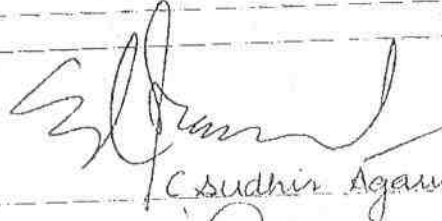
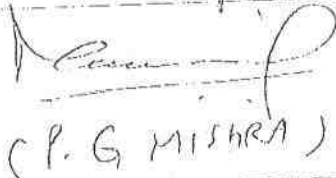
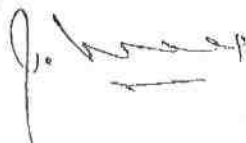





DB Corp Ltd

FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of the Company:	D. B. Corp Limited
2.	Annual financial statements for the year ended:	31 st March, 2014
3.	Type of Audit observation:	Un-qualified / Matter-of-Emphasis
4.	Frequency of observation	N.A.
5.	To be signed by-	
	• CEO/ Managing Director	x SA  (C. Sudhir Agarwal)
	• CFO	 (P. G. MISHRA)
	• Auditor of the company	x I.P.C.  (Navin K. Gupta) 
	• Audit Committee Chairman	x K.C.  (Kailash Chandra Chowdhary) 

दैनिक भास्कर

दिव्य भास्कर

दिव्य मराठी

बिजनेस भास्कर

dia



dainikbhaskar.com

Regd. Office: D. B. Corp Ltd., Plot No. 280, Sarkhej-Gandhinagar Highway, Near YMCA Club, Makarba, Ahmedabad (Gujarat) - 380 051
 Business Office: D. B. Corp Ltd., 501, 5th Floor, Naman Corporate Link, Opp. Dena Bank, C-31, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051.
 Tel: +91 22 3988 8840 • Fax: +91 22 3980 4793 • www.bhaskar.com, www.dainikbhaskargroup.com • CIN: L22210GJ1995PLC047208

D. B. Corp Limited

NOTICE

NOTICE is hereby given that the Eighteenth Annual General Meeting of the Members of D. B. Corp Limited will be held on Thursday, 24th July, 2014 at 2.30 p.m. at Hotel Planet Landmark, 139/1, Aml-Bopal Road, Near Ashok Vatika, Off S. G. Road, Ahmedabad, Gujarat – 380 051, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss for the year ended on that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare Final Dividend of ` 4.25 per equity share and confirm the interim dividend of ` 3.00 per equity share already paid for the financial year ended 31st March, 2014.
3. To appoint a Director in place of Mr. Girish Agarwal (holding DIN - 00051375), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, Mumbai (Firm Registration No. 101049W) and M/s. Gupta Navin K. & Co., Chartered Accountants, Gwalior (Firm Registration No. 06263C), retiring Joint Statutory Auditors of the Company be and are hereby appointed as the Joint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration as may be decided by the Board of Directors or any Committee thereof.”

SPECIAL BUSINESS:

5. To approve appointment of Mr. Pawan Agarwal (holding DIN - 00465092) as the Deputy Managing Director and payment of remuneration to him and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956), the consent of the Company be and is hereby accorded to the appointment of Mr. Pawan Agarwal (holding DIN - 00465092) as the “Deputy Managing Director” of the Company for a period of five years effective from 31st July, 2013 on total remuneration of ` 48,00,000/- (Rupees Forty Eight Lakh Only) p.a.

RESOLVED FURTHER THAT his office be and is hereby liable to determination by rotational retirement of directors in terms of Section 152 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to alter and vary his terms of appointment and remuneration so as not to exceed the limits specified in Schedule V to the Companies Act, 2013 (corresponding to Schedule XIII to the Companies Act, 1956) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time, as may be agreed to by the Board of Directors and Mr. Pawan Agarwal.

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of the Deputy Managing Director, the Company has no profits or its profits are inadequate, the Company may pay to the Deputy Managing Director the above remuneration as the minimum remuneration by way of salary subject to receipt of the requisite approvals, if any.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Director of the Company and the Company Secretary of the Company be and are hereby severally authorised to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings, including any agreements related hereto, as may be necessary, proper, desirable or expedient.”

6. To reappoint Mr. Piyush Pandey (holding DIN - 00114673) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any, for the time being in force read with Schedule IV to the Companies Act, 2013, Mr. Piyush Pandey (holding DIN - 00114673), be and is hereby reappointed as an Independent Director on the Board of Directors of the Company to hold office for five consecutive years for a term

up to 31st March, 2019.”

7. To reappoint Mr. Harish Bijoor (holding DIN - 01640485) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any, for the time being in force read with Schedule IV to the Companies Act, 2013, Mr. Harish Bijoor (holding DIN - 01640485), be and is hereby reappointed as an Independent Director on the Board of Directors of the Company to hold office for five consecutive years for a term up to 31st March, 2019.”

8. To reappoint Mr. Kailash Chandra Chowdhary (holding DIN - 01687337) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any, for the time being in force read with Schedule IV to the Companies Act, 2013, Mr. Kailash Chandra Chowdhary (holding DIN - 01687337), be and is hereby reappointed as an Independent Director on the Board of Directors of the Company to hold office for five consecutive years for a term up to 31st March, 2019.”

9. To reappoint Mr. Ashwani Kumar Singhal (holding DIN - 01973769) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any, for the time being in force read with Schedule IV to the Companies Act, 2013, Mr. Ashwani Kumar Singhal (holding DIN - 01973769), be and is hereby appointed as an Independent Director on the Board of Directors of the Company to hold office for five consecutive years for a term up to 31st March, 2019.”

10. To approve borrowing limits for the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** in supersession of the Ordinary Resolution adopted at the Extra-ordinary General Meeting of the Company held on 30th November, 2007 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business shall not be in excess of ` 1,500 Crore (Rupees One Thousand Five Hundred Crore) over and above the aggregate of the paid up share capital and free reserves of the Company.”

11. To approve amendment of Articles of Association of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013, the Articles of Association of the Company be and is hereby altered by way of substitution of the existing set of Articles of Association with a new set of Articles of Association, a draft of which is circulated alongwith this notice.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all such steps and to file all requisite returns and documents with the prescribed authorities within the prescribed period and to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution.”

By order of the Board of Directors
For D. B. Corp Limited

Place: Mumbai
Date: May 12, 2014

Anita Gokhale
Company Secretary

Registered Office:
Plot No. 280, Sarkhej Gandhinagar Highway,
Makarba, Ahmedabad (Gujarat) – 380 051
CIN: L22210GJ1995PLC047208
Website: www.bhaskarnet.com

NOTES:

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, SHOULD BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

Corporate members intending to send their Authorised Representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf.

Members / Proxies are requested to bring duly-filled Attendance Slip along with their copy of Annual Report to the Meeting.

In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the meeting.

- 2) A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
- 3) Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. to 1.00 p.m. up to the date of the Annual General Meeting.
- 4) Members who hold shares in electronic form are requested to write their DP ID and Client ID number and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting to facilitate identification of membership at the Annual General Meeting.
- 5) The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 17th July, 2014 to Thursday, 24th July, 2014 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
- 6) Dividend on Equity Shares, if declared at the meeting, shall be paid on Thursday, 31st July, 2014, to those members:
 - a) whose names appear as Beneficial Owners at the end of the business hours on Wednesday, 16th July, 2014, in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
 - b) whose names appear as members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Registrar and Share Transfer Agent on or before Wednesday, 16th July, 2014.
- 7) 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 (RTA) of the Company at the following address may be contacted:

M/s Karvy Computershare Pvt. Ltd. (Unit: D. B. Corp Limited)

Address : Plot no. 17 to 24, Vitthalrao Nagar,
Madhapur, Hyderabad - 500 081, Andhra Pradesh.

Tel No. : 040-4465 5000

Fax No. : 040-2343 1551

E-mail : einward.ris@karvy.com

Contact Person : Mr. U. S. Singh

- 8) For effecting changes in address / bank details / ECS (Electronic Clearing Service) mandate, etc., shareholders are requested to contact the RTA/ their respective Depository Participant (DP).
- 9) Members may please note that for shares in electronic form, bank particulars registered against their depository accounts will be used by the Company for payment of dividend. Members are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat account. The Company or its Registrar and Transfer Agent cannot change bank particulars or bank mandates for shares in electronic form.
- 10) Pursuant to the provisions of Clause 49 of the Listing Agreement, a brief note on the background and the functional expertise of the Director of the Company retiring by rotation and seeking re-appointment and of the Independent Directors seeking appointment along with other details of the Directors including their shareholding are furnished in the Statement pursuant to Section 102(1) of the Companies Act, 2013 annexed hereto.
- 11) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
- 12) The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
- 13) A certificate from the Auditors of the Company certifying that the Employees Stock Option Schemes of the Company are being implemented in accordance with the SEBI Guidelines and in accordance with the resolution/s passed by the shareholders at General Meeting/s will be available for inspection by members at the Meeting.
- 14) Members are requested to claim dividend/s, in case it remains unclaimed so far. They are requested to correspond with the RTA or the Company Secretary at Corporate Office of the Company. Members are requested to note that dividends not claimed within 7 years will be transferred to the Investor Education and Protection Fund as prescribed under the Companies Act, 2013.

