13,038,750	-	-
Smt. Kasturi Devi Agarwal	281,899	201,356	-	-
Bhaskar Infrastructure Limited	63,590,205	45,421,575	-	-
Peacock Trading and Investments Private Limited	53,168,047	37,977,176	-	-
Chambal Tradings Private Limited	44,212,350	31,580,250	-	-
Bhopal Financial Services Private Limited	29,700,248	21,214,463	-	-
Dev Fiscal Service Private Limited	8,709,750	6,221,250	-	-
Bhaskar Publication and Allied Industries Private Limited	15,843,450	11,316,750	-	-
Stitex Global Limited	3,150,000	2,250,000	-	-
Balance outstanding at the year end				
Diligent Media Corporation Limited	-	-	-	(8,800,463)
D B Malls Private Limited	-	-	818,720	818,720
R.C. Printer- Raipur	-	-	-	44,766
Bhaskar Publication and Allied Industries Private Limited	-	-	111,925,929	120,498,143
Abhivyakti Kala Kendra	-	-	-	(40,568)
DB Power Limited	-	-	32,723	18,715
Prabhat Kiran Private Limited	-	-	(12,920)	(17,000)
Writers and Publishers Private Limited	-	-	80,000,000	80,000,000

Note: For details of guarantees given by related parties, refer note 6 and 9.

30. Provision made for contingencies:

a) Indian Performing Rights Society Limited (IPRS)

The Indian Performing Rights Society Limited (IPRS) had filed a suit against the Company on May 27, 2006 before the Honorable High Court of Delhi contesting against the refusal by the Company to obtain a license from the IPRS with regards to broadcasting / performing its copyrighted works and pay royalty to IPRS.

IPRS had prayed for a permanent injunction restraining the Company from infringing any of the copyrights owned by the IPRS as well as for damages in favor of the IPRS. The Honorable Delhi High Court has denied IPRS's application for injunction. IPRS had since preferred an appeal in the Supreme Court.

Considering the litigation involved, as a matter of abundant caution, the Company has provided for royalty based on the best judgment assessment of the case. The management believes that the provision made in the books is sufficient to take care of the liability for royalty, if any, which would be confirmed only after the final result of the litigation.

Since the matter is under litigation, the disclosures required as per the provisions of Accounting Standard 29 – Provisions, Contingent Liabilities and Contingent Assets relating to the provisions made are not given as it can be expected to prejudice seriously the position of the Company with regards to the litigation.

b) Phonographic Performance Limited (PPL)

A legal Suit was filed by the Company on July 28, 2008 against Phonographic Performance Limited (PPL) before the Copy Right Board against the exorbitant rates proposed by PPL for grant of compulsory licenses. The Copy Right Board passed an order on August 25, 2010 by which PPL was directed to charge the proportionate amount (as per the music played) i.e. royalty was to be calculated @ 2% of the net revenue. Accordingly, the Company is paying royalty to PPL since then.

PPL has been claiming that the said revised rates were applicable only for the period starting from August 25, 2010 and the royalty for the period earlier to August 25, 2010 would be charged at a higher rate. PPL had subsequently filed a summary suit in Bombay High Court towards recovery of the said amount. At present the matter is pending before the Bombay High Court.

Considering the litigation involved, as a matter of abundant caution, the Company has provided for the royalty based on the best judgment assessment of the case. The management believes that the provision made in the books is sufficient to take care of the liability for royalty, if any, which would be confirmed only after the final result of the litigation.

Since the matter is under litigation, the disclosures required as per the provisions of Accounting Standard 29 – Provisions, Contingent Liabilities and Contingent Assets relating to the provisions made are not given as it can be expected to prejudice seriously the position of the Company with regards to the litigation.

31. Leases

Rentals in respect of operating leases are recognised as an expense in the statement of profit and loss, on a straight-line basis over the lease term.

Operating Lease (for assets taken on Lease)

a) The Group has taken various residential, office and godown premises under operating lease agreements. These are generally renewable by mutual consent;

b) Lease payments recognised for the year are ₹ 217,489,391 (March 31, 2012: ₹ 157,747,284)

c) There are no restrictions imposed in these lease agreements. There are escalation clauses in agreement with some parties. There are no purchase options. There are no sub leases.

d) There are no non-cancelable leases.

32. Commitments

a) Capital commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for

₹ 112,205,232 (March 31, 2012: ₹ 204,615,373).

b) For commitments relating to derivatives refer note 34(a)

33. Contingent liabilities not provided for:

a) The Company has given Corporate Guarantee of ₹ 450,000,000 (March 31, 2012: ₹ 450,000,000) in favor of Export Development Canada on behalf of Decore Exxoils Private Limited (Formally known as Bhaskar Exxoils Private Limited).

The Company has also entered into an agreement with Decore Exxoils Private Limited and Shri Ramesh Chandra Agarwal, in his personal capacity, whereby the Company has the right for reimbursement in case it has to make payment to lenders on account of default by Decore Exxoils Private Limited.

b) There are several defamation and other legal cases pending against the Company and its directors. These include criminal and civil cases. There are certain employee related cases also pending against the Company. In view of large number of cases, it is impracticable to disclose the details of each case separately.

The estimated amount of claims against the Company in respect of these cases is ₹ 4,189,036 (March 31, 2012: ₹ 21,858,169). The estimated contingency in respect of some cases cannot be ascertained. Based on discussions with the solicitors and also the past trend in respect of such cases, the Company believes that there is no present obligation in respect of the above and hence no provision is considered necessary against the same.

34. Derivative Instruments

a) Particulars of derivative contracts outstanding as at the balance sheet date:

		March 31, 2013		March 31, 2012	
Nature of derivative contract	Nature of underlying exposures	Amount in USD	Amount in Indian currency ₹	Amount in USD	Amount in Indian currency ₹
Foreign exchange forward contracts	Citibank Buyers Credit	200,000	10,870,000	-	-
Foreign exchange forward contacts	HSBC Bank Buyers Credit	309,857	16,819,204	-	-

b) Particulars of unhedged foreign currency exposures as at the balance sheet date:

		March 31, 2013		March 31, 2012	
Particulars	Currency	Amount in foreign currency	Amount in Indian currency ₹	Amount in foreign currency	Amount in Indian currency ₹
Trade payables	USD	3,033,287	164,661,985	2,788,697	140,835,933
Trade payables	HKD	-	-	91,396	598,874
Other payables	USD	-	-	589,418	29,986,615
Standard Chartered Bank Buyers credit	USD	616,470	33,465,048	1,198,332	60,965,161
HSBC Bank Buyers credit	USD	4,578,975	248,569,668	6,800,647	345,982,897
DBS Bank Buyers credit	USD	-	-	7,180,370	365,301,302
Citibank Buyers credit	USD	3,428,663	186,124,952	-	-
AGCO Finance GmbH	USD	20,217,766	1,097,521,432	24,261,319	1,234,294,618
Advances recoverable in cash or kind	EURO	-	-	580,500	39,397,084
Trade Receivables	USD	216,151	11,732,756	142,237	7,236,328
Trade Receivables	GBP	10,494	870,666	-	-

35. Minority Interest

The amount payable to minority has changed from ₹ 15,407,602 as at March 31, 2012 to ₹ 10,627,285 as at March 31, 2013. The movement is as below:

Particulars	Amount
	₹
Balance as at April 01, 2012	15,407,602
Less: Purchase of additional stake in subsidiaries	(4,583,168)
Less: Share of losses for current year	(197,149)
Balance as at March 31, 2013	10,627,285

36. Details as required under clause 32 of the Listing Agreement of Loans and advances in Companies under the same management:

Name of the Company	Closing Balance		Maximum amount Outstanding during the year	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
	₹	₹	₹	₹
Bhaskar Multinet Limited	-	-	-	194,475,002
Diligent Media Corporation Limited	-	-	-	1,220,197
DB Malls Private Limited	818,720	818,720	818,720	1,151,822
DB Power Limited	32,723	18,715	432,357	989,771
R.C. Printers - Raipur	-	44,766	44,766	44,766
Writers and Publishers Private Limited	-	87,499,992	87,499,992	204,680,432

37. Employee benefits

Defined contribution plan

During the year ended March 31, 2013 and March 31, 2012; the Group contributed the following amounts to defined contribution plans:

Particulars	March 31, 2013	March 31, 2012
	₹	₹
Provident fund	114,134,731	94,626,236
Employees' State Insurance Corporation	27,710,691	25,827,622
Total	**141,845,422**	**120,453,858**

(Amount in Indian rupees, except share data)

Defined benefit plans

Gratuity

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days' salary (last drawn salary) for each completed year of service. The scheme of the Company is funded with an insurance Group in the form of a qualifying insurance policy. The liability of the subsidiary companies is not funded.

The following table's summaries the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans of the Company and its subsidiaries.

Statement of profit and loss:

Net Employee benefits expense (recognised in employee cost)

Particulars - Gratuity	March 31, 2013 ₹	March 31, 2012 ₹
1) DBCL		
Current service cost	19,836,347	16,058,134
Liability taken over under the scheme of arrangement	-	(3,385,546)
Interest cost on benefit obligation	7,934,817	6,754,086
Expected return on plan assets	(7,177,552)	(6,109,977)
Net actuarial (gain) / loss recognised in the year	18,164,677	364,102
Past service cost	-	-
Net benefit expense	38,758,289	13,681,480
Actual return on plan assets	6,856,013	2,336,535
2) IMCL		
Current service cost	327,129	620,450
Interest cost on benefit obligation	53,771	59,981
Net actuarial loss/(gain) recognised in the year	542,452	(740,268)
Net benefit expense	923,352	(59,837)

Balance Sheet
Details of Provision and fair value of plan assets

Particulars - Gratuity	March 31, 2013	March 31, 2012
	₹	₹
1) DBCL		
Present value of defined benefit obligation	127,982,879	93,350,785
Fair value of plan assets	(90,139,269)	(84,441,788)
Net (asset) / liability	37,843,610	8,908,997
2) IMCL		
Present value of defined benefit obligation	1,555,949	632,597

Changes in the present value of the defined benefit obligation are as follows:

Particulars - Gratuity	March 31, 2013 ₹	March 31, 2012 ₹
1) DBCL		
Opening defined benefit obligation	93,350,785	81,867,707
Interest cost	7,934,817	6,754,086
Current service cost	19,836,347	16,058,815
Benefits paid	(10,982,208)	(7,920,476)
Actuarial losses / (gains) on obligation	17,843,138	(3,409,347)
Closing benefit obligation	127,982,879	93,350,785
2) IMCL		
Opening defined benefit obligation	632,597	727,048
Interest cost	327,129	620,450
Current service cost	53,771	59,981
Benefits paid	-	(34,615)
Actuarial losses / (gains) on obligation	542,452	(740,268)
Closing benefit obligation	1,555,949	632,597

Changes in the fair value of plan assets are as follows (only in case of DBCL):

Particulars - Gratuity	March 31, 2013 ₹	March 31, 2012 ₹
Opening fair value of plan assets	84,441,788	74,060,336
Expected return	7,177,552	6,109,977
Contributions by employer	9,823,676	15,965,397
Benefits paid	(10,982,208)	(7,920,476)
Actuarial losses on plan assets	(321,539)	(3,773,446)
Closing fair value of plan assets	90,139,269	84,441,788
Actuarial losses recognised in the year	18,164,677	364,102

The Company expects to contribute ₹ 10,000,000 (March 31, 2012' ₹ 10,000,000) to gratuity fund during the annual period beginning after balance sheet date.

The major categories of plan assets of DBCL as a percentage of the fair value of total plan assets are as follows:

Particulars - Gratuity	March 31, 2013	March 31, 2012
	%	%
Investments with insurer	100	100

(Amount in Indian rupees, except share data)

The principal assumptions used in determining gratuity obligations for the plans of the Companies are shown below:

Particulars - Gratuity	March 31, 2013	March 31, 2012
1) DBCL		
Discount rate	8.00%	8.50%
Expected rate of return on assets	8.70%	8.50%
Employee turnover	0-5 years of service- 28% and for service thereafter- 14%	1% at each age+6% service related
Estimated future salary increase	6%	6%
2) IMCL		
Discount rate	8.00%	8.50%
Employee turnover	0-5 years of service- 24% and for service thereafter- 2%	0-5 years of service- 24% and for service thereafter- 2%
Estimated future salary increase	8.00%	6.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Amounts of experience adjustments for the current and previous four years in case of DBCL and current and previous year in respect of IMCL are as follows

	Gratuity				
	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
	₹	₹	₹	₹	₹
1) DBCL					
Defined benefit obligation	127,982,879	93,350,785	81,867,707	67,922,829	60,469,425
Plan assets	90,139,269	84,441,788	74,060,336	60,785,240	48,066,911
Asset / (liability)	(37,843,610)	(8,908,997)	(7,807,371)	(7,137,589)	(12,402,514)
Experience adjustments on plan liabilities (Gain) / Loss	14,927,133	(42,389)	4,523,864	3,633,997	7,687,325
Experience adjustments on plan assets Gain / (Loss)	(321,539)	(3,773,443)	(1,209,129)	4,780,173	(1,427,487)
2) IMCL					
Experience adjustments on plan liabilities (Gain) / Loss	505,932	(664,356)	-	-	-

Other long-term employee benefits

Leave encashment

In accordance with leave policy, the Group has provided for leave entitlement on the basis of an actuarial valuation carried out at the end of the year.