The Company has consistently paid dividend since its IPO and accordingly prescribed details in respect of each of such dividends are uploaded on the website of the Company before the due date as prescribed.

- 15) The Securities and Exchange Board of India (SEBI) has mandated submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company / RTA.
- 16) D. B. Corp Ltd. is concerned about the environment and utilises natural resources in a sustainable way. The Ministry of Corporate Affairs ("MCA"), Government of India has, by its Circular 17/2011 dated 21st April, 2011 and Circular 18/2011 dated 29th April, 2011, permitted companies to send all official documents to their shareholders electronically as part of its Green Initiatives in Corporate Governance.

Recognising the spirit of the circulars issued by the MCA as abovesaid, the Company is sending documents like the Notice for convening Annual General Meeting, Financial Statements, Directors' Report, Auditors' Report, etc., to the e-mail address provided by the members to their depositories since last 3 years and for Financial Year 2013-14 also, it has done so. Copies of the Annual Report 2014, the Notice convening the Annual General Meeting and instructions for e-voting, along with the Attendance Slip and Proxy Form are being sent by electronic mode only to all the members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2014 are being sent by the permitted mode. Members may also note that the Notice convening the Annual General Meeting and the Annual Report 2014 will be available on the Company's website, www.bhaskarnet.com in "Our Investors" section.

All the members are requested to keep their e-mail address updated with the depository participant to ensure that the Annual Report and other documents reach them on their preferred e-mail address. 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 to the RTA or the Company.

- 17) In terms of Sections 107 and 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is providing a facility to its Members holding shares in physical or

dematerialized form as on the cut-off date (Record date), being Friday, 20th June, 2014, to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice. Details of the process and manner of e-voting along with the User ID and Password are sent along with this Notice.

- 18) In case of Members who are entitled to vote but have not exercised their right to vote by electronic means, upon poll being demanded, in the larger interest of the Members, the Chairman of the Company may order a poll on his own motion or on demand at the Meeting in terms of Section 109 of the Companies Act, 2013 for all businesses specified in the accompanying Notice. For abundant clarity, in the event of poll, please note that the Members who have exercised their right to vote by electronic means shall not vote by way of poll at the Meeting. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company. The poll process shall be conducted and scrutinized and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.
- 19) The Results declared along with Scrutinizer's Report(s) will be available on the website of the Company (www.bhaskarnet.com) and on Service Provider's website (<https://evoting.karvy.com>) within two (2) days of passing of the resolutions and communication of the same to the BSE Limited and the National Stock Exchange of India Limited.

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

The following Statement sets out all the material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 5:

Approval of appointment of Mr. Pawan Agarwal as the Deputy Managing Director and payment of remuneration to him:

The Board of Directors of the Company (the 'Board') at its meeting held on 18th July, 2013 has, subject to the approval of the members, appointed Mr. Pawan Agarwal as the Deputy Managing Director of the Company for a period of 5 (Five) years w.e.f. 31st July, 2013 at a remuneration of ₹ 48,00,000/- p.a. as recommended by the Remuneration Committee and approved by the Board. It is proposed to seek the members' approval for the appointment of and remuneration payable to Mr. Pawan Agarwal as Deputy Managing Director in terms of the applicable provisions of the Companies Act.

Mr. Pawan Agarwal satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. The above may be treated as a written memorandum setting out the terms of appointment of Mr. Pawan Agarwal under Section 190 of the Act. Brief resume of Mr. Pawan Agarwal, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships amongst directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Mr. Pawan Agarwal is interested in the resolution set out at Item No. 5 of the Notice, which pertains to approval of his appointment and remuneration payable to him. The relatives of Mr. Pawan Agarwal may be deemed to be interested in the resolution set out at Item No. 5 of the Notice to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

Item No. 6 to 9:

Appointment of Mr. Piyush Pandey, Mr. Harish Bijoor, Mr. Kailash Chandra Chowdhary and Mr. Ashwani Kumar Singhal as Independent Directors:

Mr. Piyush Pandey, Mr. Harish Bijoor, Mr. Kailash Chandra Chowdhary and Mr. Ashwani Kumar Singhal are the Non-Executive (Independent) Directors of the Company. They are on the Board of Directors of the Company since November, 2007.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, they all being eligible and seeking re-appointment, are proposed to be appointed as Independent Director/s for a term of five years upto 31st March, 2019.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from member/s along with a deposit of ₹ 1,00,000/- in each case proposing their respective candidature for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from each of these persons respectively (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013. Each of the resolutions at item nos. 6 to 9 seek the approval of members for appointment of each of them respectively as Independent Director of the Company upto 31st March, 2019 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. In terms of provisions of Section 149(13) of the Act, none of them shall be liable to retire by rotation.

In the opinion of the Board of Directors, all these persons proposed to be appointed as Independent Director/s, fulfill the conditions specified in the Act and the Rules made thereunder and they are independent of the Management.

A copy of the draft letter/s for the appointment of these persons as Independent Director/s setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office on all working days, except Saturdays, between 11.00 am to 1.00 pm upto the date of the Annual General Meeting.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Director/s. No director, key managerial personnel or their relatives, except each of them respectively to whom the resolution relates, is interested or concerned, financially or otherwise, in the resolution.

A brief resume of each of these Independent Directors, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships amongst directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

The Board recommends the resolutions set forth in Item Nos. 6 to 9 for approval by the members.

Item No. 10:

Approval of Borrowing Limits:

The members of the Company, at their Extra Ordinary General Meeting held on 30th November, 2007, had approved by way of an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 borrowing of moneys by the Board of Directors of the Company from time to time upto a limit not exceeding in the aggregate ₹ 2000 Crore (Rupees Two Thousand Crore Only) notwithstanding that the money to be borrowed, together with the money already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves.

With the Companies Act, 2013 becoming effective, as per clarification provided by the Ministry of Corporate Affairs (MCA) vide General Circular No. 4/2014 dt. 25th March, 2014, the validity of any such special resolution passed by the Company in the past will be only till 11th September, 2014.

Hence, it is necessary that a fresh sanction is sought from the members of the Company by a special resolution which now will be governed by Section 180(1)(c) of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force). Accordingly, it is proposed to seek approval for borrowing limits upto ₹ 1,500 Crore now as per needs of the business of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 10 of the Notice.

The Board recommends the Special Resolution set out at Item No. 10 of the Notice for approval by the members.

Item No. 11:

Amendment of Articles of Association (AoA) of the Company:

The existing AoA of the Company are based on the Companies Act, 1956. Several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Companies Act, 2013. The Companies Act, 2013 is now largely in force. On 12th September, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on 26th March, 2014, MCA notified most of the remaining Sections barring those provisions which require sanction / confirmation of the National Company Law Tribunal, etc. However, substantive sections of the Companies Act, 2013 which deal with the general working of companies stand notified.

With the coming into force of the said Companies Act, 2013, several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles. A Draft of the new set of Articles of Association proposed to be adopted is appended to this notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 11 of the Notice.

The Board recommends the Special Resolution set out at Item No. 11 of the Notice for approval by the members.

By order of the Board of Directors
For D. B. Corp Limited

Place: Mumbai
Date: May 12, 2014

Anita Gokhale
Company Secretary

Registered Office:
Plot No. 280, Sarkhej Gandhinagar Highway,
Makarba, Ahmedabad (Gujarat) – 380 051
CIN: L22210GJ1995PLC047208
Website: www.bhaskarnet.com

DRAFT

THE COMPANIES ACT, 1956 AND NOTIFIED SECTIONS OF COMPANIES ACT, 2013 COMPANY LIMITED BY SHARES ARTICLES OF ASSOCIATION OF D. B. CORP LIMITED*

(*Name of the Company changed from Multi Tech Energy Limited to D. B. Corp Limited vide Special Resolution passed in the Extra-ordinary General Meeting held on 28/11/2005)

- **A new set of Articles was adopted in substitution for and to the entire exclusion of the earlier Articles of Association vide Special Resolution passed at the Extra-ordinary General Meeting held on 14/2/2008.**
- **Thereafter, another new set of Articles was adopted in substitution for and to the entire exclusion of the earlier Articles of Association vide Special Resolution passed at the Extra-ordinary General Meeting held on 30/11/2009.**
- **Thereafter, entire new set of Articles was adopted in substitution for and to the entire exclusion of the earlier Articles of Association vide Special Resolution passed at the Annual General Meeting held on 5/9/2012.**

APPLICABILITY OF TABLE 'F'

The regulations contained in Table 'F' of Schedule I of the Companies Act, 2013, shall apply to this Company to the extent they are not inconsistent with or otherwise provided in these Articles.

These Articles are subject to the provisions of the guidelines for Publication of Newspapers and Periodicals dealing with News and Current Affairs and Publication of Facsimile Editions of Foreign Newspapers dated March 31, 2006 issued by the Ministry of Information & Broadcasting, Government of India, as may be amended, substituted or replaced from time to time.

1. DEFINITIONS AND INTERPRETATION

1.1. In these Articles, the following words or expressions shall have the meanings set out herein below:

- (a) **“Act”** means the Companies Act, 2013 or any other Act / Law for the time being in force and applicable.
- (b) **“Affiliate”** of a shareholder shall mean:
 - (i) in the case of any shareholder other than a natural person, any other Person that, either directly or indirectly through one or more intermediate Persons, Controls, is Controlled by or is under common Control with such shareholder;
 - (ii) in the case of any shareholder that is a natural person, any other Person who is a Relative of such shareholder.
- (c) **“Annual General Meeting”** shall mean the annual general meeting of the Company.
- (d) **“Approvals”** shall mean any permission, approval, consent, licence, order, decree, authorisation, authentication of, or registration, qualification, designation, declaration or filing with or notification, exemption or ruling to or from any Governmental Authority required under any statute or regulation for the performance of their obligations under these Articles.
- (e) **“Articles”** shall mean these Articles of Association of the Company as amended from time to time.
- (f) **“Board”** shall mean the collective body of the directors of the company.
- (g) **“Business”** shall mean
 - i) the entire business, commercial and other activities of the Company and the subsidiaries relating to developing, editing, publishing, printing, distributing and marketing newspapers, periodicals and other publications in languages other than English and other foreign languages;
 - ii) the wind farm business;
 - iii) FM Radio Business; and
 - iv) such other business(es) undertaken by the Company and the subsidiaries with the consent of the shareholders of the respective company.
- (h) **“Business Day”** shall mean a day other than Saturday and Sunday and on which banks are open for normal banking business in India.
- (i) **“Company”** shall mean D. B. Corp Limited.
- (j) **“Control”** shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner .
- (k) **“Director”** shall mean a director appointed to the Board of the Company (including any duly appointed alternate director).

- (l) **“Dividend”** shall include any interim dividend.
- (m) **“Encumbrance”** shall mean (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance of any kind securing or conferring any priority of payment in respect of any obligation of any Person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under applicable law, (ii) any proxy for exercising voting rights issued to third parties, power of attorney issued to third parties for transferring and/or exercising any rights, voting trust agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any Person and (iii) any adverse claim as to title, possession or use.
- (n) **“Equity Shares”** shall mean the equity shares of the Company currently having a par value of Rs. 10/- per equity share in the Equity Share Capital.
- (o) **“Extra-ordinary General Meeting”** shall mean a meeting other than an Annual General Meeting.
- (p) **“Financial Year”** shall mean the financial year of the Company which ends on March 31 of each year.
- (q) **“FM Radio Business”** shall mean the business of establishing, building, owning, maintaining and/or operating FM radio broadcasting stations in any city or cities in India or abroad in accordance with applicable Laws.
- (r) **“Fully Diluted Basis”** shall mean that the calculation is to be made assuming that all outstanding convertible securities and stock options (whether or not by their terms then currently convertible, exercisable or exchangeable) have been so converted, exercised or exchanged.
- (s) **“Governmental Authority”** shall mean any governmental or statutory authority, government department, agency, commission, board, tribunal or court or other entity authorised to make laws, rules or regulations or pass directions having or purporting to have jurisdiction on any State or other subdivision thereof or any municipality, district or other subdivision thereof having jurisdiction pursuant to the Laws of India.
- (t) **“India”** shall mean the Republic of India.
- (u) **“Intellectual Property”** shall mean all patents, trademarks, service marks, logos, registered designs, domain names and utility models, copyrights, inventions, brand names, database rights, know-how, programming and business names and any similar rights situate in any country and the benefit (subject to the burden) of any of the foregoing (in each case whether registered or unregistered and including applications for the grant of any of the foregoing and the right to apply for any of the foregoing in any part of the world).
- (v) **“Law”** or **“Laws”** shall mean and include all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, by-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority, tribunal, board, court or recognised stock exchange/s in India.
- (w) **“Managing Director”** means a director who, by virtue of the articles of a company or an agreement with the company or a resolution passed in its general meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the company and includes a director occupying the position of managing director, by whatever name called.
- (x) **“Month”** shall mean a calendar month.
- (y) **“Office”** shall mean the registered office of the Company for the time being.
- (z) **“Person”** shall mean any natural person, firm, company, joint venture, association, partnership or other entity (whether or not having separate legal personality).
- (aa) **“Print Media Guidelines”** shall mean the Guidelines for Publication of Newspapers and Periodicals Dealing with News and Current Affairs and Publication of Facsimile Editions of Foreign Newspapers dated March 31, 2006 issued by the Ministry of Information & Broadcasting, as amended from time to time.
- (bb) **“Proxy”** means an instrument whereby any person is authorised to vote for a shareholder at a Shareholders' Meeting on a poll and includes an attorney duly constituted under a power of attorney.
- (cc) **“RBI”** shall mean the Reserve Bank of India.
- (dd) **“Relative”**, with reference to any person, means any one who is related to another if
 (i) they are members of a Hindu Divided Family;
 (ii) they are husband and wife; or
 (iii) one person is related to the other as per Rule 4 of the Companies (Specification of Definitions Details) Rules, 2014.
- (ee) **“Rs.”** or **“Rupees”** shall mean Rupees, the lawful currency of India.
- (ff) **“SEBI”** shall mean the Securities and Exchange Board of India.
- (gg) **“SEBI Takeover Regulations”** shall mean the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
- (hh) **“Securities”** shall mean the Equity Shares or any securities of the Company convertible into Equity Shares, including any partially or fully convertible debentures or any warrants, options, coupons or instruments which may enable the holder thereof to acquire Equity Shares and/or any voting rights in the Company.
- (ii) **“Share capital”** shall mean the fully paid-up Equity Share capital and Preference Share Capital of the Company.
- (jj) **“Shareholders' Meeting”** or **“General Meeting”** means the Annual General Meeting and the Extra-ordinary General Meeting.

- (kk) **“Seal”** means the Common Seal for the time being of the Company.
- (ll) **“Subsidiary”** shall have the meaning ascribed thereto in Section 2(87) of the Companies Act, 2013 and Rule 2(1)(r) of the Companies (Specification of Definition Details) Rules, 2014.
- (mm) **“Transfer”** shall mean and include any direct or indirect sale, assignment, lease, transfer, pledge, gift, Encumbrance or other disposition of or the subjecting to an Encumbrance of, any property, asset, rights or privilege or any interest therein or thereto.
- 1.2 Reference to a shareholder shall, where the context permits, include such shareholder's respective successors, legal representatives and permitted assigns and in the case of individuals will include their legal representatives, heirs and permitted assigns.
- 1.3 The headings or interpretations are inserted for convenience only and shall not affect the construction of these Articles.
- 1.4 Unless the context otherwise requires, words importing the singular include the plural and vice versa, and pronouns importing a gender include each of the masculine, feminine and neuter genders.
- 1.5 The terms “hereof”, “herein”, “hereby”, “hereto” and derivative or similar words refer to these Articles or specified clauses of these Articles, as the case may be.
- 1.6 Reference to statutory provisions shall be construed as meaning and including reference also to any amendment or re-enactment (whether before or after the date of these Articles) for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.
- 1.7 Reference to the word “include” shall be construed without limitation.
- 1.8 The words “directly or indirectly” mean directly or indirectly through one or more intermediary persons or through contractual or other legal arrangements, and “direct or indirect” shall have the correlative meanings.
- 1.9 The Marginal notes thereto shall not affect the construction thereof.

2. SHARE CAPITAL

- 2.1. *The Authorised Share Capital of the Company is ` 250,00,00,000/- (Rupees Two Hundred and Fifty Crore Only) divided into 24,90,00,000 Equity Shares of ` 10/- each and 1,000 Redeemable Preference Shares of ` 10,000 each (“Share Capital”), with power to increase or reduce or modify the Share Capital and to divide the Securities for the time being of the Company into several classes and attach thereto preferential, deferred, qualified or special rights or conditions, as may be determined by or in accordance with these Articles and subject to applicable legislative provisions for the time being in force, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided for by these Articles and subject to applicable legislative provisions for the time being in force.

(*The Authorised Share Capital was increased from ` 10 Lakh to ` 10 Crore vide Special Resolution passed at the Extra-ordinary General Meeting held on 28/11/2005. Thereafter, the Authorised Share Capital was re-classified into 90,00,000 Equity Shares of ` 10/- each and 1,000 Redeemable Preference Shares of ` 10,000/- each vide Special Resolution passed at the Extra-ordinary General Meeting held on 27/04/2007. Thereafter, again the Authorised Share Capital was increased from ` 10 Crore to ` 250 Crore vide Special Resolution passed at the Annual General Meeting held on 29/09/2007).

- 2.2. Subject to the provisions of these Articles, the Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, its Share Capital, any capital redemption reserve account or any share premium account.
- 2.3. The Securities shall be numbered progressively according to their several denominations and except in the manner hereinbefore mentioned, no security shall be sub-divided. Every forfeited or surrendered security shall continue to bear the number by which the same was originally distinguished.
- 2.4. None of the funds of the Company shall be applied in the purchase of any Securities and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding company save as provided by Section 67 of the Companies Act, 2013 and these Articles.