38. Employee Stock Option Scheme 2008, 2010 and 2011

The Company has granted Stock Options to its employees as per its scheme/s referred to as "DBCL – ESOS 2008", "DBCL- ESOS 2010" and "DBCL-ESOS 2011". During the year ended March 31, 2013 the following schemes were in operation:

	DBCL – ESOS 2008	DBCL – ESOS 2010	DBCL – ESOS 2011
Date of grant	January 5, 2009	May 10, 2010	April 16, 2011
Date of Board Approval	December 19, 2008	March 02, 2010	January 24, 2011
Date of Shareholder's Approval	December 31, 2008	April 24, 2010	March 24, 2011
Number of options granted	700,000 options have been approved by the Board and the shareholders, however 413,427 have been granted till the year ended March 31, 2013	600,000 options have been approved by the Board and the shareholders, however 491,203 have been granted till the year ended March 31, 2013	3,000,000 options have been approved by the Board and the shareholders, however 234,300 have been granted till the year ended March 31, 2013
Method of Settlement	Equity	Equity	Equity
Vesting Period	Options vest equally over the period of five years from the date of grant	Options vest equally over the period of five years from the date of grant	Options vest equally over the period of five years from the date of grant
Exercise Period	Within three years from the date of vesting or listing, whichever is later	Within three years from the date of vesting	Within five years from the date of vesting
Exercise Price	50% discount to the average of first 30 days market price post listing	Discount up to a maximum of 30% to the market price on date of grant.	61.95% Discount to the market price on date of grant.
Vesting Conditions	Option vest on continued association with the Company and achievement of certain performance parameters	Option vest on continued association with the Company and achievement of certain performance parameters	Option vest on continued association with the Company and achievement of certain performance parameters

(Amount in Indian rupees, except share data)

The details of activity under DBCL ESOS 2008, ESOS 2010 and ESOS 2011 are as summarized below:

DBCL – ESOS 2008

	March31,2013		March31,2012	
	Number of Options	Weighted Average Exercise Price (₹)	Number of Options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	231,831	124.00	275,084	124.00
Granted during the year `	-	-	-	-
Forfeited / Cancelled during the year	20,915	124.00	28,991	124.00
Exercised during the year	34,702	124.00	14,262	124.00
Expired during the year	20,605	124.00	-	-
Outstanding at the end of the year	155,609	124.00	231,831	124.00
Exercisable at the end of the year	107,016	124.00	118,943	124.00
Weighted Average Remaining contractual life	3.76		4.76	
Weighted average fair value of options granted	101.31		101.31	

DBCL – ESOS 2010

	March31,2013		March31,2012	
	Number of Options	Weighted Average Exercise Price(₹)	Number of Options	Weighted Average Exercise Price(₹)
Outstanding at the beginning of the year	411,944	168.00	474,709	168.00
Granted during the year	-	-	-	-
Forfeited / Cancelled during the year	41,370	168.00	51,904	168.00
Exercised during the year	12,908	168.00	10,861	168.00
Expired during the year	-	168.00	-	168.00
Outstanding at the end of the year	357,666	168.00	411,944	168.00
Exercisable at the end of the year	128,888	168.00	73,700	168.00
Weighted Average Remaining contractual life	5.11		6.11	
Weighted average fair value of options granted	124.97		124.97	

DBCL – ESOS 2011

	March31,2013		March31,2012	
	Number of Options	Weighted Average Exercise Price(₹)	Number of Options	Weighted Average Exercise Price(₹)
Outstanding at the beginning of the year	203,850	95.00	-	95.00
Granted during the year	-	-	234,300	-
Forfeited / Cancelled during the year	10,560	95.00	30,450	95.00
Exercised during the year	17,880	95.00	-	95.00
Expired during the year	-	95.00	-	95.00
Outstanding at the end of the year	175,410	95.00	203,850	95.00
Exercisable at the end of the year	22,890	95.00	-	95.00
Weighted Average Remaining contractual life	8.05		9.05	
Weighted average fair value of options granted	177.57		177.57	

For options exercised during the period, the weighted average share price during the year was ₹ 212.24 per share (March 31, 2012: ₹ 215.98 per share).

The details of exercise price for stock options outstanding at the end of the year as at March 31, 2013 is as under:

ESOP Schemes	Range of exercise prices	Number of Options outstanding	Weighted average remaining contractual life of options (in years)	Estimated Weighted average exercise price
ESOP 2008	124.00	155,609	3.76	124.00
ESOP 2010	168.00	357,666	5.11	168.00
ESOP 2011	95.00	175,410	8.05	95.00

The details of exercise price for stock options outstanding at the end of the year as at March 31, 2012 is as under:

ESOP Schemes	Range of exercise prices	Number of Options outstanding	Weighted average remaining contractual life of options (in years)	Estimated Weighted average exercise price
ESOP 2008	124.00	231,831	4.76	124.00
ESOP 2010	168.00	411,944	6.11	168.00
ESOP 2011	95.00	203,850	9.05	95.00

(Amount in Indian rupees, except share data)

Stock options granted

No new options have been granted during the year ended March 31, 2013. The weighted average fair value of stock options granted during the previous year ended March 31, 2012 was ₹ 177.57. The Black and Scholes Options Pricing model has been used for computing the weighted average fair value considering the following inputs:

	March 31, 2013	March 31, 2012
Weighted average share price (₹)	No options have been granted during the year	215.98
Exercise Price (₹)		Discount up to a maximum of 61.95% to the market price. i.e. ₹ 95/-
Expected Volatility		29.48%
Life of the options granted (Vesting and exercise period) in years		5.5 years
Average risk-free interest rate		7.84%
Expected dividend yield		0.80%

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome (historical volatility includes early years of the companies' life).

The employee stock compensation cost is accounted using intrinsic value method. Had compensation cost been determined in accordance with the fair value approach described in the Guidance Note, the Group's net profit after tax and earnings per share as reported would have changed to amounts indicated below:

	March 31, 2013 ₹	March 31, 2012 ₹
Profit after tax as reported	**2,181,365,091**	**2,021,149,048**
Add: Employee stock compensation cost under intrinsic value method	8,491,087	17,382,609
Less: Employee stock compensation cost under fair value method	10,880,440	29,834,818
Proforma profit after tax	**2,178,975,738**	**2,008,696,839**
Earnings Per Share		
Basic		
- As reported	11.90	11.03
- As adjusted	11.88	10.96
Diluted		
- As reported	11.88	11.01
- As adjusted	11.87	10.94

39. Investments

The Group has entered into arrangements with various parties whereby the Group has invested in the securities of these parties. In accordance with these arrangements, the said parties have also agreed to offer their advertisements in the Group's print and non print media periodically, for a specified term.

On periodic basis, the Group performs the assessment to assess whether there is any diminution other than temporary in the value of investments. Up to March 31, 2013, the Group has made provision of ₹ 160,000,000 (March 31, 2012: ₹ 97,500,000) in respect of other than temporary diminution, in the value of these investments.

40. Going concern assumption

IMCL has incurred losses during the year and the accumulated losses of IMCL at the close of the year exceed its paid up capital.

However, IMCL is in the initial years of its operations and such results / position are integral part of operations i.e. initial period in such industry. With the internet market in India booming and internet penetration increasing every year, the management expects continuous growth in the business and profitability in the future years. Considering the nature of business as explained, IMCL is viewed as a going concern and accounts have been prepared under the going concern assumption.

In the meeting of Board of directors of the Company and I Media Corp Limited ('IMCL'), a wholly owned subsidiary of the Company held on May 16, 2013, the Board of Directors of the Company and IMCL approved the proposed scheme of demerger of Internet and Mobile Interactive Service Business of IMCL and transfer of the same to the Company. According to the proposed scheme of demerger the Internet and Mobile Interactive Service Business of IMCL would be demerged and transferred to the Company with effect from April 01, 2013. The Company is in the process of completion of statutory formalities.

41. Legal and professional charges include sitting fees paid to Directors ₹ 615,000 (March 31, 2012: ₹ 755,000).

42. The current tax expense includes a net reversal of ₹ 28,787,773 (March 31, 2012: ₹ Nil) relating to earlier periods.

43. Segment Information:

a) For the purposes of Segment information, printing / publishing segment includes newspaper, magazines, printing job work, etc. Radio Segment includes broadcasting of Radio. Event includes event management. Others include Power and Internet business.

D. B. Corp Limited
Notes to consolidated financial statements as at and for the year ended March 31, 2013
(Amount in Indian Rupees, expcept share data)

43. (b) Segment Information

Particulars	Printing/Publishing		Radio		Event		Internet		Power		Inter segment elimination		Consolidation	
	March-13 ₹	March-12 ₹	March-13 ₹	March-12 ₹	March-13 ₹	March-12 ₹	March-13 ₹	March-12 ₹	March-13 ₹	March-12 ₹	March-13 ₹	March-12 ₹	March-13 ₹	March-12 ₹
Revenue														
External revenue	15,025,684,079	13,708,470,232	665,835,593	550,181,933	125,772,871	193,295,886	100,738,505	56,667,745	5,133,235	6,472,822	-	-	15,923,164,283	14,515,088,618
Inter segmental revenue	32,949,057	14,700,215	660,363	4,635,046	-	-	4,363,038	3,543,788	-	-	(37,972,458)	(22,879,049)	-	-
Total	**15,058,633,136**	**13,723,170,447**	**666,495,956**	**554,816,979**	**125,772,871**	**193,295,886**	**105,101,543**	**60,211,533**	**5,133,235**	**6,472,822**	**(37,972,458)**	**(22,879,049)**	**15,923,164,283**	**14,515,088,618**
Segment results	3,457,514,283	3,103,382,189	108,676,217	17,016,398	(17,306,578)	25,218,375	(88,278,438)	(67,910,031)	(31,292,523)	(6,903,442)	-	-	3,429,312,961	3,070,803,490
Less : Unallocated corporate expenses net of unallocated income													132,760,008	88,412,662
Operating profit													3,296,552,953	2,982,390,828
Less : Finance costs (net of interest income)													(16,433,615)	(23,488,684)
Less : Tax expenses													1,131,818,626	983,173,159
Profit for the year													2,181,167,942	2,022,706,353
Other Information														
Depreciation	439,114,209	384,879,367	107,464,561	107,460,157	141,630	149,427	4,262,321	4,179,931	29,658,870	8,993,945	-	-	580,641,591	505,662,827
Non - cash expenses other than depreciation	70,793,335	115,378,788	5,118,286	3,405,162	122,708	-	2,395,604	1,275,672	-	-	-	-	78,429,933	120,059,622
Particulars	**March-13**	**March-12**	**March-13**	**March-12**	**March-13**	**March-12**	**March-13**	**March-12**	**March-13**	**March-12**	**March-13**	**March-12**	**March-13**	**March-12**
Segment assets	14,066,643,064	13,755,634,582	771,065,335	837,062,415	16,671,193	21,787,290	93,290,946	48,143,901	116,923,912	147,476,119	-	-	15,064,594,450	14,810,104,307
Unallocated corporate assets													1,262,484,791	642,407,162
Segmental liabilities	2,025,766,393	1,920,945,948	225,336,217	196,580,187	11,776,720	9,473,284	24,887,184	20,448,010	940,832	2,245,581	-	-	2,288,707,346	2,149,693,010
Unallocated corporate liabilities													3,736,153,474	4,016,616,901
Minority interest													10,627,285	15,407,602
Capital expenditure	1,413,253,582	1,319,191,841	7,426,576	6,852,102	-	-	23,998,797	658,725	-	-	-	-	1,444,678,954	1,326,702,668

(Amount in Indian rupees, except share data)

44. The detail of preoperative expenses capitalised during the year are as under:

Particulars	March 31, 2013 ₹	March 31, 2012 ₹
Opening balance of pre - operative expenses	-	-
Expenditure during the year :		
Raw materials consumed	50,732	5,877,129
Employee benefit expenses	637,060	-
Other expenses	4,514,236	8,812,004
Total	**5,202,028**	**14,689,133**
Less:- Capitalised during the year	4,590,835	14,689,133
Closing balance of pre- operative expenses (included under capital work-in-progress)	611,193	-

45. Auditors' remuneration:

Particulars	March 31, 2013 ₹	March 31, 2012 ₹
As Auditor		
Audit fees	8,863,534	6,726,435
Limited review fees	1,685,400	1,654,500
Tax audit fees	449,440	551,500
Reimbursement of out of pocket expenses	561,800	551,500
Total	**11,560,174**	**9,483,935**

46. Previous year comparatives

Previous years' figures have been regrouped / reclassified where necessary to confirm to this years' classification.

As per our report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm registration number: 101049W
Chartered Accountants

per Amit Majmudar
Partner
Membership No. 36656

Place : Mumbai
Date : May 16, 2013

For Gupta Navin K. & Co.
ICAI Firm registration number: 06263C
Chartered Accountants

per Navin K. Gupta
Partner
Membership No. 75030

Place : Mumbai
Date : May 16, 2013

For and on behalf of the Board of Directors of
D. B. Corp Limited

Managing Director **Director**

Company Secretary
Place : Mumbai
Date : May 16, 2013

Statement pursuant to Section 212 of the Companies Act, 1956
relating to Subsidiary Companies

Name(s) of the Subsidiary Companies	I Media Corp Limited	Divya Prabhat Publications Private Limited
(A) The "Financial Year" of the Subsidiary Companies	31st March, 2013	31st March, 2013
(B) Shares of the subsidiary held by D. B. Corp Limited on the above dates:		
(i) Number and face value	1,050,000 Equity shares of ₹10/- each	21,730 Equity shares of ₹ 10/- each
(ii) Extent of holding	100%	51%
(C) The net aggregate of Profits/ (Loss) of the subsidiary companies so far as it concerns the members of the D. B. Corp Limited:		
(a) Not dealt with in the accounts of D. B. Corp Limited for the Financial year 31st March, 2013		
(i) For the Subsidiaries financial year as in (A) above	₹ (9.59) Crore **(NOTE A)**	₹ 0.03 Crore **(NOTE B)**
(ii) For the Previous financial years of the Subsidiaries since they became the Holding Company's subsidiaries	₹ (6.55) Crore	₹ 0.03 Crore
(b) Dealt with in the accounts of D. B. Corp Limited for the year ended 31st March, 2013 amounted to-		
(i) For the Subsidiaries financial year ended as in (A) above	NIL	NIL
(ii) For the Previous financial years of the Subsidiaries since they became the Holding Company's subsidiaries	NIL	NIL

NOTE A:	I Media Corp Limited		
	Net Profit/(Loss) for the year ended on 31/03/2013		₹ (95,941,747)
	D. B. Corp Limited extent of holding	100.00%	
	Therefore, the net aggregate of Profit/(Loss) of the subsidiary Companies so far as it concerns the members of D. B. Corp Limited not dealt with in the accounts of D. B. Corp Limited		₹ (95,941,747) i.e. ₹ (9.59) Crore
NOTE B:	**Divya Prabhat Publication Private Limited**		
	Net Profit/(Loss) for the year ended on 31/03/2013		₹ 521,890
	D. B. Corp Limited extent of holding	51.00%	
	Therefore, the net aggregate of Profit/Loss of the subsidiary Companies so far as it concerns the members of D. B. Corp Limited not dealt with in the accounts of D. B. Corp Limited		₹ 521890*51% ₹ 266,164 ₹ 0.03 Crore

For and on behalf of the Board of Directors of D. B. Corp Limited

Managing Director **Director**

Company Secretary

Place : Mumbai
Date : May 16, 2013

I Media Corp Limited

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the 7th Annual Report together with the Balance Sheet and Profit and Loss Account of the Company for the year ended 31st March, 2013.