3. INCREASE OF SHARE CAPITAL BY THE COMPANY

- 3.1. Subject to the provisions of these Articles, the Company at a Shareholders' Meeting may, from time to time, increase the Share Capital by creation of new Equity Shares. Such increase shall be of such aggregate amount and to be divided into Equity Shares of such respective amounts as the resolution shall prescribe.
- 3.2. Subject to the provisions of the Act and the other provisions of these Articles, any Equity Share of the original or increased Share Capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the Shareholders Meeting resolving upon the creation thereof, shall direct and if no direction be given, as the Directors shall determine and in particular, such Equity Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with, and if the Act allows without, a right of voting at a Shareholders' Meeting in conformity with Sections 48 of the Companies Act, 2013. Whenever the Share Capital of the Company has been increased under the provisions of these Articles, the Directors shall comply with the provisions of Section 64 of the Companies Act, 2013 and these Articles.
- 3.3. Where at any time Company proposes to increase the subscribed capital of the Company by allotment of further shares, then: such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company in

proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the fulfillment of following conditions -;

- (a) the offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen (15) days and not exceeding thirty (30) days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
 - (b) unless otherwise provided in these Articles, the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in Sub-clause (b) shall contain a statement of this right;
 - (c) after the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and to the Company.
- 3.4. The Company proposes to increase its subscribed capital by the issue of further shares to employees under a scheme of employees stock option subject to approval of special resolution passed by the Company and subject to conditions prescribed in Companies (Share Capital and Debentures) Rules, 2014.
- 3.5. Notwithstanding anything contained in Article 3.3 above, the further shares as aforesaid may be offered to any persons (whether or not those persons include the persons referred to in Article 3.3 hereof) either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions prescribed in Companies (Share Capital and Debentures) Rules, 2014.
- 3.6. Nothing in Sub-clause (c) of Article 3.3 hereof shall be deemed:
- (a) to extend the time within which the offer should be accepted; or
 - (b) to authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

Nothing in these Articles shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company.

Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in general meeting.

4. BUY-BACK OF SHARES

Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

5. LIMITATION OF TIME FOR ISSUE OF CERTIFICATES:

Every member shall be entitled without payment to one or more certificates in marketable lots for all the shares of each class or denomination registered in his name or if the Directors so approve (upon paying such fee as the Directors so determine) to several certificates each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two (2) months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one (1) month of the receipt of application of registration of transfer or transmission, subdivision, consolidation or renewal of any of its shares, as the case may be. Every certificate of shares shall be under the seal of the Company which shall be affixed in the presence of two directors or persons acting on behalf of the Directors under duly registered power of attorney and the secretary or some other person appointed by the Board for the purpose and two Directors or their attorney and the Secretary or other person shall sign the share certificate provided that if the composition of the Board so permits, at least one of the aforesaid two Directors shall be a person other than a Managing Director or Whole-time director. Every share certificate shall specify the number and distinctive number of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the Directors may prescribe and approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holders. Particulars of every certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued indicating the date of issue.

6. NEW CAPITAL SAME AS EXISTING CAPITAL

- 6.1. Except so far as otherwise provided by the conditions of issue or by these Articles, any Share Capital raised by the creation of new Equity Shares shall be considered as part of the existing Share Capital and shall be subject to the provisions contained in these Articles with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
- 6.2. The Board shall observe the restriction as to allotment of Equity Shares to the public contained and shall cause to be made the return as to allotment provided for in Sections 39 and Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013 .

7. ACCEPTANCE OF EQUITY SHARES

Any application signed by or on behalf of any applicant for Equity Shares followed by an allotment of any Equity Shares shall be an acceptance of Equity Shares within the meaning of these Articles; and every Person who accepts any Equity Shares and whose name is on the Register of members shall, for the purpose of these Articles, be a shareholder.

8. DEPOSIT AND CALL ON EQUITY SHARES

8.1. The money (if any) which the Board shall, on the allotment of any Equity Shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any Equity Shares allotted by them, shall immediately on the inscription of the name of the allottee in the register of members as the holder of such Equity Shares become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by the holder accordingly.

8.2. Every shareholder or his heirs, executors or administrators shall pay to the Company the portion of the capital represented by his share or shares which may for the time being remain unpaid thereon, in such amounts, at such time or times and in such manner as the Board shall, from time to time, in accordance with the Company's regulations, require or fix for the payment thereof.

9. PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST

9.1. The Directors may, if they think fit, subject to the provisions of Section 50 of the Companies Act 2013, agree to and receive from any member, willing to advance the same, whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.

9.2. The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

10. SHARES AT THE DISPOSAL OF THE DIRECTORS

Subject to the provisions of Section 62 of the Companies Act 2013, Companies (Share Capital and Debentures) Rules, 2014 and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration, as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid-up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call for shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

11. PREFERENCE SHARES

11.1. Subject to the provisions of these Articles and Sections 43, 55 and other applicable provisions of the Companies Act 2013, the Company shall have power to issue preference shares which are, at the option of the Company, liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption thereof.

11.2. Upon the issue of redeemable preference shares under the provisions of Article 10.1, the following provisions shall apply:

- (a) no such preference shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;
- (b) no such preference shares shall be redeemed unless they are fully paid;
- (c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's share premium account before the shares are redeemed;
- (d) where any such preference shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the preference shares redeemed and the provisions of the Act relating to reduction of the share capital of the Company shall, except as provided in Section 55 of the Companies Act, 2013 apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.

12. SHARE CERTIFICATES

12.1. The certificates of title to Securities and duplicate thereof, when necessary, shall be issued under the Seal of the Company.

12.2. Every person holding the Securities of the Company shall be entitled to one certificate for all the Securities registered in his name or, if the Directors so approve, to several certificates each for one or more of such Securities but in respect of each additional certificate, there shall be paid to the Company a fee of Rs. 20/- or such less sum as Directors may determine. Every certificate shall specify the number denoting numbers of the Securities in respect of which it is issued and the amount paid-up thereon. The Directors may, in any case or generally, waive the charging of such fees.

12.3. If any certificate be worn out or defaced, then, upon production thereof to the Directors, they may order the same to be cancelled and may issue a new certificate in lieu thereof and if any certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Directors and on such indemnity as the Directors deem adequate being given, a new certificate in lieu thereof shall be given to the registered holder of the shares to which such lost or destroyed certificate shall relate; Provided that twenty rupees shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

12.4. Provided that, notwithstanding what is stated above, the Directors shall comply with rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules

applicable thereof in this behalf.

13. SHAREHOLDERS AND JOINT HOLDERS

- 13.1. Except as required by law or ordered by a court of competent jurisdiction, no person shall be recognised by the Company as holding any Securities upon any trust and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any benami, equitable, contingent, future or partial interest in any Securities or any interest in any fractional part of a Security (except only by these presents or by law otherwise provided) or any other rights in respect of any Security except in an absolute right to the entirety thereof in the registered holder.
- 13.2. Where two or more persons are registered as holders of any Securities, they shall be deemed to hold the same as joint holders with benefits of survivorship subject to the following and other provisions contained in these Articles:
- (a) Securities may be registered in the name of any Person but not more than four Persons shall be registered jointly as a shareholder in respect of any Equity Shares;
 - (b) the certificates of Securities registered in the names of two or more Persons shall be delivered to the Person first named on the Register;
 - (c) the joint holders of a Security shall be jointly and severally liable to pay all calls in respect thereof;
 - (d) if any Security stands in the names of two or more Persons, the Person first named in the register shall, as regards receipt of share certificates, dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings and the transfer of the shares, be deemed the sole holder thereof but the joint holders of a Security shall be severally as well as jointly be liable for the payment of all installments and calls due in respect of such Security and for all incidents thereof according to the Company's regulations;
 - (e) in the case of the death of any one or more of the Persons named in the register of members as the joint holders of any Security, the survivors shall be the only persons recognised by the Company as having any title to or interest in such Security but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Securities held by him jointly with any other Person;
 - (f) if there be joint registered holders of any Securities, any one of such Persons may vote at any meeting either personally or by proxy in respect of such Securities as if it were solely entitled thereto, provided that if more than one of such joint holders be present at any meeting either personally or by proxy, then one of the said Persons so present whose name stands higher on the register of members shall alone be entitled to vote in respect of such Securities but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased shareholder in whose name the Securities stand shall, for the purpose of these Articles, be deemed joint holders thereof;
 - (g) a document or notice may be served or given by the Company on or to the joint holders of a Security by serving or giving the document or notice on or to the joint holder named first in the register of members in respect of the Security.

14. FORFEITURE AND LIEN

- 14.1. If any shareholder fails to pay any call or installment on or before the day appointed for the payment of the same, the Directors may at any time thereafter during such time as the call or installment remains unpaid, serve a notice on such shareholder requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
- 14.2. The notice shall name a day (not being less than fourteen (14) days from the date of the notice) and a place on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment of at or before the time and at the place appointed, the Securities in respect of which such call was made or installment is payable will be liable to be forfeited.
- 14.3. If the requisition of any such notice as aforesaid be not complied with, any Securities in respect of which such notice has been given may, at any time thereafter before payment of all calls or installments, interests, and expenses due in respect thereof, be forfeited by a resolution of the Directors to the effect such forfeiture shall include all dividends declared in respect of the forfeited Securities and not actually paid before the forfeiture.
- 14.4. When any Security shall have been so forfeited, notice of the forfeiture shall be given to the shareholder in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof shall forthwith be made in the register of members but no forfeiture shall be, in any manner, invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
- 14.5. Any Security so forfeited shall be deemed to be property of the Company and the Directors may, subject to the provisions of these Articles, sell, re-allot or otherwise dispose of the same in such manner as they think fit.
- 14.6. The Directors may, at any time before any Security so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof on such conditions as they think fit.
- 14.7. Any shareholder whose Securities have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interest and expenses, owing upon or in respect of such Securities at the time of the forfeiture together with interest thereon, from the time of forfeiture until payment, at twelve (12) per cent per annum and the Directors may enforce the payment thereof, without any deduction or allowance for the value of the Securities at the time of forfeiture, but shall not be under any obligation to do so.
- 14.8. The forfeiture of Securities shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the Securities and all other rights incidental to the Securities except only such of those rights as, by these Articles, are expressly saved.

- 14.9. A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that certain Securities in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the Securities and such declaration and the receipt of the Company for the consideration, if any, given for the Securities on the sale or disposal thereof shall constitute a good title to such Securities and the Person to whom the Securities are sold shall be registered as the holder of such Securities and shall not be bound to see to the application of the purchase money nor shall his title to such Securities be affected by any irregularity or invalidity in the proceeding in reference to such forfeiture, sale or disposal.
- 14.10. The Company shall have a first and paramount lien upon all the shares/debentures (not being fully paid-up) registered in the name of each shareholder (whether solely or jointly with others) and upon the proceeds of sale thereof (whether presently payable or not) for money called or payable at a fixed time in respect of such shares/debentures solely or jointly with any other person to the Company whether the period for the payment thereof shall have actually arrived or not and no equitable interest in any Security shall be created except upon the footing and condition that this Article is to have full effect and such lien shall extend to all dividends from time to time declared in respect of such Security. Unless otherwise agreed, the registration of a transfer of Securities shall operate as a waiver of the Company's lien, if any, on such Securities. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article.
- 14.11. For the purpose of enforcing such lien, the Directors may sell the Securities subject thereto in such manner as they think fit but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such shareholder, his executors or administrators or his committee, curators bond or other legal curator and default shall have been made by him or them in the payment of moneys called in respect of such shares for seven days after such notice.
- 14.12. The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and residue, if any, shall (subject to a like lien for sums not presently payable, as existed upon the Securities before the sale) be paid to the person entitled to the shares at the date of the sale.
- 14.13. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Directors may appoint some person to execute an instrument of transfer of the Securities sold and cause the purchaser's name to be entered in the register in respect of the Securities sold and the purchaser shall not be bound to see to the regularity of the proceedings nor to the application of the purchase money after his name has been entered in the register of members. In respect of such Securities, the validity of the sale shall not be impeached by any Person and the remedy of any Person aggrieved by the sale shall be in damages only and against the Company exclusively.
- 14.14. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative Securities shall (unless the sale shall, on demand by the Company, have been previously surrendered to it by the defaulting shareholder) stand cancelled and become null and void and have no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said Securities to the Person or Persons entitled thereto distinguishing it or them in such manner as they may think fit from the old certificate or certificates.

15. TRANSFER AND TRANSMISSION OF EQUITY SHARES

- 15.1. The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and the transferee.
- 15.2. The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.

16. DIRECTORS MAY REFUSE TO REGISTER TRANSFER

Subject to the provisions of Section 58 and 59 of the Companies Act 2013, these Articles and other applicable provisions of the Act or any law for the time being in force, the Board may refuse, pursuant to any power of the Company under these Articles, to register the transfer of or the transmission by operation of law of the right to any shares or interest of a member in shares or debentures of the Company. The Company shall within one (1) month from the date on which the instrument of transfer or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

17. CONDITIONS FOR TRANSFER

- 17.1. The instrument of transfer of any shares in the Company shall be in writing and shall be duly stamped and executed both by the transferor and the transferee and the provisions of Section 56 of the Companies Act 2013, including any statutory modifications thereof, shall be duly complied with in respect of all transfer of shares and registrations thereof.
- 17.2. The Company shall not register a transfer of shares or debentures of the Company unless proper instrument of transfer, duly stamped and executed by or on behalf of the transferor and transferee and specifying the name, address and occupation, if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or debentures or, if no such certificate is in existence, along with the letter of allotment of shares or debentures provided that where on an application made in writing to the Company by the transferee and bearing the stamp required for an instrument of transfer it is proved to the satisfaction of the Board that instrument of transfer signed by or on behalf of the transferor and transferee has been lost, the Company may register the transfer on such terms as to indemnity or otherwise, as the Board may think fit.
- 17.3. The Board shall have power, on giving not less than seven (7) days' previous notice by advertisement in a newspaper circulating in the district in which the registered office of the Company is situated, to close the transfer books, the register of members or register of

debenture holders at such time or times and for such period or periods not exceeding thirty (30) days at a time and not exceeding, in the aggregate, forty five (45) days in each year, as it may deem expedient.

- 17.4. The executors or administrators or holders of a succession certificate or the legal representatives of a deceased (not being one or two or more joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such shareholder and the Company shall not be bound to recognise such executors or administrator or holders of succession certificate or the legal representatives unless they shall have first obtained probate or letters of administration or succession certificate or other legal representation, as the case may be, from a duly constituted court in India; provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of probate or letters of administration or succession certificate upon such terms as to indemnity or otherwise as the Board, in its absolute discretion, may think necessary and under the next Article register the name of any person who claims to be absolutely entitled to the shares, standing in the name of a deceased shareholder, as a shareholder.
- 17.5. Subject to the provisions of the Act and these Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any shareholder or by any lawful means, other than by transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he purports to act under those Articles or of his title as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board registered as such holder, provided nevertheless that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so he shall not be free from any liability in respect of the shares.
- 17.6. Every instrument of transfer which is registered shall remain in the custody of the Company until destroyed by order of the Board.
- 17.7. No fee shall be payable to the Company in respect of the transfer, transmission, probate, succession certificate and letters of administration, certificate of death and / or marriage, power of attorney or other similar documents.
- 17.8. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of members) to the prejudice of Persons having or claiming any equitable right, title or interest to or in the said shares notwithstanding that the Company may have had notice of such equitable right, title or interest to notice prohibiting registration of such transfer and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

18. DEMATERIALIZATION OF SECURITIES

- 18.1. For the purposes of this Article,
- (a) "Beneficial Owner" means a person whose name is recorded as such with a Depository.
- (b) "Registered Owner" means the Depository whose name is entered as such in the records of the Company;
- (c) "Security" means such security as may be specified by the Securities and Exchange Board of India, from time to time.
- 18.2. Notwithstanding anything contained in these Articles and subject to applicable Law, the Company shall be entitled to dematerialise/re-materialise its Securities and to offer Securities in the dematerialised form pursuant to the Depositories Act.
- 18.3. All Securities held by a Depository shall be dematerialised and shall be in fungible form. No certificate shall be issued for the securities held by the Depository. Nothing contained in Sections 89 and 186 of the Companies Act, 2013 shall apply to a Depository in respect of the Securities held by it on behalf of the beneficial owners.
- 18.4. Nothing contained in the Act or these Articles, regarding the necessity of having distinctive numbers / certificate numbers, shall apply to Securities held in a Depository. Notwithstanding anything contained in the Act or these Articles, where the Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode and/or by delivery of floppies or disks.
- 18.5. Where the Securities are dealt with in a Depository, the Company shall intimate the details of allotment or relevant Securities to the Depository on allotment of such Securities.
- 18.6. The register of members and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register of members and other Security holders.
- 18.7. As a registered owner the Depository shall not have any voting rights or any other rights in respect of the Securities held by it. Every Person whose name is entered as the Beneficial owner of shares in the records of the Depository shall be deemed to be a Shareholder. Every Beneficial owner of Securities shall be entitled to all the rights and benefits including voting rights and be subject to all the liabilities in respect of the securities which are held by the Depository.

19. NOMINATION OF SECURITIES

- 19.1. In accordance with and subject to the provisions of Section 72 of the Companies Act 2013, every holder of Securities or holder of debentures of the Company may, at any time, nominate, in the prescribed manner, a Person to whom his Securities or debentures of the Company shall vest in the event of his death.
- 19.2. Where the Securities or debentures of the Company are held by more than one Person jointly, the joint holders may together nominate, in

the prescribed manner, a Person to whom all the rights in the Securities or debentures of the Company shall vest in the event of death of all the joint holders.

- 19.3. Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such Securities or debentures of the Company, where a nomination made in the prescribed manner purports to confer on any Person the right to vest the Securities or debentures of the Company, or as the case may be, on the death of the joint holders, the nominee shall become entitled to all the rights in the Securities or debentures of the Company, or as the case may be, on the death of all the joint holders, in relation to such Securities in or debentures of the Company, to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner.