Financial Highlights:

The financial results of the Company for the year ended 31st March, 2013 are as under:

(in ₹)

Particulars	2012-13	2011-12
Income	**12,20,81,104**	6,99,89,454
Expenditure	**21,80,82,609**	13,55,33,713
Profit/(Loss)for the year before tax	**(9,60,01,505)**	(6,55,44,259)
Less: Deferred tax Liability /(Assets)	**(59,758)**	-
Fringe Benefit Tax	-	-
Profit /(Loss) after tax	**(9,59,41,747)**	(6,55,44,259)

Review of Performance:

The year 2012-13 has been a phenomenal year for your company. This year, your company could register an unprecedented number of 10 Million unique visitors per month. (Dainikbhaskar.com-6.3 Million, Divyabhaskar.com-2.1 Million, Dailybhaskar.com-1.4 Million, Divyamarathi.com-0.2 Million). Penetrative page depth (14.56 pages per visit) and prolonged time spent (12.44 min) enabled us to become one of the most sticky site. International sales galloped to an all time high revenue yield. Your company has become much more self-sufficient in terms of revenue procurement by increasing its 'Direct Sales' percentage.

In Event Management segment, your company has made a fair growth.

Future Prospects:

Year 2013-14 will be of paramount importance for the company. While the prime focus will be to increase the audience reach, the major efforts will be undertaken to make the content much more encompassing and quintessential. The company will envisage developing a number of key content partnerships to provide cutting edge options to its discerning audience. This effort has already been initiated and will witness maximum thrust in the days to come. The core area of the company's business – hyper local - will still rule the roost and will continue to spread its wings. It will seek to grow in every geographical corner to extend the excellence.

Status of wholly-owned subsidiary:

Your Company became a wholly-owned subsidiary of D. B. Corp Limited (DBCL) w.e.f. 11th December, 2012 since DBCL acquired the balance 4,72,500 equity shares (45%) from the other shareholders of the Company.

Merger of Synergy Media Entertainment Ltd. with the Company:

Your company has received all the statutory approvals and on by sanction from the Hon'ble High Court of Madhya Pradesh, Principal Seat at Jabalpur to the Scheme of Arrangement and Amalgamation between your company and Synergy Media Entertainment Limited, another wholly-owned subsidiary of your company's holding company viz. D. B. Corp Ltd. The said Scheme has become operative from the “Appointed Date” (viz. April 1, 2012) and has become effective from “Effective Date” (viz. May 8, 2013). Accordingly, Synergy Media Entertainment Ltd. stands merged into your company from April 1, 2012 and the “Events Business” of the merged company will be carried on by your company now.

Demerger of “Internet Business” into D. B. Corp Ltd., the Holding Company:

It is proposed to demerge the integrated Internet and Mobile interactive services business of your company into D. B. Corp Ltd. subject to approval of the members of both the companies and the necessary statutory approvals w.e.f. 1st April, 2013, the “Appointed Date” as per the proposed Scheme of Arrangement. The process of obtaining all these approvals has started and is expected to be completed during the FY 2013-14.

Dividend:

In absence of any profit for the year under review, the Directors do not recommend any dividend for the year ended 31st March, 2013.

Directors:

Pursuant to the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Pawan Agarwal, Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. He has confirmed that he is not disqualified from being appointed as Director pursuant to Section 274(1)(g) of the Companies Act, 1956.

Directors' Responsibility Statement:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

1. that in the preparation of the annual accounts for the year ended 31st March, 2013, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, had been followed along with proper explanation relating to material departures;
2. that the directors had 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 as at 31st March, 2013 and of the profit of the company for the year ended as on that date;
3. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. that the directors had prepared the annual accounts for the financial year ended 31st March, 2013, on a “going concern” basis.

Secretarial Compliance Certificate:

In terms of Section 383A (1) of the Companies Act, 1956 read with Companies (Compliance Certificate) Rules, 2001, your Company has obtained a Secretarial Compliance Certificate for the year ended 31st March, 2013, from M/s. Makarand M. Joshi & Co., Practicing Company Secretaries which is attached herewith and forms an integral part of this report.

Statutory Auditors:

M/s S. R. Batliboi & Associates LLP, Chartered Accountants, Mumbai, the Statutory Auditors of the Company, will retire at the conclusion of the ensuing Annual General Meeting of the Company and being eligible, they offer themselves to hold office as Statutory Auditors from the conclusion of the ensuing Annual General Meeting until the next Annual General Meeting of the Company.

Public Deposits:

The Company has not invited and/ or accepted any deposits, within the meaning of Section 58-A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 as amended from time to time.

Particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

Since your company does not own any manufacturing facility, disclosure of particulars with respect to conservation of energy and technology absorption as stipulated under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is not applicable.

The Company earned Foreign Exchange of ₹ 6,70,71,745 and incurred foreign exchange out go of ₹ 8,50,161 during the FY 2012-13.

Particulars of Employees:

None of the employees of the Company is covered under the provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended from time to time.

Acknowledgement:

Your Directors wish to express their grateful appreciation for the valuable co-operation and support received from the Company's bankers, financial institutions, business associates, customers and suppliers and shareholders at large during the year under review and look forward to the same in greater measure in coming years.

The Directors also wish to place on record their appreciation of the efforts and invaluable contributions made by the employees and executives of the Company at all levels

For and on behalf of the Board of Directors of
I Media Corp Limited

Place: Bhopal
Date: May 16, 2013

Director **Director**

COMPLIANCE CERTIFICATE

CIN No	:	U64202MP2006PLC018676
Authorised Capital	:	₹ 50,000,000/-
Paid-Up Capital	:	₹ 11,229,140/-

To
The Members of
I Media Corp Limited
6, Press Complax, M.P. Nagar,
Zone – 1, Bhopal,
Madhya Pradesh - 462011

We have examined the registers, records, books and papers of I Media Corp Limited as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies within the time prescribed under the Act and the rules made there under
3. The Company being Public Limited Company, the provisions of sections 3(1)(iii) of the Companies Act, 1956 are not applicable.
4. The Board of Directors duly met 10 times on 03rd May, 2012, 19th July, 2012, 05th September, 2012, 13th September, 2012, 18th October, 2012, 05th November, 2012, 11th December, 2012, 21st December, 2012, 19th January, 2013 and 21st January, 2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company was not required to close its Register of Members during the financial year under review.
6. The Annual General Meeting for the financial year ended on 31st March, 2012 was held on 1st September, 2012 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book mentioned for the purpose.

7. 3 (Three) Extra-ordinary General Meetings were held during the financial year under scrutiny after giving due notice to the members of the company and the resolutions passed there at were duly recorded in the minutes book maintained for the purpose.

8. The Company has not advanced any loans to its Directors or persons or firms or companies, referred to under section 295 of the Act.

9. There being no transactions falling within the purview of section 297 of the Companies Act, 1956, the provisions of the same are not applicable.

10. The Company has made necessary entries in the register maintained under section 301 of the Act.

11. No approval was required from Board of Directors, members or previous approval of the Central Government, pursuant to section 314 of the Act during the financial year under review.

12. No issue of duplicate Share Certificates was made by the Company during the financial year under review.

13. (i) The Company has delivered all the certificates on lodgement for split of shares and transfer of shares and there was no allotment/transmission of shares during the financial year under consideration.

(ii) The Company was not required to deposit any amount in a separate bank account as no dividend was declared during the financial year under review.

(iii) The Company was not required to post warrants to any member of the Company as no dividend was declared during the financial year under review.

(iv) No provisions as to transferring the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund are applicable.

(v) The Company has duly complied with the requirements of section 217 of the Act.

14. The Board of Directors of the Company is duly constituted. There was no appointment of Directors, Additional Directors, Alternate Directors or Directors to fill casual vacancies during the year under review.

15. The Company has not appointed any managerial personnel during the period under review and hence, no compliance was required under the provisions of Section 269 read with Schedule XIII of the Act.

16. No sole-selling Agents were appointed by the Company for the year under scrutiny.

17. No approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies or such other Authorities as may be prescribed under the various provisions of the Act were required for the financial year under consideration except the approval of High Court of Madhya Pradesh for merger of Synergy Media Entertainment Ltd with the Company, for which petition was filed by the Company during the financial year under review but approval was received after the end of financial year.

18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.

19. The Company has not issued shares/debentures/other security during the financial year under review.

20. The Company has not bought back any shares during the financial year under review.

21. There being no preference shares, the provisions as to redemption of preference shares are not applicable, and the Company has not redeemed any debentures during the year under review.

22. The provisions as to keeping in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares are not applicable.

23. The Company has not invited /accepted any deposit falling within the purview of Section 58A during the financial year under consideration.

24. The amounts borrowed by the Company from its holding Company are within the borrowing limits of the company and that necessary resolutions as per section 293(1)(d) of the Act have been passed in duly convened annual/extraordinary general meeting. There are no other borrowings from directors, members, public, financial institutions, banks and others during the financial year under review.

25. The Company has not made any loans or investments, and not given any guarantees or provided any security to other bodies corporate and hence the provisions of Section 372A of the Act are not applicable.

26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one state to another during the year under review.

27. The Company has altered the provisions of the memorandum with respect to the objects of the Company during the year under review and has complied with the provisions of the Act.

28. The Company has not altered the provisions of the memorandum with respect to name of the Company during the year under review.

29. The Company has not altered the provisions of the memorandum with respect to share capital of the Company during the year under review.

30. The Company has altered its articles of association during the year under review after obtaining the approval of shareholders at the general meetings held on 15th October 2012 and 10th December 2012 and the amendments to the Articles of Association have been duly registered with the Registrar of Companies.

31. No prosecutions were initiated against or show cause notices received by the Company for alleged offences under the Act.

32. The Company has not received any security deposit from its employees during the year under certification and the same has been deposited as per provisions of section 417(1) of the Act are not applicable.

33. The provisions of depositing both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act are not applicable to the Company.

For Makarand M. Joshi & Co.
Company Secretaries

Kumudini Paranjape
Partner
C.P. No.: 6690

Place: Mumbai
Date: May 16, 2013

ANNEXURE A

Registers as maintained by the Company

1. Register of Charges-u/s 143
2. Register of Members -u/s 150
3. Minutes Book for Board and General Meetings – u/s 193
4. Books of Accounts- u/s 209
5. Register of particulars of contract in which the Directors are interested u/s – 301
6. Register of Directors and Managing Director, Manager and Secretary u/s – 303
7. Register of Directors' shareholdings u/s 307
8. Share Transfer Register

ANNEXURE B

Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ending on 31st March, 2013

Sr. No.	Form no. / Return	Filed u/s	Date of filing / registration	Filed within Time	If delay whether additional fee paid
1	Form 66 for filling Compliance Certificate for the year ended 31st March, 2012	383A	07th September 2012	Yes	N.A.
2	Form 20B for filing annual return as at the Annual General Meeting held on 1st September, 2012	159	22nd October 2012	Yes	N.A.
3	Form 23 for alteration of Articles of Association vide Special Resolution passed in EGM held on 15th October, 2012	31	17th December 2012	No	Yes
4	Form 23 for Alteration in object Clause of Memorandum of Association and for alteration of Articles of Association	17(1) and 31	19th December 2012	Yes	N.A.
5	Form 23AC-XBRL for filling Balance Sheet and Form 23ACA-XBRL for filling Profit & Loss for the year ended 31st March, 2012	220	22nd December 2012	Yes	N.A.
6	Form 22B for disclosing beneficial interest in shares declaration for which was given on 11th December, 2012	187C	31st December 2012	Yes	N.A.
7	Form 22B for disclosing beneficial interest in shares declaration for which is given on 11th December, 2012	187C	31st December 2012	Yes	N.A.
8	Form 23 for reduction of share capital vide Special resolution passed in EGM held on 22nd January, 2013	100(1)	15th February 2013	Yes	N.A.
9	Form 61 for filing Scheme of Arrangement & Amalgamation of Synergy Media Entertainment Limited with I Media Corp Limited	394(3)	23rd February 2013	Yes	N.A.

I Media Corp Limited

INDEPENDENT AUDITORS' REPORT

To the Members of I Media Corp Limited

Report on the Financial Statements

We have audited the accompanying financial statements of I Media Corp Limited (the 'Company'), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss 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 accounting principles generally accepted in India, including 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.

Auditors' 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:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

(b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and

(c) 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') 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 Act;

   (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W

per Amit Majmudar
Partner
Membership Number: 36656
Mumbai
May 16, 2013

Annexure referred in our report of even date
Re: I Media Corp Limited (the 'Company')

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) There was no disposal of a substantial part of fixed assets during the year.

(ii) Due to the nature of operations, the Company does not have any inventory and therefore clauses 4(ii)(a), 4(ii)(b) and 4(ii)(c) of the Order are not applicable to the Company

(iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly clauses 4(iii)(b), 4(iii)(c) and 4(iii)(d) are not applicable to the Company.

(e) The Company has taken loan from one company covered in the register maintained under section 301 of the Act. The maximum amount involved during the year was Rs. 487,198,720 and the year-end balance of loans taken from said party was Rs. 487,198,720.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for rendering of services. The activities of the Company do not involve purchase of inventory and the sale of goods. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.

(v) (a) According to the informaiton and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.

(b) In respect of transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs entered into during the financial year, because of the unique and specialized nature of the items involved and absence of any comparable prices, we are unable to comment whether the transactions were made at prevailing market prices at the relevant time.

(vi) The Company has not accepted any deposits from the public.

(vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(viii) To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956, for the products of the Company.

(ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, customs duty, cess and other material statutory dues applicable to it.The provisions relating to investor education and protection fund, wealth-tax, sales-tax and excise duty are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, customs duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating investor education and protection fund, wealth-tax, sales-tax and excise duty are not applicable to the Company.

(c) According to the information and explanation given to us, there are no dues of income tax, service tax, customs duty and cess which have not been deposited on account of any dispute. The provisions relating to investor education and protection fund, wealth-tax, sales-tax and excise duty are not applicable to the Company

(x) The Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. It has incurred cash losses in the current and immediately preceding financial year.

(xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

(xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.

(xiv) 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 Order are not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

(xvi) The Company did not have any term loans outstanding during the year.

(xvii) 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.

(xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Act.

(xix) The Company has unsecured debentures outstanding during the year, on which no security or charge is required to be created.

(xx) The Company has not raised any money through public issue.

(xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W

per Amit Majmudar
Partner
Membership Number: 36656
Mumbai
May 16, 2013

I Media Corp Limited
Balance sheet as at March 31, 2013
(Amount in Indian rupees, except share data)

	Notes	March 31, 2013 ₹	March 31, 2012 ₹
Equity and liabilities			
Shareholders' funds			
Share capital	4	10,500,000	10,500,000
Share suspense (refer note 2)		729,140	-
Reserves and surplus	5	(422,982,418)	(337,975,081)
		(411,753,278)	(327,475,081)
Non-current liabilities			
Long-term borrowings	6	350,000,000	350,000,000
Deferred tax liabilities (net)	7	-	-
Long-term provisions	8	1,545,474	630,318
		351,545,474	350,630,318
Current liabilities			
Short-term borrowings (refer note 29)	9	137,198,720	-
Trade payables	10	7,601,765	6,289,268
Other current liabilities	10	26,049,281	17,882,964
Short-term provisions	8	2,522,015	1,656,156
		173,371,781	25,828,388
TOTAL		**113,163,977**	**48,983,625**
Assets			
Non-current assets			
Fixed assets			
Tangible assets	11	34,929,812	20,707,173
Intangible assets	11	1,723,048	-
Long-term loans and advances	12	11,108,125	3,463,441
		47,760,985	24,170,614
Current assets			
Trade receivables	13	29,983,101	17,820,792
Cash and bank balances	14	21,544,224	6,327,864
Short-term loans and advances	12	13,875,667	664,355
		65,402,992	24,813,011
TOTAL		**113,163,977**	**48,983,625**
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants

For and on behalf of the Board of Directors of
I Media Corp Limited

per Amit Majmudar
Partner
Membership No. 36656

Director

Director

Mumbai
May 16, 2013

Bhopal
May 16, 2013

I Media Corp Limited

Statement of profit and loss for the year ended March 31, 2013

(Amount in Indian rupees, except share data)

	Notes	March 31, 2013 ₹	March 31, 2012 ₹
Income			
Revenue from operations	15	119,583,551	60,211,533
Other income	16	2,497,553	9,777,921
(I)		122,081,104	69,989,454
Expenditure			
Employee benefit expenses	17	87,310,191	64,575,183
Other expenses	18	119,548,758	66,778,596
(II)		206,858,949	131,353,779
Earning before interest, tax, depreciation and amortisation (EBITDA) (I-II)		(84,777,845)	(61,364,325)
Finance costs	19	6,827,800	-
Depreciation / amortisation	11	4,395,860	4,179,934
TOTAL		11,223,660	4,179,934
Loss before tax		**(96,001,505)**	**(65,544,259)**
Provision for taxation			
Deferred tax		(59,758)	-
Total tax expenses		**(59,758)**	**-**
Loss for the year		**(95,941,747)**	**(65,544,259)**
Earning per equity share [nominal value of share ₹ 10 (March 31, 2012: ₹ 10)]	23		
Basic and Diluted		(85.44)	(62.42)
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants

per Amit Majmudar
Partner
Membership No. 36656

Mumbai
May 16, 2013

For and on behalf of the Board of Directors of
I Media Corp Limited

Director

Director

Bhopal
May 16, 2013

I Media Corp Limited

Cash flow statement for the year ended March 31, 2013

(Amount in Indian rupees, except share data)

		March 31, 2013 ₹	March 31, 2012 ₹
A. Cash flow from operating activities			
Loss before tax :		(96,001,505)	(65,544,259)
Depreciation / amortization		4,395,860	4,179,934
Fixed assets written off		-	475,672
Interest expenses		6,827,800	-
Excess provision for doubtful trade receivables written back		(2,068,458)	-
Bad debts written off		1,201,453	-
Excess Liabilities / provision written back		(379,507)	(7,215,172)
Interest income		(1,383)	(2,468,860)
Provision for doubtful trade receivables		1,316,859	800,000
Operating loss before working capital changes		**(84,708,881)**	**(69,772,685)**
Movements in working capital			
(Increase) in trade receivables		(7,125,657)	(8,467,158)
Increase/ (decrease) in loans and advances		(13,908,126)	3,014,875
(Decrease)/ increase in current liabilities and provisions		(4,017,844)	13,767,396
Cash generated from operations		**(109,760,508)**	**(61,457,572)**
Direct taxes paid		(1,081,046)	-
Net cash from operating activities	**(A)**	**(110,841,554)**	**(61,457,572)**
B. Cash flow from investing activities			
Purchases of fixed assets		(13,264,611)	51,140
Sale of fixed assets		4,506,913	-
Interest received		-	2,468,860
Bank deposits having maturity of more than 3 months (net)		-	61,996,501
Net cash (used in) investing activities	**(B)**	**(8,757,698)**	**64,516,501**
C. Net cash from financing activities			
Unsecured loan taken from holding company		137,198,720	-
Interest paid		(6,827,800)	-
Net cash from financing activities	**(C)**	**130,370,920**	
Net increase in cash and cash equivalents	**(A+B+C)**	**10,771,668**	**3,058,929**
Cash and cash equivalents at the beginning of the year		6,289,269	3,230,340
Add- Cash and cash equivalents takenover in scheme of arrangement with SMEL (Refer note 2)		4,443,309	-
Cash and cash equivalents at the end of the year		21,504,246	6,289,269
		10,771,668	**3,058,929**

For details of components of cash and cash equivalents refer note 14.

As per our Report of even date

For S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants

For and on behalf of the Board of Directors of
I Media Corp Limited

per Amit Majmudar
Partner
Membership No. 36656

Director **Director**

Mumbai
May 16, 2013

Bhopal
May 16, 2013

(Amount in Indian rupees, except share data)

1. Corporate Information

I Media Corp Limited (the 'Company') is a company registered under the Companies Act, 1956 (the 'Act') with effect from June 01, 2006.

The Company is engaged in providing integrated internet and mobile interactive services. The Company has in its gamut the websites of Dainik Bhaskar, Divya Bhaskar and Divya Marathi newspapers in e-paper category and dainikbhaskar.com , divyabhaskar.com, dailybhaskar.com and divyamarathi.com which is an internet platform providing real time news relating to sports, entertainment, lifestyle, religion, weather, business, gadgets value added content etc. to the consumers and businesses in different languages – Hindi, Gujarat, English and Marathi. It also has under its umbrella the wireless business vertical deals with Short Messaging Services (SMS) and Multimedia Messaging Services (MMS) through mobile short code '54567' for sending messages including multimedia objects (images, audio, video, rich text) across India. The Company is also engaged in the business of organizing events.

2. Scheme of arrangement:

Merger of Synergy Media Entertainment Limited (SMEL) with the Company (IMCL):

During the year, with an objective of consolidation of event management business in one single entity, the management of Company and Synergy Media Entertainment Limited ('SMEL') i.e. fellow subsidiary of the Company which was engaged in the business of organizing events decided to amalgamate SMEL with the Company. As per the scheme of amalgamation (the 'scheme') SMEL would merge in to the Company with effect from April 01, 2012. The Board of directors of the Company as well as SMEL approved the scheme on December 21, 2012.

Subsequently, the scheme was filed with the Honorable High Court of Madhya Pradesh (the 'High Court'). The Scheme was approved by the High Court vide its order dated April 30, 2013. The certified copy of the order was received by the management on May 03, 2013 and was filed with the Registrar of Companies on May 08, 2013. Accordingly, the scheme became effective from May 08, 2013 and operative from the appointed date i.e. April 01, 2012.

According to the scheme, the entire business of SMEL was merged with the Company. The purchase consideration was discharged by issue of 72,914 fully paid equity shares of ₹10 each of the Company valued at ₹ 753.35 per share to the only shareholder of SMEL i.e. D. B. Corp Limited.

All the conditions prescribed in Accounting Standard 14 – Accounting for Amalgamations for the Amalgamation in the nature of merger were complied with and accordingly, the pooling of interest method was applied for accounting of the amalgamation in the books of the Company.

Following are the details of assets, liabilities and reserves of SMEL merged with the Company and the details of shares issued :

Particulars	₹
Assets taken over	
Fixed Assets	849,662
Current assets	15,796,639
Liabilities taken over	
Current Liabilities and Provisions	4,922,993
Deferred Tax Liabilities	59,758
Reserves taken over	
Securities Premium	373,800
Profit and Loss Account	8,882,250
Equity Shares issued	
Equity Share Capital (72,914 X ₹10 per share – face value)	729,140
Securities Premium	54,200,622
Excess of Liabilities and reserves over assets taken over – debited to Profit and loss account in the Balance sheet	**52,522,262**

Subsequent to the merger, in accordance with the accounting treatment prescribed in the scheme, the balance in Securities premium account after accounting for the merger was adjusted against the accumulated debit balance of profit and loss in the books of the Company.

Since the shares referred above were not issued as at March 31, 2013, the face value of above mentioned shares i.e. ₹ 729, 140 are disclosed as shares suspense as at March 31, 2013

3. Summary of significant accounting policies

(a) Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Act. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

(b) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(c) Tangible fixed assets

Fixed assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

(d) Depreciation

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule XIV to the Act, whichever is higher. The Company has used the following rates to provide depreciation on its fixed assets.

Assets Category	Rates (SLM)
Computers	16.21%
Furniture and fixtures	6.33%
Office Equipments	4.75%

Fixed assets individually costing up to ₹ 5,000 are fully depreciated in the year of acquisition. Depreciation on assets acquired or disposed off during the year is provided on a pro-rata basis from/up to the month of acquisition/disposal.

Leasehold Improvement is amortized over the shorter of estimated useful life of the asset or the lease term.

(e) Intangible assets

Computer software

Computer Software, being the cost of VMware Server Software License, is amortized on a straight-line basis over a period of five years.

(f) Impairment of tangible and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations if any, including impairment on inventories, are recognised in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

(g) **Leases**

Where Company is the lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

(h) **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

(I) **Sale of advertisement**

Revenue is recognised as and when advertisement is published /displayed and confirmed by the customer and is disclosed net of trade discounts.

(II) **Sale of services**

Revenue is recognised as and when the related services are rendered as per the terms of the agreement and are disclosed net of trade discount. Sales are accounted exclusive of service tax.

(III) **Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

(IV) **Event**

Revenue is recognized once the related event is completed.

(i) **Foreign currency transaction**

(I) **Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(II) **Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

(III) **Exchange differences**

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

(j) **Retirement and other employee benefits**

(I) Provident fund is a defined contribution scheme and the Company has no further obligation beyond the contributions made to the fund. Contributions are charged to statement of profit and loss in the year in which they accrue.

(II) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation done as per projected unit credit method, carried out by an independent actuary at the end of the year. Actuarial gains/losses are recognised full in the period in which they occur in the statement of profit and loss.

(III) Short term compensated absences are provided for based on estimates. Long term compensated absences are provided based on actuarial valuation carried out by an independent actuary at the end of the year. The actuarial valuation is done as per projected unit credit method.

(k) **Income taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date, unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably or virtually certain, as the case may be, that sufficient future taxable income will be available.

(l) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares), that have changed the number of equity shares without a corresponding changes in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(m) Segment information

(I) Identification of segments

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. There are no geographical reportable segments since the Company caters to the Indian market only and does not distinguish any reportable regions within India.

(II) Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

(III) Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

(n) Provisions

A provision is recognised when the Company has a present obligation resulting from past events and it is probable that an outflow of resources will be required to settle the obligation for which a reliable estimate can be made. Provisions are not discounted to its present value and are based on management's best estimate of the amount required to settle the obligation at the reporting date. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimates.