20. TRANSMISSION IN CASE OF NOMINATION

- 20.1. Any Person who becomes a nominee by virtue of the provisions of Article 18, upon the production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either:
- (a) to be registered himself as holder of the Securities and/or debenture(s) as the case may be; or
- (b) to make such Transfer of the Securities and/or debenture(s), as the case may be, as the deceased shareholder and/or debenture-holder concerned or deceased joint-holder as the case may be, could have made.
- 20.2. If the Person being a nominee, so becoming entitled, elects himself to be registered as holder of the Securities and/or debenture(s), as the case may be, he shall deliver or send to the Company a notice in writing duly signed by him stating that the nominee concerned so elects and such notice shall be accompanied with the death certificate(s) of the deceased shareholder/debenture holder/joint holders, as the case may be.
- 20.3. All the limitations, restrictions and provisions of the Articles relating to the right to Transfer and the registration of Transfers of Securities and/or debenture(s) shall be applicable to any such notice or Transfer as aforesaid as if the death of the shareholder/debenture-holder had not occurred and the notice or Transfer were signed by that shareholder and/or debenture-holder or joint-holder, as the case may be.
- 20.4. A Person being a nominee, becoming entitled to the Securities and/or debenture(s) by reason of the death of the holder, shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Securities and/or debenture(s) except that he shall not, before being registered a shareholder in respect of his Securities, be entitled in respect of it to exercise any right conferred by membership in relation to meeting of the Company. Provided that the Board may, at any time, give notice requiring any such Person to elect either to be registered himself or to Transfer the Securities and/or debentures. If the notice is not complied with within ninety (90) days, the Board may thereafter withhold payments of all dividends, bonuses or other moneys payable or rights accruing in respect of the Securities and/or debenture(s) until the requirements of the notice have been complied with.

21. DEATH OF ONE OR MORE JOINT HOLDERS OF SECURITIES

- 21.1. Every holder of Securities and/or debenture(s) of the Company may at any time nominate, in the manner prescribed under the Act, a person to whom his Securities and/or debenture(s) of the Company shall vest in the event of his death.
- 21.2. Where the Securities and/or debenture(s) of the Company are held by more than one Person jointly, all the joint holders may together nominate, in the manner prescribed under the Act, a Person to whom all the rights in the Securities and/or debenture(s) of the Company, as the case may be, shall vest in the event of death of all the joint holders.
- 21.3. Notwithstanding anything contained in any other law for the time being in force or in these Articles or in any disposition, whether testamentary or otherwise, in respect of such Securities and/or debenture(s) of the Company, where a nomination made in the manner prescribed under the Act purports to confer on any person the right to vest the Securities in and/or debenture(s) of the Company, the nominee shall, on the death of the shareholder and/or debenture holder concerned or on the death of all the joint holders, as the case may be, become entitled to all the rights in relation to such share(s) and/or debenture(s) to the exclusion of all other persons unless the nomination is varied / cancelled in the manner prescribed under the Act.
- 21.4. Where the nominee is a minor, the holder of the Securities and/or debenture(s) of the Company can make a nomination in the manner prescribed under the Act to appoint any person to become entitled to the Securities and/or debentures(s) of the Company in the event of his death during the minority.

22. NO TRANSFER TO AN INFANT, ETC.

No Equity Share or any other Security of the Company shall, in any circumstances, be transferred to any infant, insolvent or person of unsound mind.

23. PERSONS ENTITLED MAY RECEIVE DIVIDEND

A Person entitled to any Securities by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may be given a discharge for any dividends or other moneys payable in respect of the Securities.

24. COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO SHAREHOLDERS

Copies of the Memorandum of Association of the Company and Articles and other documents referred to in Section 17 of the Act shall be sent by the Company to every shareholder at his request within seven (7) days of the request on payment of the sum of Rupee One (` 1/-) for each copy.

25. BORROWING POWERS

- 25.1. Subject to the provisions of Sections 179 and 180 of the Companies Act, 2013 and of these Articles the Board may from time to time at its discretion, by a resolution passed at a meeting of the Board, generally raise or borrow or secure the payment of any sum or sums of money for the Company. Provided however that, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loan obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such moneys without the consent of the shareholders in Shareholders' Meeting.
- 25.2. Subject to these Articles, the payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit and in particular by a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of debentures or debenture-stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being and debentures, debenture-stock and other Securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
- 25.3. Subject to the provisions of these Articles, any debentures, debenture-stock or other Securities may be issued at a premium or otherwise and subject to the provisions of the Act, may be issued on condition that they shall be convertible into shares of any denomination and with any privileges or conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at General Meetings, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of Equity Shares shall be issued only with the consent of the shareholders in General Meeting.
- 25.4. The Company shall, if at any time it issues debentures, keep a register and index of debenture-holders in accordance with Section 88 of the Companies Act, 2013. The Company shall have the power to keep in any State or country outside India, a branch register of debenture-holders resident in that State or Country.
- 25.5. Subject to the provisions of these Articles, if any uncalled Share Capital is included in or charged by any mortgage or other securities, the Directors may, subject to the provisions of the Act and these presents, make calls on the shareholders in respect of such uncalled capital in trust to the Person in whose favour such mortgage or security is executed.
- 25.6. The Company shall comply with all the provisions of the Act and these Articles in respect of the mortgages or charges created by the Company and the registration thereof and the Transfer of the debentures of the Company and the register required to be kept in respect of such mortgages, charges and debentures.

26. RESERVE AND DEPRECIATION FUNDS

- 26.1. Subject to the provisions of these Articles, the Directors may from time to time before recommending any dividend, set apart any and such portion of the profits of the Company as they think fit as a Reserve Fund to meet contingencies or for the liquidation of any debentures, debts or other liabilities of the Company, for equalisation of dividends or for repairing, improving and maintaining any of the property of the Company and for such other purposes of the Company as the Directors in their absolute discretion think conducive to the interest of the Company and may, subject to Section 179 of the Companies Act 2013, invest the several sums so set aside upon such investments (other than Equity Shares) as they may think fit and from time to time, deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company and may divide the Reserve Fund into such special funds as they think fit, with full power to transfer the whole or any portion of a Reserve Fund to another Reserve Fund or a division of a Reserve Fund and also with full power to employ the Reserve Funds or any part thereof in the business of the Company and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same, with power, however, to the Board in its discretion, to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.
- 26.2. Subject to the provisions of these Articles, the Directors may from time to time before recommending any dividend, set apart any and such portion of the profits of the Company, as they think fit, as depreciation fund applicable at the discretion of the Directors, for providing against any depreciation in the investments of the Company or for re-building, restoring, replacing or for altering any part of the buildings, work, plant, machinery or other property of the Company, destroyed or damaged by fire, flood, storm, tempest, earthquake, accident, riot, wear and tear or any other means whatsoever and for repairing, altering and keeping in good condition the property of the Company or for extending and enlarging the building, machinery and property of the Company with full power to employ the assets constituting such depreciation fund in the business of the Company and without being bound to keep the same separate from the other assets.
- 26.3. All moneys earned to any reserve fund and depreciation fund respectively shall nevertheless remain and be profits of the Company applicable subject to due provisions being made for actual loss or depreciation, for the payment of dividend and such moneys and all the other moneys of the Company may be invested by the Directors in or upon such investments or Securities as they may select or may be used as working capital or may be kept at any bank on deposit or otherwise as the Directors may from time to time think proper.

27. ANNUAL GENERAL MEETINGS

- 27.1. In addition to any other meetings, General Meetings shall be held at such intervals as are specified in Section 96 of the Companies Act, 2013 and subject to the provisions of Section 96 (2) of the Companies Act 2013, at such times and places as may be determined by the Board.
- 27.2. Each such General Meeting shall be called an Annual General Meeting. Every Annual General Meeting shall be called for a time during business hours, that is, between 9 a.m. and 6 p.m. on a day that is not a National Holiday and shall be held either at the Registered Office of the Company or at some other place within the city, town or village in which the Registered Office of the Company is situated.

28. EXTRA ORDINARY GENERAL MEETING

- 28.1. All other meetings of the Company other than those referred to in the preceding Article 26 shall be called Extraordinary General Meeting.