(o) Cash and cash equivalent

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(p) Amalgamation accounting

The Company accounts for amalgamations in the nature of merger using the pooling of interest method. The application of this method requires the company to recognise any non-cash element of the consideration at fair value. The Company recognises assets, liabilities and reserves, whether capital or revenue, of the transferor Company at their existing carrying amounts and in the same form as at the date of the amalgamation. The balance in the statement of profit and loss of the transferor company is transferred to statement of profit and loss of the Company. The difference between the amount recorded as share capital issued, plus any additional consideration in the form of cash or other assets, and the amount of share capital of the transferor company is adjusted in balance in statement of profit and loss.

(q) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Act, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/(loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

(Amount in Indian rupees, except share data)

4 **Share Capital**

	March 31, 2013 ₹	March 31, 2012 ₹
Authorised share capital		
5,000,000 (March 31, 2012: 5,000,000) equity shares of ₹ 10 each	50,000,000	50,000,000
	50,000,000	**50,000,000**
Issued, subscribed and paid-up capital		
1,050,000 (March 31, 2012: 1,050,000) equity shares of ₹ 10 each fully paid up Out of the above 1,050,000 (March 31, 2012: 577,500) shares are held by D.B. Corp Limited, the Holding Company and its nominees.	10,500,000	10,500,000
	10,500,000	**10,500,000**

a **Reconciliation of number of share outstanding at the beginning and at the end of the year**

Equity shares

	March 31, 2013		March 31, 2012	
	Number	₹	Number	₹
At the beginning of the year	1,050,000	10,500,000	1,050,000	10,500,000
Outstanding at the end of the year	**1,050,000**	**10,500,000**	**1,050,000**	**10,500,000**

b **Terms/ right attached to each class of shares**

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

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

c **Shares held by holding/ultimate holding company and/or their subsidiaries/associates**

Out of equity shares issued by the Company, Shares held by holding Company are as below:

Name of shareholder	March 31, 2013 ₹	March 31, 2012 ₹
D.B. Corp Limited, the holding company and its nominees. 1,050,000 (March 31, 2012: 577,500) equity shares of ₹ 10 each fully paid up	10,500,000	5,775,000

d **Detail of Shareholder Holding more then 5% shares of the Company**

Name of Shareholder	March 31, 2013		March 31, 2012	
	Number of Shares Held	% of Holding	Number of Shares Held	% of Holding
D.B. Corp Limited	1,050,000	100.00%	577,500	55.0%
Writers & Publishers Private Limited	-	-	422,500	40.2%

(Amount in Indian rupees, except share data)

5 Reserves and surplus

	March 31, 2013 ₹	March 31, 2012 ₹
Securities premium account		
Opening balance as per last financial statements	-	-
Add: Securities premium transferred pursuant to the scheme of amalgamation (refer note 2)	373,800	-
Add: Premium on issue of shares pursuant to the scheme of amalgamation (refer note 2)	54,200,622	-
Less: Adjusted against debit balance in the statement of profit and loss pursuant to the scheme of arrangement (refer note 2)	(54,574,422)	-
	-	-
Deficit in the statement of profit and loss		
Opening balance as per last financial statement	(337,975,081)	(272,430,822)
Less: Balance transferred pursuant to the scheme of amalgamation (refer note 2)	8,882,250	-
Add: net deficit adjusted pursuant to the scheme of amalgamation (refer note 2)	(52,522,262)	-
Less: Balance in securities premium account adjusted pursuant to the scheme of amalgamation (refer note 2)	54,574,422	-
Add:- Net loss for the current year	(95,941,747)	(65,544,259)
	(422,982,418)	(337,975,081)
Total	**(422,982,418)**	**(337,975,081)**

6 Long-term borrowings

	March 31, 2013 ₹	March 31, 2012 ₹
Unsecured		
0% Compulsorily Convertible Debentures		
350,000 (March 31, 2012: 350,000) 0% Compulsorily Convertible Debentures of ₹ 1,000 each	350,000,000	350,000,000
Total	**350,000,000**	**350,000,000**

Terms of debentures

350,000 0% Compulsorily Convertible Debentures of ₹ 1,000 (at par) each convertible at any time after the expiry of 3 years from the date of allotment but before the expiry of 5 years from the date of allotment i.e. February 06, 2011.

The equity shares on conversion of the debentures will be issued at a price calculated after applying an appropriate rate of discount to the fair value determined at the time of conversion

7 Deferred tax liabilities (net)

	March 31, 2013 ₹	March 31, 2012 ₹
Deferred tax liability		
Depreciation	(1,589,884)	(1,025,377)
Gross deferred tax liability	**(1,589,884)**	**(1,025,377)**
Deferred tax assets		
Provision for doubtful debts	406,909	318,857
Provision for gratuity and leave encashment	1,182,975	706,520
Gross deferred tax assets	**1,589,884**	**1,025,377**
Total deferred tax liabilities (net)	**-**	**-**

(Amount in Indian rupees, except share data)

8 **Provisions**

	Long term		Short term	
	March 31, 2013 ₹	March 31, 2012 ₹	March 31, 2013 ₹	March 31, 2012 ₹
Provision for employee benefits				
Provision for gratuity	1,545,474	630,318	10,475	2,279
Provision for leave encashment	-	-	2,511,540	1,653,877
Total	**1,545,474**	**630,318**	**2,522,015**	**1,656,156**

9 **Short term borrowings**

	March 31, 2013 ₹	March 31, 2012 ₹
Unsecured		
Borrowings form holding Company (refer note 29)	137,198,720	-
Total	**137,198,720**	**-**

10 **Other current liabilities**

	March 31, 2013 ₹	March 31, 2012 ₹
Trade payables (refer note 27)	7,601,765	6,289,268
Total (a)	**7,601,765**	**6,289,268**
Creditors for capital goods	10,734,188	-
Advances from Customers	816,725	-
Accrued expenses	12,133,617	15,948,624
Statutory liabilities	2,364,751	1,934,340
Total (b)	**26,049,281**	**17,882,964**
Total (a+b)	**33,651,046**	**24,172,232**

I Media Corp Limited

Notes to financial statements as at and for the year ended March 31, 2013

(Amount in Indian rupees, except share data)

Note 11

Fixed assets

Assets	Gross block					Depreciation					Net block	
	As at April 1, 2012 ₹	Transfer in accordance with Scheme (Refer Note 2) ₹	Additions ₹	Deletions/ Adjustments ₹	As at March 31, 2013 ₹	As at April 1, 2012 ₹	Transfer in accordance with Scheme (Refer Note 2) ₹	For the Year ₹	Deletions/ Adjustments ₹	As at March 31, 2013 ₹	As at March 31, 2013 ₹	As at March 31, 2012 ₹
Tangible assets												
Leasehold improvements	2,566,018	-	-	-	2,566,018	2,566,018	-	-	-	2,566,018	-	-
Computers	14,578,906	-	21,810,756	-	36,389,662	10,193,079	-	3,334,865	-	13,527,944	22,861,718	4,385,827
Furniture and fixtures	14,606,674	-	-	6,842,835	7,763,839	4,666,107	-	486,709	2,448,093	2,704,723	5,059,116	9,940,567
Office equipments	7,835,088	-	392,219	144,800	8,082,507	1,454,310	-	367,971	32,629	1,789,652	6,292,855	6,380,778
Vehicles	-	1,405,666	-	-	1,405,666	-	556,004	133,539	-	689,543	716,123	-
Total Tangible assets	**39,586,686**	**1,405,666**	**22,202,975**	**6,987,635**	**56,207,692**	**18,879,514**	**556,004**	**4,323,084**	**2,480,722**	**21,277,880**	**34,929,812**	**20,707,173**
Intangible assets												
Computers software	-	-	1,795,824	-	1,795,824	-	-	72,776	-	72,776	1,723,048	-
Total Intangible assets	**-**	**-**	**1,795,824**	**-**	**1,795,824**	**-**	**-**	**72,776**	**-**	**72,776**	**1,723,048**	**-**
Total	**39,586,686**	**1,405,666**	**23,998,799**	**6,987,635**	**58,003,516**	**18,879,514**	**556,004**	**4,395,860**	**2,480,722**	**21,350,656**	**36,652,860**	**20,707,173**
Previous year	**41,310,377**	**-**	**658,724**	**2,382,415**	**39,586,686**	**15,896,458**	**-**	**4,179,934**	**1,196,878**	**18,879,514**	**20,707,173**	

(Amount in Indian rupees, except share data)

12 Loans and advances

		Non-Current		Current	
		March 31, 2013 ₹	March 31, 2012 ₹	March 31, 2013 ₹	March 31, 2012 ₹
a	**Security deposits**				
	Unsecured, considered good				
	Security deposit against lease of properties	1,531,662	1,531,662	-	-
	Deposit with others	-	-	63,140	63,140
	Total (a)	**1,531,662**	**1,531,662**	**63,140**	**63,140**
b	**Other loans and advances**				
	Unsecured, considered good				
	Loans and advances to employees	-	-	2,731,360	447,253
	Prepaid expenses	-	-	59,965	153,962
	Direct taxes paid	1,913,482	832,435	-	-
	(Net of provision for tax ₹ 4,577,901/-,March 31,2012: ₹ Nil)				
	Service tax input receivable	7,662,981	1,099,344	-	-
	Advances recoverable in cash or kind or for value to be received	-	-	11,021,202	
	Total (b)	**9,576,463**	**1,931,779**	**13,812,527**	**601,215**
	Total (a+b)	**11,108,125**	**3,463,441**	**13,875,667**	**664,355**

13 Trade receivables (refer note 26)
(Unsecured considered good unless stated otherwise)

	March 31, 2013 ₹	March 31, 2012 ₹
Trade receivable outstanding for a period less than six months from the date they are due for payment		
Considered good	27,512,736	15,918,484
Trade receivable outstanding for a period exceeding six months from the date they are due for payment		
Considered good	2,470,365	1,902,308
Considered doubtful	1,316,859	2,068,458
	3,787,224	**3,970,766**
Less: Provision for doubtful trade receivables	1,316,859	2,068,458
	2,470,365	**1,902,308**
Total	**29,983,101**	**17,820,792**

14 Cash and bank balances

	Current	
	March 31, 2013 ₹	March 31, 2012 ₹
Cash and cash equivalents		
Balances with banks:		
Current account	21,483,482	6,275,531
Cash on hand	20,764	13,738
	21,504,246	**6,289,269**
Other bank balances		
Deposits with original maturity for more than 3 months but less than 12 months	39,978	38,595
	39,978	**38,595**
Total	**21,544,224**	**6,327,864**

I Media Corp Limited
Notes to financial statements as at and for the year ended March 31, 2013
(Amount in Indian rupees, except share data)

			March 31, 2013 ₹	March 31, 2012 ₹
15	**Revenue from operations**			
	Sale of services:-			
	Advertisement revenue (refer note 24)		103,271,404	57,101,326
	Income from event management		14,482,008	-
	Portal revenue		1,815,420	2,014,124
	SMS revenue		14,719	1,096,083
	Total		**119,583,551**	**60,211,533**
16	**Other income**			
	Excess Liabilities / provision written back		379,507	7,215,172
	Excess provision for doubtful trade receivables written back		2,068,458	-
	Interest on fixed deposits		1,383	2,468,860
	Miscellaneous income		48,205	93,889
	Total		**2,497,553**	**9,777,921**
17	**Employee benefit expenses**			
	Salaries, wages and bonus		80,175,371	59,842,035
	Contribution to provident and other funds (refer note 22)		3,700,952	3,127,317
	Workmen and staff welfare expenses		2,510,516	1,605,831
	Gratuity Expenses (refer note 22)		923,352	-
	Total		**87,310,191**	**64,575,183**
18	**Other expenses**			
	Data management charges		38,728,909	24,397,065
	Sales and marketing expenses		38,376,736	18,288,415
	Subcontractors charges		10,155,151	5,669,526
	Event expenses		8,134,221	-
	Traveling and conveyance		7,154,573	4,224,144
	Legal and professional fees		4,897,888	5,311,476
	Rent (refer note 21)		2,083,369	1,467,695
	Repairs and maintenance			
	Office equipments		387,098	147,321
	Others		1,134,420	497,542
	Sundry office expenses		1,108,071	749,172
	Provision for doubtful trade receivables		1,316,859	800,000
	Gas, water and electricity		1,265,167	791,304
	Bad debts written off	1,201,453		
	Less: Already provided for	-	1,201,453	-
	Communication expenses		729,385	600,024
	Recruitment charges		564,693	1,337,163
	Exchange difference (net)		550,415	35,881
	Commission expenses		540,020	573,576
	Security charges		318,219	250,834
	Printing and stationery		239,754	296,731
	Payment to Auditors			
	As Auditor:			
	Audit fees		150,000	100,000
	Postage and courier		130,359	115,847
	Insurance charges		21,000	-
	Bank charges		41,254	3,088
	Fixed assets written off		-	475,672
	SMS direct expenses		-	406,830
	Miscellaneous expenses		319,744	239,290
	Total		**119,548,758**	**66,778,596**
19	**Finance costs**			
	Interest on loan from holding company		6,827,800	-
	Total		**6,827,800**	**-**

(Amount in Indian rupees, except share data)

20. (a) Related party disclosure

Disclosure as required by notified Accounting Standard 18 (AS-18) 'Related Party Disclosures' notified by the Companies (Accounting Standards) Rules, 2006, (as amended) are given below:

Particulars	Name of Related Party
1) Related parties where control exists	
Holding Company	D. B. Corp Limited
2) Related parties with whom transactions have taken place during the year	
Fellow Subsidiary	Synergy Media Entertainment Limited (up to March 31, 2012)
Key Management Personnel	Mr. Pawan Agarwal (Director)
Enterprises owned or significantly influenced by key management personnel	- Diligent Media Corporation Limited (up to October 09, 2012) - D B Malls Private Limited - Writers and Publishers Private Limited

20. (b) Details of transactions with related parties:

	Transactions for the Year ended		Amount receivable / (payable) As at	
	March 31,2013 ₹	March 31,2012 ₹	March 31,2013 ₹	March 31,2012 ₹
Advertisement income				
D. B. Corp Limited	4,363,048	3,543,788	1,438,417	-
Diligent Media Corporation Limited	-	1,471,364	-	-
Advertisement and publicity expenses				
D. B. Corp Limited	31,764,222	13,520,471	(2,633,230)	(2,377,423)
DB Malls Private Limited	173,760	-	(8,820)	-
Sale of fixed assets				
Diligent Media Corporation Limited	4,506,913	-	-	-
Interest paid to holding company				
D. B. Corp Limited	6,827,800	-	-	-
Loan taken holding company				
D. B. Corp Limited	137,198,720	-	(137,198,720)	-
Balance outstanding at the year end				
D. B. Corp Limited - 0% Compulsorily Convertible Debentures			(350,000,000)	(350,000,000)
D. B. Corp Limited			10,088,634	(1,352,159)
Diligent Media Corporation Limited			-	921,311
Writers & Publishers Private Limited			(6,000)	-

(Amount in Indian rupees, except share data)

21. Operating lease

a) The Company has taken certain office premises under operating lease agreements. These agreements are generally renewable by mutual consent. Some of the lease agreements have a price escalation clause. There are no restrictions imposed in these lease agreements.

b) Lease payments recognised for the year ended March 31, 2013 aggregated to ₹ 2,083,369 (March 31, 2012 : ₹ 1,467,695).

c) There are no non-cancelable leases.

22. Employee benefits

Defined contribution plan

During the year ended March 31, 2013 and March 31, 2012; the Company contributed the following amounts to defined contribution plans:

Particulars	March 31, 2013 ₹	March 31, 2012 ₹
Provident Fund	3,424,421	2,872,599
Employees State Insurance Corporation	276,531	254,718
Total	**3,700,952**	**3,127,317**

Defined benefit plan

A- Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The following table's summaries the components of net benefit expense recognised in respect of gratuity in the statement of profit and loss and the amounts recognised in the balance sheet for the respective plan.

The amounts recognised in the statement of profit and loss for the year ended March 31, 2013 are as follows:

Particulars	March 31,2013 ₹	March 31,2012 ₹
Current service cost	327,129	620,450
Interest cost	53,771	59,981
Recognised net actuarial (gain) loss	542,452	(740,268)
Total included in 'employee benefit expense'	923,352	(59,836)

The amounts recognised in the balance sheet are as follows:

Particulars	March 31,2013 ₹	March 31,2012 ₹
Present value of defined benefit obligations	1,555,949	632,597

Details of Experience Adjustments on plan assets and plan liabilities:

Particulars	March 31, 2013	March 31, 2012
Gratuity	₹	₹
Experience adjustments on plan liabilities (Gain)/Loss	505,932	(664,356)

Changes in present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	March 31, 2013 ₹	March 31, 2012 ₹
Defined benefit obligation at beginning of the year	632,597	727,048
Current service cost	327,129	620,450
Interest cost	53,771	59,981
Benefits paid	-	(34,615)
Actuarial (gain) loss	542,452	(740,268)
Defined benefit obligation at end of the year	1,555,949	632,597

The principal assumptions used in determining gratuity benefit obligations for the Company's plans are shown below:

Particulars	March 31, 2013	March 31, 2012
Discount rate	8.00%	8.50%
Withdrawal Rate	For 0-5 Year 24.00%,p.a 6 year Above 2.00% p.a.	For 0-5 Year 22.00%,p.a, 6 year Above 2.00% p.a.
Future Salary Rise	8.00%	6.00%

B- Leave encashment

In accordance with leave policy, the Company has provided for sick leave and privileged leave entitlement on the basis of an actuarial valuation carried out at the end of the year.

(Amount in Indian rupees, except share data)

23. Earnings per share

Particulars	March 31, 2013 ₹	March 31, 2012 ₹
Net loss after tax for equity shareholders	(95,941,747)	(65,544,259)
Weighted average number of equity shares outstanding during the year for the purpose of computation of Basic and diluted earnings per share	1,122,914	1,050,000
Basic and diluted earnings per share (₹)	(85.44)	(62.42)
Face Value Per Share (₹)	10	10

24. Earnings in foreign currency (on accrual basis)

Particulars	March 31, 2013 ₹	March 31, 2012 ₹
Advertisement income	67,071,745	38,644,846

25. Expenditure in foreign currency (on accrual basis)

Particulars	March 31, 2013 ₹	March 31, 2012 ₹
Professional Fee	-	702,282
Service provider charges	741,591	-
Marketing expenses	108,570	-

26. Un hedged foreign currency exposure

Particulars of un hedged foreign currency exposure as at the balance sheet date:

Particulars	Currency	March 31, 2013		March 31, 2012	
		Amount in foreign currency	₹	Amount in foreign currency	₹
Trade Receivable	USD	216,151	11,732,756	142,237	7,236,328
Trade Receivable	GBP	10,494	870,666	-	-

27. Dues to micro and small enterprises

As informed, the Company does not have any dues outstanding to the Micro and Small Enterprises as defined in Micro, Small and Medium Enterprise Development Act, 2006. The identification of Micro, Small and Medium Enterprises is based on information available with the management regarding the status of these parties which is being relied upon by the auditors.

28. Segment Information

a) The Primary segment reporting format is determined to be business segment as the Company's risks and rates of return are affected predominantly by differences in the services rendered.

Note 28 (b)
Segment information as at and for the year ended March 31, 2013

Particular	Interest		Event	Total	
	March 31, 2013 ₹	March 31, 2012 ₹	March 31, 2013 ₹	March 31, 2013 ₹	March 31, 2012 ₹
Revenue					
External revenue	105,101,543	60,211,533	14,482,008	119,583,551	60,211,533
Inter segmental revenue	-	-	-	-	-
Total	**105,101,543**	**60,211,533**	**14,482,008**	**119,583,551**	**60,211,533**
Segment results	**(88,418,310)**	**(65,544,259)**	**(755,395)**	**(89,173,705)**	**(65,544,259)**
Operating profit				**(89,173,705)**	**(65,544,259)**
Add : Finance costs				(6,827,800)	-
Less : Tax (expenses)/ Credit				59,758	-
Loss for the year				**(95,941,747)**	**(65,544,259)**
Other information					
Depreciation	4,262,321	4,179,934	133,539	4,395,860	4,179,934
Non - cash expenses other than depreciation	2,395,604	1,275,672	122,708	2,518,312	1,275,672
Particulars					
Segment assets	92,739,079	48,151,190	18,511,416	111,250,495	48,151,190
Unallocated corporate assets				1,913,482	832,435
Segmental liabilities	25,888,781	24,172,232	7,762,265	33,651,046	24,172,232
Unallocated corporate liabilities				491,266,209	352,286,474
Capital expenditure	23,998,799	658,724	-	23,998,799	658,724

29. The Company has incurred losses during the year and the accumulated losses of the Company at the close of the year exceed its paid up capital. The Company is in the initial years of its operations. Further, the parent company has provided assurances that it intends to provide adequate financial support to the Company to enable it to continue its operations for the year ending March 31, 2014. With the internet market in India booming and internet penetration increasing every year, the management expects continuous growth in the business and profitability in the future years. The Company is therefore being viewed as a going concern and accounts have been prepared under the going concern assumption.

Further in the meeting of Board of directors of D. B. Corp Limited and the Company held on May 16, 2013, the board of D.B. Corp Limited and the Company approved the proposed scheme of demerger of Internet and Mobile Interactive Service Business of the Company and transfer of the same to the D.B. Corp Limited. According to the proposed scheme of demerger, the Internet and Mobile Interactive Service Business of the Company would be demerged and transfer to D.B. Corp Limited with effect from April 01, 2013. The management is in the process of completion of statutory formalities and filing the scheme with the respective high courts for their approval

For S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants

per Amit Majmudar
Partner
Membership No. 36656

Mumbai
May 16, 2013

For and on behalf of the Board of Directors of
I Media Corp Limited

Director

Director

Bhopal
May 16, 2013

Divya Prabhat Publications Private Limited

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 7th Annual Report together with the Balance Sheet and Profit and Loss for the year ended 31st March, 2013.

Financial Highlights:

The financial results of the Company for the year ended 31st March, 2013 are as under :

Particulars	2012-13	2011-12 (in ₹)
Income	**5,21,38,143**	5,36,85,907
Expenditure	**5,11,06,748**	5,15,71,782
Profit/(Loss) for the year before tax	**10,31,395**	21,14,125
Less: Provision for deferred tax	**1,25,962**	(28,787)
Provision for Tax	**4,00,000**	12,00,000
Profit /(Loss) After tax	**5,05,433**	9,42,912
Less: Income Tax Adjusted from earlier years	**(16,457)**	10,812
Add: Balance Bought forward from previous year	**10,66,777**	1,34,677
Profit available for Appropriation	**15,88,667**	10,66,777
Less: Transfer to General Reserve	**-**	-
Balance carried forward to Balance sheet	**15,88,667**	10,66,777

Review of Performance :

During the year, company was actively engaged in its operations and despite tough economic condition and market scenario, the company continued to perform well and has achieved a turnover of ₹ 521 lacs in financial year 2012-13 as compared to ₹ 537 lacs in previous financial year.

Future Prospects:

During the year under review, the company has been driving circulation scheme in the market which resulted into growth of 3,000 copies (approx) per day starting from February, 2013. This will be a continuing activity and we expect to achieve further growth of 7,000 copies during the year. The higher circulation will enable us in increasing our advertisement revenue.

After becoming subsidiary of D. B. Corp Ltd., company has been taking continued patronage and guidance from holding company to achieve higher growth in future.

Dividend:

In view of inadequate profits for the year under review, your Directors do not recommend any dividend for the year ended 31st March, 2013.

Directors:

Pursuant to the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Prabhat Sajotia, Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment as the Director of the Company. He has confirmed that he is not disqualified from being appointed as Director pursuant to Section 274(1)(g) of the Companies Act, 1956.

Directors' Responsibility Statement:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

1. that in the preparation of the annual accounts for the year ended 31st March, 2013, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, had been followed along with proper explanation relating to material departures;
2. that the directors had 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 as at 31st March, 2013 and of the profit of the company for the year ended as on that date;
3. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. that the directors had prepared the annual accounts for the financial year ended 31st March, 2013, on a "going concern" basis.

Particulars of Employees:

During the year under review, none of the employees of the company are covered under the provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended from time to time.

Auditors:

M/s Gupta Navin K. & Co., Chartered Accountants, Gwalior, the Statutory Auditors of the Company, will retire at the conclusion of the ensuing Annual General Meeting of the Company and being eligible, they offer themselves to hold office as Statutory Auditors from the conclusion of the ensuing Annual General Meeting until the next Annual General Meeting of the Company.

Public Deposits:

The Company has not invited and / or accepted any deposits, within the meaning of Section 58A of the Companies Act, 1956, read with the Companies (Acceptance of Deposits) Rules, 1975, as amended from time to time.

Particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The Company has taken adequate measures relating to conservation of energy and technology absorption wherever possible.

Further during the year under review, the Company has neither earned nor used any foreign exchange.

Acknowledgement:

Your Directors wish to express their grateful appreciation for the valuable co-operation and support received from the Company's bankers, business associates, customers and suppliers during the year under review and look forward to the same continuing in coming years.

The Directors also wish to place on record their appreciation of the efforts and invaluable contributions made by the employees and executives of the Company at all levels

For and on behalf of the Board of Directors of
Divya Prabhat Publications Private Limited

Place: Bhopal
Date: May 15, 2013

Director **Director**

DIVYA PRABHAT PUBLICATIONS PRIVATE LIMITED

Independent Auditor's Report

To
The Members of
Divya Prabhat Publications Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **DIVYA PRABHAT PUBLICATIONS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March , 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's 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.

Auditors' 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 the 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 the 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 the 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 the 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:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;

(b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and

(c) in the case of the Cash Flow Statement, of the cash flows of the Company 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") 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 purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, Statement of Profit and Loss, and the 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 the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.

(e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Gupta Navin K. & Co.,
Firm Registration No.:006263C
Chartered Accountants

Navin K.Gupta
Partner
Membership No.: 075030
Bhopal : Dated : May 15, 2013

Annexure to Indpendent Auditor's Report of even date

[Referred to in paragraph 1 under the heading of "Report on other Legal and Regulatory Requirments"]
Re: Divya Prabhat Publications Private Limited ('the Company')

(1) In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

(b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

(c) In our opinion, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.

(2) In respect of its inventories:

(a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.

(b) In our opinion and according to the information and explanations given 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) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.

(3) In respect of loans:

(a) The Company has not granted Secured / Unsecured loans to Companies, firms or other parties covered with Register mentioned under section 301 of the Companies Act 1956.

(b) Not applicable, as the Company has not given any loan.

(c) Not applicable, as the Company has not given any loan.

(d) Not applicable, as the Company has not given any loan.

(e) The Company has taken loan from Companies covered in the register maintained under section 301 of the Companies Act 1956. The maximum amount involved during the year was ear

Rs.25.73 Lacs and the year end balance of the loans taken from such parties was Rs.Nil.

(f) In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other terms and conditions for such loans are not prima facie prejudicial to the interest of the company.

(g) In respect of loans taken by the Company, the interest and principal amount is repayable on demand and as informed to us, that no notices have been received from the parties concerned about its repayment the question of irregularity of repayment of loan/ interest does not arise.

(4) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for the purchase of inventory, fixed assets and also for sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.

(5) In respect of transactions covered under Section 301 of the Companies Act, 1956:

(a) In our opinion and according to the information and explanations given to us, the transaction made in pursuance of contracts or arrangements, that needed to be entered into in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.