- 28.2. Subject to the provisions of these Articles, the Directors may, whenever they think fit and they shall, on the requisition of the holders of not less than one-tenth of the paid-up Share Capital of the Company as at the date earns right of voting in regard to the matter in respect of which the requisition is made, forthwith proceed to convene an Extra-ordinary General Meeting and in the case of such requisition, the provisions of Section 100 of the Companies Act, 2013 shall apply.
- 28.3. Any valid requisition so made by the shareholders must state the object or objects of the meeting proposed to be called and must be signed by the holders making the requisition and be deposited at the office provided that such requisition may consist of several documents in like form, each signed by one or more holders making the requisition.
- 28.4. Subject to the provisions of these Articles, upon the receipt of any such requisition, the Board shall forthwith call an Extra-ordinary General Meeting and if they do not proceed within twenty one (21) days from the date of the requisition being deposited at the registered office to cause a meeting to be called on a day not later than forty five (45) days from the date of deposit of the requisition, the shareholders making the requisition, or such of their number as represent either a majority in value of the Share Capital held by all of them or not less than one-tenth of such of the Share Capital as is referred to in Section 100(4) of the Companies Act 2013, whichever is less, may themselves call the General Meeting, but in either case, any General Meeting so called shall be held within three (3) months from the date of the delivery of the requisition as aforesaid.
- 28.5. Any meeting called under the foregoing Articles by the shareholders making the requisition shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.
- 28.6. A minimum twenty one (21) days' prior written notice shall be given to all the shareholders of any Shareholders' Meeting accompanied by the agenda for such meeting.
- 28.7. In the case of all the shareholder Meetings and in the case of any other meeting in any event, there shall be annexed to the notice of the meeting a statement setting out all the material facts concerning each such items of business, including in particular, the nature and extent of the interest, if any, therein of every Director and the manager (if any). Where any item of business consists of the accord of approval to any documents by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.
- 28.8. The accidental omission to give any such notice to or the non-receipt of notice by any of the shareholders or persons entitled to receive the same shall not invalidate the proceedings at any such meeting.
- 28.9. No Shareholders' Meeting, Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which the meeting was convened.

29. QUORUM IN A SHAREHOLDERS' MEETING

- 29.1. Subject to the provisions of Section 103 of the Companies Act, 2013 and the Articles, five (5) shareholders shall constitute quorum in Shareholder's Meetings of the Company if number of shareholders as on date of meeting is not more than One Thousand; Fifteen (15) shareholders shall constitute quorum in Shareholder's Meetings of the Company if number of shareholders as on date of meeting is more than One Thousand but not more than Five Thousand; Thirty (30) shareholders shall constitute quorum in Shareholders' Meetings of the Company if number of shareholders as on date of meeting exceeds five thousand.
- 29.2. In the absence of a valid quorum at any Shareholders' Meeting, such Shareholders' Meeting shall be adjourned to the same place and time seven (7) days later. If at the adjourned meeting also a valid quorum is not present, then, the shareholders present at such meeting shall be deemed to be the valid quorum and the Shareholders' Meeting shall continue and proceed with its agenda, subject to their being a valid quorum as per the provisions of the Act. The meeting, if called by requisitionists under Section 100, shall stand cancelled.
- 29.3. The Chairman (if any) of the Board of Directors appointed in terms of Article 36 shall be entitled to take the Chair at every General Meeting, whether Annual or Extra-ordinary. If there be no such Chairman of the Board of Directors or if at any meeting he or other Persons specified in Article 36 shall not be present within ten minutes of the time appointed for holding such meeting or shall decline to take the Chair, then any other Director present thereat shall be entitled to take the Chair and the shareholders present shall elect that Director as Chairman and if no Director be present or if all the Directors present decline to take the Chair, then the shareholders present shall elect one of them to be the Chairman.
- 29.4. The election of the Chairman, if necessary, shall be carried out in accordance with Section 104 of the Companies Act, 2013. No business shall be discussed at any General Meeting except for the matter relating to the election of Chairman, whilst the Chair is vacant.
- 29.5. The Chairman with the consent of the shareholders in a General Meeting may and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Subject to the provisions of the Act and these Articles, it shall not be necessary to give any notice of an adjournment or of the date, the time or the place of the adjourned meeting or of the business to be transacted thereat.

30. DECISIONS AT GENERAL MEETINGS

Subject to any additional requirements under the Act and these Articles, at a duly called General Meeting, all decisions shall be approved if passed only with the affirmative vote of shareholders present at the meeting and representing more than fifty percent (50%) of the Equity Shares held by all shareholders present at the meeting, duly called and for which the requisite quorum is present, as required under these Articles or the Act, as the case may be.

31. DECISIONS BY POLL

- 31.1. At any General Meeting, a resolution put to the vote of the meeting shall be decided by poll if so demanded by the shareholders. The poll may be by open voting or by ballot as the Chairman shall direct and either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting.

- 31.2. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a shareholder (not being an officer or employee of the Company) present at the meeting provided that a shareholder is available and willing to be appointed. The Chairman shall have the power at any time before the result of the poll is declared to remove a scrutineer from the office and fill the vacancy in the office of the scrutineer arising from such removal or from any other cause.
- 31.3. Any poll duly demanded on the election of a Chairman of a General Meeting or on any question of adjournment shall be taken forthwith at the General Meeting.
- 31.4. Subject to the provisions of the Act, the Chairman of the General Meeting shall have power to regulate the manner in which a poll shall be taken. The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.
- 31.5. Subject to the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company may pass resolutions by way of postal ballot from time to time.

32. VOTES OF SHAREHOLDERS

- 32.1. No shareholder shall be entitled to vote either personally or by proxy for another shareholder at any General Meeting or meeting of a class of shareholders either upon a show of hands or upon poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has any right of lien and has exercised the same.
- 32.2. Subject to these Articles, on a show of hands, every holder of Equity Shares entitled to vote and present in person shall have one vote and on a poll the voting right of every holder of Equity Shares, whether present in person or by proxy, shall be in proportion to his share of the Share Capital.
- 32.3. The voting rights of the holders of preference shares shall be in accordance with Section 47 of the Companies Act, 2013.
- 32.4. On a poll taken at a meeting of the Company, a shareholder entitled to more than one vote, or his proxy, or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way, all the votes he uses.
- 32.5. A shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy. If any shareholder be a minor, the vote in respect of his shares shall be by his guardian or any one of his guardians.
- 32.6. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A corporation being a shareholder may vote by representative duly authorised in accordance with Section 113 of the Companies Act, 2013 and such representative shall be entitled to speak, demand a poll, vote, appoint a proxy and in all other respects exercise the rights of a shareholder and shall be reckoned as a shareholder for all purposes.
- 32.7. Every proxy (whether a shareholder or not) shall be appointed in writing under the hand of the appointer or his attorney or if such appointer is a corporation, under the common seal of such corporation or the hand of its officer or an attorney, duly authorised by it and any committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meeting.
- 32.8. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office not less than 48 hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date of its execution.
- 32.9. Every instrument of proxy, whether for a specified meeting or otherwise, shall, as nearly as circumstances will admit, be in either of the form set out in Form No. MGT. 11 of Companies (Management and Administration) Rules, 2014.
- 32.10. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or of any power of attorney under which such proxy was signed or the transfer of the share in respect of which the vote is given provided that no intimation in writing of the death, revocation or transfer shall have been received at the office of the Company before the meeting.
- 32.11. An instrument of proxy may appoint a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.
- 32.12. A shareholder present by proxy shall be entitled to vote only on a poll.
- 32.13. No objection shall be made to the validity of any vote, except at the meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, not disallowed at such meeting or poll, shall be deemed valid for all purposes of such meeting or poll whatsoever.
- 32.14. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the time of taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. A declaration by the Chairman in pursuance of Section 107 of the Companies Act 2013 that, on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority and an entry to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against such resolution.
- 32.15. Any Person who transfers any shares in terms of these Articles may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares provided that forty-eight (48) hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to Transfer such shares and

give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

- 32.16. A person appointed as proxy shall act on behalf of shareholders not exceeding fifty members and holding not more than 10% of the aggregate share capital carrying voting rights. The shareholder holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and in that case, person appointed as proxy for such shareholder cannot act as proxy for any other person or shareholder.

33. MINUTES OF MEETINGS

Subject to the provisions of Section 118 of the Companies Act 2013, the Company shall cause to be kept minutes of all proceedings of General Meetings which shall contain a fair and correct summary of the proceedings thereat and a book containing such minutes shall be kept at the registered office of the Company and shall be open during business hours for such periods not being less in the aggregate than two (2) hours in each day as the Directors may determine for the inspection of any shareholder without charge. The minutes aforesaid shall be kept by making within thirty (30) days of the conclusion of every such meeting concerned entries thereof in the said book which shall have its pages consecutively numbered. Each page of the book shall be initialed or signed and the last page of the record of the proceedings of each meeting in the book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of the Chairman to sign as aforesaid within that period, by a Director duly authorised by the Board for that purpose. In no case shall the minutes be attached to any such book by pasting or otherwise.

34. BOARD OF DIRECTORS

- 34.1. The First Directors of the Company are:

(1) Shri. Girish Agarwal
(2) Smt. Jyoti Agarwal
(3) Shri. N. M. Shukla

- 34.2. Subject to the provisions of these Articles and the Act, the number of Directors on the Board shall be not less than six (6) Directors and not more than fifteen (15) Directors.

- 34.3. The number of Directors of the Company who shall be resident Indians shall be such number as specified in the Print Media Guidelines which currently is at least 3/4th of the Directors of the Company.

- 34.4. Subject to the provisions of these Articles and the Act, the Board of the Company shall be responsible for the management, supervision, direction and control of the Company.

35. REMOVAL AND REPLACEMENT OF DIRECTORS

- 35.1. The Company may, subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles, by Ordinary Resolution remove any Director not being a Director appointed by the Tribunal under Section 242 of the Companies Act, 2013 before the expiry of his period of office.

- 35.2. Special Notice as provided by these Articles or Section 115 of the Companies Act, 2013 shall be required of any resolution to remove a Director or to appoint some other person in place of a Director so removed at the Meeting at which he is removed.