(b) In respect of transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lacs entered into during the financial year, because of the unique and specialized nature of the items involved and absence of any comparable prices, we are unable to comment whether the transactions were made at prevailing market prices at the relevant time.

(6) The Company has not accepted any deposits from the public.

(7) In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.

(8) It is informed to us that company is not covered under Companies (Cost accounting records) Rules, 2011 prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.

(9) In respect of statutory dues:

(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanation given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.

(10) The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in immediately preceding financial year.

(11) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks.

(12) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(13) In our opinion, the Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.

Annexure to Indpendent Auditor's Report of even date

[Referred to in paragraph 1 under the heading of "Report on other Legal and Regulatory Requirments"]

Re: Divya Prabhat Publications Private Limited ('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 (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(15) The Company has not given any guarantees for loan taken by others from Banks or financial institutions and prima facie prejudicial to the interest of the Company.

(16) The Company has not raised any term loan during the year.

(17) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not utilised short-term resources towards repayment of long term borrowings and vice versa.

(18) During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.

(19) The Company has not issued any debenture during the year.

(20) The Company has not raised any money through public issue.

(21) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For Gupta Navin K. & Co.,
Firm Registration No.:006263C
Chartered Accountants

Navin K.Gupta
Partner
Membership No.: 075030
Bhopal : Dated : May 15, 2013

DIVYA PRABHAT PUBLICATIONS PRIVATE LIMITED

Balance Sheet as at March 31, 2013

	Note No.	March 31, 2013 ₹	March 31, 2012 ₹
EQUITY AND LIABILITIES			
(1) SHAREHOLDER'S FUNDS			
(a) Share capital	3	426,080	426,080
(b) Reserves and surplus	4	21,262,267	20,740,377
(2) NON- CURRENT LIABILITIES			
(a) Long-term borrowings	5	-	2,573,232
(b) Other long term liabilities	6	2,734,313	3,793,823
(c) Deferred tax liabilities (net)	7	137,444	11,482
(3) CURRENT LIABILITIES			
(a) Trade payables	8	1,029,341	1,591,451
(b) Other current liabilities	9	14,098,777	10,541,848
(c) Short-term provisions	10	651,576	1,049,866
TOTAL ₹		**40,339,798**	**40,728,159**
ASSETS			
(1) NON- CURRENT ASSETS			
(a) Fixed assets			
(i) Tangible assets	11	1,067,603	1,226,010
(ii) Intangible assets	11	10,377,049	13,377,049
(b) Long term loans and advances	12	12,840	11,835
(2) CURRENT ASSETS			
(a) Inventories	13	960,376	1,810,202
(b) Trade receivables	14	19,146,385	18,190,226
(c) Cash and cash equivalents	15	7,852,946	5,275,011
(d) Short term loans and advances	12	922,599	837,826
TOTAL ₹		**40,339,798**	**40,728,159**
Summary of significant accounting policy	2		

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For GUPTA NAVIN K. & Co.,
Firm Registration No.: 006263C
CHARTERED ACCOUNTANTS

For and on behalf of the board of directors of
Divya Prabhat Publications Private Limited

NAVIN K. GUPTA
Partner
Membership No.: 075030

Director **Director**

Bhopal, May 15, 2013

DIVYA PRABHAT PUBLICATIONS PRIVATE LIMITED
Statement of Profit and Loss for the year ended March 31, 2013

	Note No.	March 31, 2013 ₹	March 31, 2012 ₹
INCOME			
Revenue from operations	16	52,117,240	53,684,930
Other income	17	20,903	977
TOTAL REVENUE		**52,138,143**	**53,685,907**
EXPENSES			
Raw material consumed	18	19,510,352	22,332,003
Employees benefit expenses	19	13,505,864	12,659,716
Other expenses	20	14,633,595	14,833,901
TOTAL EXPENDITURE		**47,649,811**	**49,825,620**
Profit before finance cost, tax, depreciation and amortisation (EBITDA)		**4,488,332**	**3,860,287**
Finance costs	21	281,605	172,932
Depreciation and amortisation expense	11	3,175,332	1,573,230
Profit Before Tax		**1,031,395**	**2,114,125**
Tax expenses			
Current tax		400,000	1,200,000
Deferred tax charge		125,962	(28,787)
Income tax adjustment for earlier years		(16,457)	10,812
Total tax expenses		**509,505**	**1,182,025**
Profit for the year		**521,890**	**932,100**
Earning per equity share [nominal value of share ₹ 10 (Previous year : ₹ 10)]	22		
Basic		12.25	33.83
Weighted average no. of shares		42,608	27,551
Diluted		12.25	33.83
Weighted average no. of shares		42,608	27,551
Summary of significant accounting policy	2		

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For GUPTA NAVIN K. & Co.,
Firm Registration No.: 006263C
CHARTERED ACCOUNTANTS

For and on behalf of the board of directors of
Divya Prabhat Publications Private Limited

NAVIN K. GUPTA
Partner
Membership No.: 075030

Director

Director

Bhopal, May 15, 2013

Divya Prabhat Publications Private Limited

Cash flow Statement for the year ended March 31, 2013

			For the year ended March 31, 2013 ₹	For the year ended March 31, 2012 ₹
A.	**Cash flow from operating activities**			
	Profit before taxation		1,031,395	2,114,125
	Non-cash adjustment to reconcile profit before tax to ne cash flows			
	Interest expense/ (income) (net)		236,955	129,813
	Depreciation / amortization		3,175,332	1,573,230
	Miscellaneous expenditure		-	-
	Bad debts written off		474,757	1,255,879
	Operating profit before working capital changes		**4,918,439**	**5,073,047**
	Increase / Decrease in working capital			
	(Increase) in inventories		849,826	(366,663)
	(Increase) in trade receivable		(1,430,916)	(2,131,591)
	Decrease / (Increase) in long-term loans and advances		(1,005)	(977)
	Decrease / (Increase) in short-term loans and advances		(84,773)	(660,037)
	Increase / (Decrease) in trade payable		(562,110)	(7,345,845)
	Increase / (Decrease) in other current liabilities		3,556,929	2,130,773
	Increase / (Decrease) in short term provisions		75,903	448,869
	Cash generated from operations		**7,322,293**	**(2,852,424)**
	Direct taxes paid		(857,736)	(285,338)
	Net cash from operating activities	(A)	**6,464,557**	**(3,137,762)**
B	**Cash flow from investing activities**			
	Purchase of fixed assets		(16,925)	(15,373,706)
	Interest received		1,005	977
	NET CASH (USED IN) INVESTING ACTIVITIES	(B)	**(15,920)**	**(15,372,729)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Other Long term liabilities taken- unsecured		(1,059,510)	1,646,519
	Long term borrowings taken - unsecured		(2,573,232)	2,573,232
	Interest paid		(237,960)	(130,790)
	Proceeds from issuance of shares		-	14,999,680
	NET CASH (USED IN) FINANCING ACTIVITIES	(C)	**(3,870,702)**	**19,088,641**
	Net Increase in cash and cash equivalents	(A)+(B)+(C)	**2,577,935**	**578,150**
	Cash and Cash Equivalents at the beginning of the Year		5,275,011	4,696,861
	Cash and Cash Equivalents at the end of the Year		7,852,946	5,275,011
	Net Increase in Cash and Cash Equivalents		**2,577,935**	**578,150**
	For Details of Components of cash and cash equivalents - refer note - 15			
	Closing balance		7,852,946	5,275,011
	Less: fixed deposit with maturity period of more than three months			
	Net cash and cash equivalents at the end of the year (As per notified AS- 3)		**7,852,946**	**5,275,011**

As per our Report of even date

For GUPTA NAVIN K. & Co.,
Firm Registration No.: 006263C
CHARTERED ACCOUNTANTS

For and on behalf of the board of directors of
Divya Prabhat Publications Private Limited

NAVIN K. GUPTA
Partner
Membership No.: 075030

Director

Director

Bhopal, May 15, 2013

Divya Prabhat Publications Private Limited

Notes to financial statements as at and for the year ended March 31, 2013

1. Nature of operations

Divya Prabhat Publications Private Limited ["DPPPL"] ("the Company") is in the business of publishing newspapers. The brands in publishing business are 'Prabhat Kiran' (Hindi Evening Daily). The Company derives its revenue mainly from the sale of the publications and advertisements published in the publications.

2. Summary of significant accounting policies

a) Basis of preparation

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year, except for change in accounting policy explained below.

b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c) Fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

d) Intangibles

Goodwill

Goodwill is amortized on a straight-line basis over a period of five years.

f) Depreciation

Depreciation is provided using the Straight Line Method at the rates computed based on estimated useful life of the assets as estimated by the management, which are equal to the corresponding rates prescribed in Schedule XIV to the Companies Act, 1956.

Assets costing individually below Rs. 5,000 are fully depreciated in the year of acquisition.

g) Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss, if any is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

h) Inventories

Inventories are valued as follows:

Raw materials- News Prints and Stores and Spares	Lower of cost and net realizable value. However, material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.	

i) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Advertisements

Revenue is recognized as and when advertisement is published/displayed/ and is disclosed net of discounts & credit notes.

Sale of Newspaper, Waste Paper and Scrap

Revenue is recognized when the significant risks and rewards of ownership have passed on to the buyer and is disclosed net of sales return and discounts.

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

j) **Retirement and other employee benefits**

The company is having the provision for Gratuity of Rs. 524,772 as at March 31, 2013, the company has not taken the actuarial valuation of Gratuity as at March 31, 2013. However in view of the management of the company, this provision is sufficient to cover the gratuity liability.

Other retirement benefit will be accounted for as and when the same will be paid by the company.

k) **Income taxes**

Tax expense comprises current tax and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each Balance Sheet date, unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain or virtually certain, as the case may be, that future taxable income will be available against which such Deferred Tax Assets can be realized. The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised.

l) **Provision**

A provision is recognized when the company has a present obligation as a result of past event; 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 of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

m) **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares), if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

n) **Cash and cash equivalents**

Cash and Cash equivalents in the cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

(o) **Measurement of EBITDA**

As permitted by the Guidance note on the Revised Schedule VI to the Companies Act, 1956, the Company has elected to present earning before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBIDTA on the basis of profit/(loss) from continuing operation. In this measurement, the Company does not include depreciation and amortization expenses, finance cost and tax expenses.

		March 31, 2013 ₹	March 31, 2012 ₹
3.	SHARE CAPITAL		
a)	Authorised :		
	2,000,000 Equity shares of ₹ 10 each	20,000,000	20,000,000
b)	Issued, Subscribed & Paid up :		
	42,608 Equity shares of ₹ 10 each fully paid up	426,080	426,080
	TOTAL ₹	426,080	426,080

c) Reconciliation of Number of Share Outstanding at the Begining and at the end of the Year

Name of shareholders	March 31, 2013		March 31, 2012	
	No.	₹	No.	₹
At the beginning of the year	42,608	426,080	10,000	100,000
Issued during the year	-	-	32,608	326,080
Outstanding at the end of the year	42,608	426,080	42,608	426,080

d) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

Name of shareholders	March 31, 2013	March 31, 2012
	No.	No.
DB Corp Ltd.- Holding company	21,730	21,730

e) Detail of shareholder holding more then 5% shares of the company

Name of shareholders	March 31, 2013		March 31, 2012	
	No.	% of holding	No.	% of holding
D.B. Corp Limited	21,730	51.00	21,730	51.00
Prabhat Sojatia and Sunil Sojatia	20,878	49.00	20,878	49.00

f) The company has only one class of shares referred to as equity shares having a face value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share and proportionate amount of dividend if declered to the total number of shares.

		March 31, 2013 ₹		March 31, 2012 ₹
4. RESERVES AND SURPLUS:				
General reserve				
Balance as per the last financial statements		5,000,000		5,000,000
Security premium account				
Balance as per the last financial statements	14,673,600		-	
Add: additions during the year	-	14,673,600	14,673,600	14,673,600
Surplus/ (deficit) in the statement of profit and loss				
Balance as per the last financial statements	1,066,777		134,677	
Profit for the year	521,890	1,588,667	932,100	1,066,777
TOTAL ₹		21,262,267		20,740,377
5. LONG TERM BORROWINGS				
Unsecured loans		-		2,573,232
TOTAL ₹		**-**		**2,573,232**

6. OTHER LONG TERM LIABILITIES

	Non- current		Current	
	March 31, 2013 ₹	March 31, 2012 ₹	March 31, 2013 ₹	March 31, 2012 ₹
Security deposits (unsecured)	2,734,313	3,793,823	303,813	421,536
	2,734,313	**3,793,823**	**303,813**	**421,536**
The above amount includes				
Amount disclosed under the head "other current liabilities" (refer note 9)			(303,813)	(421,536)
	2,734,313	**3,793,823**	**-**	**-**

7. DEFERRED TAX LIABILITY (NET)

	March 31, 2013 ₹	March 31, 2012 ₹
Deferred tax liability		
Depreciation	160,898	150,183
Gross deferred tax liability	**160,898**	**150,183**
Deferred tax assets		
Provision for gratuity	23,454	138,701
TOTAL ₹	**137,444**	**11,482**

		March 31, 2013 ₹	March 31, 2012 ₹
8.	**TRADE PAYABLES**		
	Payables for trade and services	1,029,341	1,591,451
	TOTAL ₹	1,029,341	1,591,451
9.	**OTHER CURRENT LIABILITIES**		
	Other liabilities	13,235,656	9,879,647
	Current maturities of other long-term liabilites (refer note 6)	303,813	421,536
	Statutory liabilities	559,308	240,665
	TOTAL ₹	14,098,777	10,541,848
10.	**SHORT-TERM PROVISIONS**		
	Provision for employee benefits		
	Provision for gratuity	524,772	448,869
	Other provisions		
	Provision for tax (net of taxes paid)	126,804	600,997
	TOTAL ₹	651,576	1,049,866

12. **LOANS & ADVANCES**

	Non- current		Current	
	March 31, 2013 ₹	March 31, 2012 ₹	March 31, 2013 ₹	March 31, 2012 ₹
Security deposits:				
(unsecured considered good):				
Deposit with government authorities	12,840	11,835		
Other loans and advances:				
(Unsecured considered good)				
Advances recoverable in cash or kind or for value to be received			922,599	837,826
TOTAL ₹	12,840	11,835	922,599	837,826

		March 31, 2013 ₹	March 31, 2012 ₹
13.	**INVENTORIES**		
	(As valued and certified by the management)		
	Raw material	960,376	1,810,202
	TOTAL ₹	960,376	1,810,202
14.	**TRADE RECEIVABLES**		
	(Unsecured considered good)		
	Outstanding for a period exceeding six months		
	From the date they are due for payment	894,830	1,488,908
	Others	18,251,555	16,701,318
	TOTAL ₹	19,146,385	18,190,226

DIVYA PRABHAT PUBLICATIONS PRIVATE LIMITED

Notes to financial statements as at and for the year ended March 31, 2013

11- Fixed assets

Assets	Gross block			Accumulated Depreciation / Amortisation				Net block	
	As at April 1, 2012	Additions during the year	As at March 31, 2013	Up to April 1,2012	Depreciation due to change in method from WDV to SLM	for the year	Up to March 31, 2013	As at March 31, 2013	As at March 31, 2012
	₹	₹	₹	₹	₹	₹	₹	₹	₹
Tangible Assets									
Office Equipments	556,994	4,000	560,994	50,758	-	30,457	81,215	479,779	506,236
Furniture and Fixtures	39,250	-	39,250	8,217	-	2,485	10,702	28,548	31,033
Electric Equipments	169,548	-	169,548	43,632	-	8,054	51,686	117,862	125,916
Computers & Printers	823,911	12,925	836,836	261,086	-	134,336	395,422	441,414	562,825
Intangible Assets									
Goodwill	15,000,000	-	15,000,000	1,622,951	-	3,000,000	4,622,951	10,377,049	13,377,049
Total	16,589,703	16,925	16,606,628	1,986,644	-	3,175,332	5,161,976	11,444,652	14,603,059
	16,589,703	16,925	16,606,628	1,986,644	-	3,175,332	5,161,976	11,444,652	14,603,059
Previous year ended March 31, 2012	1,215,997	15,373,706	16,589,703	413,414	(190,736)	1,763,966	1,986,644	14,603,059	802,583

		March 31, 2013 ₹	March 31, 2012 ₹
15.	CASH & CASH EQUIVALENTS		
	Balances with banks:		
	On current account	7,564,633	4,690,360
	Cash on hand	288,313	584,651
	TOTAL ₹	**7,852,946**	**5,275,011**
16.	REVENUE FROM OPERATIONS		
	Sale of products:		
	Sale of newspapers	8,563,491	10,917,652
	Wastage sale	765,789	724,057
	Sale of service:		
	Advertisement income	42,787,960	42,043,221
	TOTAL ₹	**52,117,240**	**53,684,930**
17.	OTHER INCOME		
	Interest received from bank	1,005	977
	Interest received from others	14,235	-
	Miscellaneous Income	5,663	-
	TOTAL ₹	**20,903**	**977**
18	RAW MATERIAL CONSUMED		
	Opening stock	1,810,202	1,443,539
	Add : Purchase (including expenses)	18,660,526	22,698,666
	Less : Closing stock	960,376	1,810,202
	TOTAL ₹	**19,510,352**	**22,332,003**
19	EMPLOYEES BENEFIT EXPENSES		
	Salary, wages and Bonus	13,012,762	12,077,032
	Contribution to provident fund and other funds	281,792	-
	Gratuity expenses	75,903	448,869
	Employees welfare expenses	135,407	133,815
	TOTAL ₹	**13,505,864**	**12,659,716**

			March 31, 2013 ₹	March 31, 2012 ₹
20.	**OTHER EXPENSES**			
	Operating expenses:			
	Printing job work expenses		8,918,034	7,824,335
	News expenses		96,124	107,192
	Other operating expenses		132,273	222,616
	Electricity and water charges		204,000	204,000
		(a)	**9,350,431**	**8,358,143**
	General administrative and other expenses:			
	Electricity		119,223	121,684
	Rent		300,000	1,200,000
	Repair and maintenance			
	Building		18,285	70,000
	Others		226,259	229,375
	Legal and professional charges		157,650	143,872
	Postage and telegram		48,589	43,720
	Communication charges		290,690	265,921
	Printing and stationery		130,424	115,891
	Travelling Expenses		606,819	66,929
	Conveyance Expenses		74,182	101,578
	Auditors remuneration		50,000	49,635
	Bad debts written off		474,757	1,255,879
	Sundry office expenses		148,665	55,877
		(b)	**2,645,543**	**3,720,361**
	Selling and distribution expenses			
	Distribution expenses		2,113,359	1,965,026
	Business promotion		524,262	790,371
		(c)	**2,637,621**	**2,755,397**
	TOTAL ₹	(a+b+c)	**14,633,595**	**14,833,901**
21.	**FINANCIAL COST :**			
	Interest expenses:			
	On others		237,960	130,790
	Bank charges		43,645	42,142
	TOTAL ₹		**281,605**	**172,932**

22. Earnings per share

Particulars	March 31,2013	March 31,2012
i) Profit/ (Loss) for the year (₹)	521,890	932,190
ii) Weighted average number of Equity Shares outstanding for Basic EPS	42,608	27,551
iii) Basic Earnings per share (₹)	12.25	33.83
iv) Weighted average number of Equity Shares outstanding for Diluted EPS	42,608	27,551
v) Diluted Earnings per share (₹)	12.25	33.83
vi) Nominal value of shares (₹)	10	10

23. (a) Related parties disclosure

Related party disclosures, as required by Accounting Standard 18 - "Related Party Disclosures" notified by the Companies (Accounting Standards) Rules, 2006, (as amended) are given below:

Particulars	Related Party
Holding Company	D.B. Corp Limited
Key Management Personnel	- Shri Pawan Agarwal, Director - Shri Sunil Sojatia, Director - Shri Prabhat Sojatia, Director
Relatives of key Management Personnel	- Shri Ramesh Chandra Agarwal - Smt. Kasturi Devi Agarwal - Shri Sudhir Agarwal - Shri Girish Agarwal - Smt. Nikita Pawan Agarwal - Smt Alka Sojatia - Smt. Sapana Sojatia
Enterprises owned or significantly influenced by key management personnel or their relatives	- Writers & Publishers Private Limited - Prabhat Kiran Private Limited - Dainik Prabhat Kiran - Bhasker Multinet Limited

(b) Detail of transactions with related parties

	Transactions		Amount receivable (payable)	
	Year ended March 31, 2013	Year ended March 31, 2012	As at March 31, 2013	As at March 31, 2012
	₹	₹	₹	₹
Salaries, wages and bonus				
Shri Pawan Agarwal	1,200,000	1,200,000	(3,893,600)	(2,889,300)
Shri Sunil Sojatia	750,000	300,000	(2,013,100)	(1,345,500)
Shri Prabhat Sojatia	750,000	300,000	(2,013,100)	(1,345,500)
Advertisement Expenses				
D.B. Corp Limited	12,600	-	-	-
Rent expenditure				
Writers and Publishers Private Limited	300,000	300,000	(1,080,500)	(810,500)
Prabhat kiran Publishers private Limited	-	900,000	(1,350,000)	(1,350,000)
Interest expenditure				
D.B. Corp Limited	125,228	81,371	-	
Printing job work expense				
Prabhat Kiran Private Limited	8,003,947	7,273,790	(679,022)	(572,180)
D.B. Corp Limited	993,147			
Loan / Advances Given/ (Repaid by party)				
D.B. Corp Limited	(2,500,000)	2,500,000	-	(2,573,232)
News print loan taken				
D.B. Corp Limited	42,709	1,272,550	-	
Balance outstanding at the year end				
Prabhat Kiran Private Limited	-		(12,920)	(17,000)

24. (a) Additional information as per the requirement of the Schedule VI of the Companies Act, 1956.

	March 31, 2013	March 31, 2012
i) **Raw Material Consumed**		
News Print Paper (Quantity in MT)	616.086	727.956

b) **Managerial Remuneration**

During the year under consideration the company has paid the managerial remuneration to the following directors:

Particulars	March 31,2013 ₹	March 31,2012 ₹
Prabhat Sojatia	750,000	300,000
Sunil Sojatia	750,000	300,000
Pawan Agrawal	1,200,000	1,200,000
Total	**2,700,000**	**1,800,000**

25. **Previous year comparatives**
Previous year figures have been regrouped/ rearranged where necessary, to make them comparable.

As per our Report of even date

For GUPTA NAVIN K. & Co.,
Firm Registration No.: 006263C
Chartered Accountants

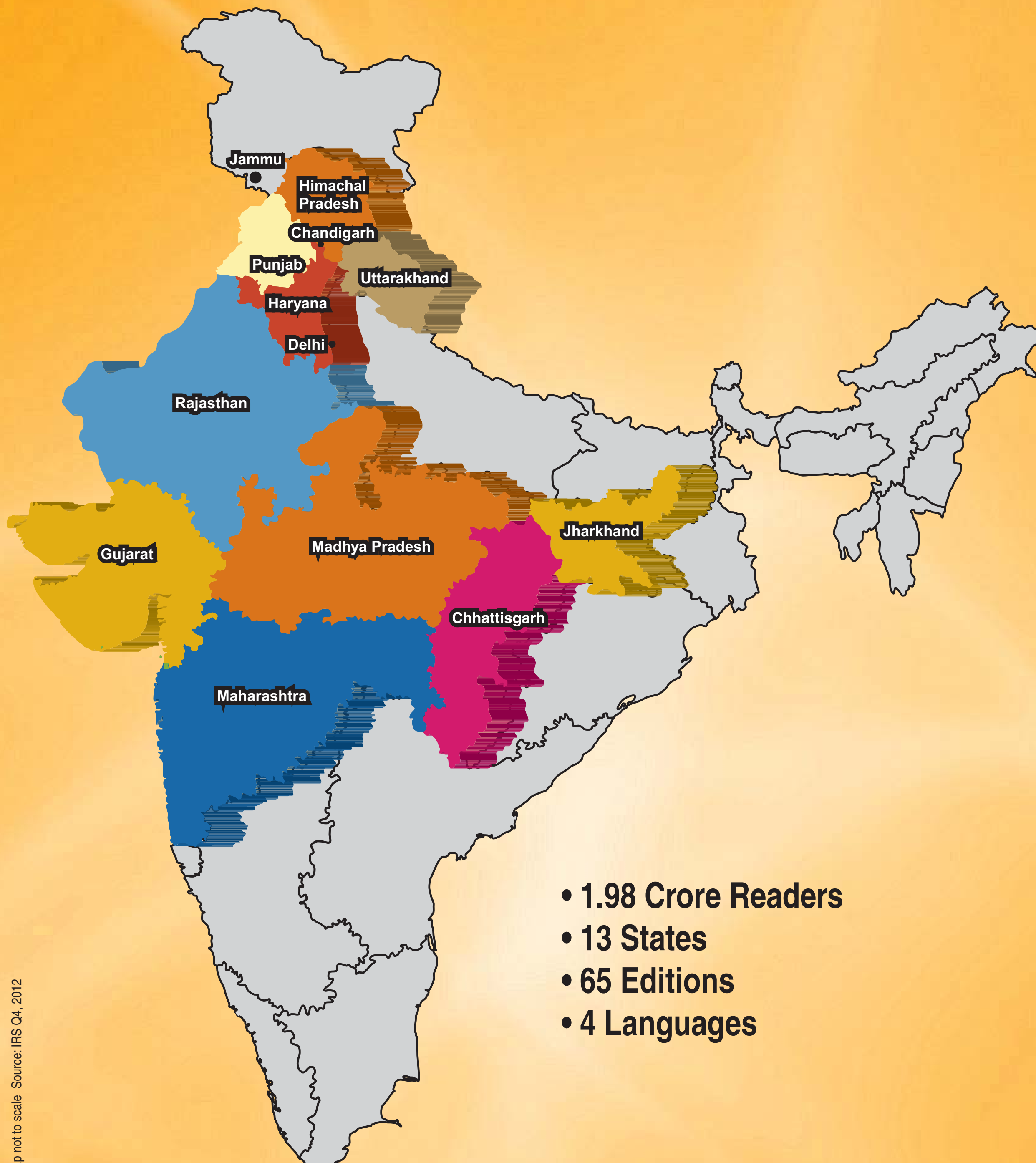
For and on behalf of the board of directors of
Divya Prabhat Publications Private Limited

NAVIN K. GUPTA
Partner
Membership No.: 075030

Director   Director

Bhopal,
Date : May 15, 2013

Dainik Bhaskar Group
India's Largest Newspaper Group



Map not to scale Source: IRS Q4, 2012

- 1.98 Crore Readers
- 13 States
- 65 Editions
- 4 Languages

20.6cm W x 26cm H

D. B. Corp Limited

Registered Office

Plot No. 280, Sarkhej - Gandhinagar Highway,
Near YMCA Club, Makarba,
Ahmedabad (Gujarat) - 380051

Head Office

6 Dwarka Sadan, Press Complex, MP Nagar,
Bhopal (Madhya Pradesh) - 462011

Corporate Office

501, 5th Floor, Naman Corporate Link,
Opp. Dena Bank, C-31, G-Block,
Bandra Kurla Complex, Bandra (East)
Mumbai (Maharashtra) - 400051

DB Studio 0613

DB Corp Ltd

दैनिक भास्कर दिव्य ભાસ્કર दिव्य मराठी बिज़नेस भास्कर 94.3 MY FM dainikbhaskar.com