- 35.3. On receipt of notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a Member of a Company) shall be entitled to be heard on the resolution at the Meeting.

- 35.4. Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes, with respect thereto, representations in writing to the Company (not exceeding reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are received by it too late for it to do so:

- (a) in the notice of the resolution given to the Members of the Company, state the fact of the representations having been made; and
(b) send a copy of the representations to every Member of the Company to whom notice of the Meeting is sent (before or after the receipt of the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the Meeting; provided that copies of the representations need not be sent or read out at the Meeting if on the application, either of the Company or of any other person who claims to be aggrieved, the Company Law Board is satisfied that the rights conferred by this Sub-clause are being abused to secure needless publicity for defamatory matter.

- 35.5. A vacancy created by the removal of the Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, in pursuance of these Articles or Section 169 of the Companies Act 2013, be filled by the appointment of another Director in his place by the Meeting at which he is removed, provided special notice of the intended appointment has been given under these Articles. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.

- 35.6. If the vacancy is not filled as mentioned above, it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable, of these Articles or Section 161 of the Companies Act, 2013 and all the provisions of that Article and Section shall apply accordingly.

- 35.7. A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.

- 35.8. Nothing contained in this Article shall be taken:-

- (a) as depriving a person removed hereunder of any compensation of damages payable to him in respect of the termination of his appointment as Director; or
- (b) as derogating from any power to remove a Director which may exist apart from this Article.

36. DIRECTOR'S ACCESS

Each Director shall be entitled to examine the books, accounts and records of the Company and shall have free access, at all reasonable times and with prior written notice, to any and all properties and facilities of the Company.

37. CHAIRMAN OF THE BOARD

The Chairman of the Board of the Company shall be Mr. R. C. Agarwal and in his absence Mr. Sudhir Agarwal or Mr. Girish Agarwal or Mr. Pawan Agarwal. In the event Mr. R. C. Agarwal, Mr. Sudhir Agarwal, Mr. Girish Agarwal or Mr. Pawan Agarwal are not available for a Board Meeting, then such Director as appointed by the Board from amongst the Directors present at such Board Meeting shall be the Chairman of such Board Meeting. In case of an equality of votes, the Chairman of the Board shall have a second or casting vote.

38. ALTERNATE DIRECTOR

Subject to the provisions of Section 161(2) of the Companies Act, 2013, each Director shall be entitled to nominate an Alternate Director, not being a person holding any alternate directorship for any other director in the Company, to act in accordance with the Act. No person shall be appointed as an Alternate Director for an Independent Director unless he is qualified to be appointed as an Independent Director under the provisions of the Act. Each Director shall also have a right to withdraw the nominated Alternate Director and nominate another in his/her place. The shareholders shall take all such actions, including exercising their votes in relation to the equity shares controlled by them, as may be required to cause any Alternate Director nominated pursuant to this Article 38 to be duly elected or appointed.

39. POWER TO APPOINT EX-OFFICIO DIRECTORS

Subject to the provisions of these Articles, whenever Directors enter into a contract with any Government, Central, State or Local, any bank or financial institution or any Person or Persons (hereinafter referred to as "the appointer") for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or entering into any other arrangement whatsoever, the Directors shall have, subject to the provisions of Section 161 of the Act, the power to agree that such appointer shall have the right to appoint or nominate by a notice in writing addressed to the Company, one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The Directors may also agree that any such Director or Directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may fill any vacancy that may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatsoever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer.

40. DEBENTURE DIRECTORS

If it is provided by the trust deed, securing or otherwise, in connection with any issue of debentures of the Company, that any Person or Persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of debentures, the Person or Persons having such power may exercise such power from time to time and appoint a Director accordingly ("Debenture Director"). A Debenture Director may be removed from office at any time by the Person or Persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares.

41. DIRECTORS' POWER TO ADD TO THE BOARD

Subject to the provisions of Sections 161 and 152 of the Companies Act, 2013 and these Articles, the Board shall have power at any time and from time to time to appoint any other qualified person to be an additional Director, but so that the total number of Directors shall not at any time exceed the maximum fixed under the Act. Any such additional Director shall hold office only up to the date of the next Annual General Meeting.

42. DIRECTORS' POWER TO FILL CASUAL VACANCIES

Subject to the provisions of Sections 152 and 161 of the Companies Act, 2013 and these Articles including Article 38, the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated by him.

43. REMUNERATION OF DIRECTORS

- 43.1. Subject to the provisions of the Act and these Articles, the Executive Chairman or a Managing Director or Director, who is in the whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.
- 43.2. Subject to the provisions of the Act, a Director other than the Executive Chairman or a Director in the whole-time employment or a Managing Director may be paid remuneration either:
 - (a) by way of monthly, quarterly or annual payment with the approval of the Central Government; or
 - (b) by way of commission, if the Company has, by a special resolution, authorised such payment.

43.3. The fee payable to a Director (including the Executive Chairman or a Managing or Whole-time director, if any) for attending a meeting of the Board or Committee thereof shall be decided by the Board from time to time within the limit of such fee that may be prescribed by the Central Government under the proviso to Section 197 of the Companies Act, 2013.

44. EXPENSES

The reasonable costs of attendance of Directors at Board Meetings (including costs of business class airfare, hotel accommodation and local transportation) shall be borne by the Company.

45. DIRECTORS MAY ACT NOTWITHSTANDING ANY VACANCY

The continuing Directors may act notwithstanding any vacancy, so long as their number is not reduced below the minimum number fixed by these Articles and the continuing Directors, being not less than two, for the purpose of increasing the number of Directors to that number, or for summoning a Shareholders Meeting, but for no other purpose.

46. WHEN OFFICE OF DIRECTORS TO BECOME VACANT

Subject to Sections 164, 167 and 188 of the Companies Act, 2013 and these Articles, the office of a Director shall become vacant if:

- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or
- (b) he applies to be adjudicated as an insolvent; or
- (c) he is adjudged an insolvent; or
- (d) he has been convicted by a court of any offence, whether involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from date of expiry of the sentence;

Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any Company, or

- (e) he fails to pay any call made on him in respect of the shares held by him, whether alone or jointly with others, within six (6) months from the date fixed for the payment of such call; or
- (f) he becomes disqualified by an order of the Court or Tribunal and the order is in force; or
- (g) he has been convicted of the offence dealing with related party transactions under section 188 of the Companies Act, 2013 at any time during the last preceding five years; or
- (h) he has not complied with sub-section (3) of section 152.

47. DIRECTOR MAY CONTRACT WITH COMPANY

Related party as defined in Section 2(76) of the Companies Act, 2013 may enter into any contract or arrangement with respect to items specified in Section 188 of the Companies Act, 2013 with the Company subject to the provisions of these Articles and provisions of the Section 188 of the Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014.

48. DISCLOSURE OF INTEREST

A Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in which the contract or arrangement is discussed and such interested director shall not participate in any discussion of, or vote on, any contract, arrangement or proposal in which he is interested. In the manner provided in Section 184 of the Companies Act, 2013 provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the Directors of the Company or two or more of them together holds or hold not more than two percent (2%) of the paid-up share capital in any such other Company.

49. GENERAL NOTICE OF INTEREST

Every director shall disclose his concerns or interest at the first meeting of the Board of Directors in which he participates as a director and thereafter at the first meeting of the Board of Directors in every financial year or if there is any change in disclosures already made by director, then at the first board meeting held after such change, disclose his concern or interest in any Company or Companies or Bodies Corporate, firms or other association of individual along with shareholding details as prescribed in Companies (Meetings of Board and its Powers) Rules, 2014.

50. INTERESTED DIRECTORS NOT TO PARTICIPATE OR VOTE IN BOARD'S PROCEEDINGS

No Director shall, as a Director, take any part in the discussion of or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if contract or arrangement is entered into by the Company without disclosure as per Article 48 or with participation by a director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement then such contract or arrangement shall be voidable at the option of the Company. Provided however, that nothing herein contained shall apply to:

any contract or arrangement entered into or to be entered into between two Companies where any of the directors of the one Company or two or more of them together holds or hold not more than two percent of the paid-up share capital in the other Company.

51. REGISTER OF CONTRACTS IN WHICH DIRECTORS ARE INTERESTED

The Company shall keep a register in accordance with Section 189 of the Companies Act 2013 and shall within the time specified in Section 189(2) of the Companies Act 2013, enter therein such of the particulars as may be relevant having regard to the application thereto of Section 184(2) or Section 188 of the Companies Act 2013, as the case may be. The register aforesaid shall also specify, in relation to each Director or Key Managerial Personnel of the Company, the names of the bodies corporate and firms of which notice has been given by him under Article 48. The register shall be kept at the registered office of the Company and shall be open to inspection at such office and extracts may be taken therefrom and copies thereof may be required by any member of the Company, to the same extent, in the same manner and on payment of the same fee, as in the case of register of members of the Company and the provisions of Section 94 of the Act shall apply accordingly.

52. DIRECTORS MAY BE DIRECTORS OF COMPANIES PROMOTED BY THE COMPANY

Subject to the provisions of Articles 62 and 63, a Director may be or become a Director of any company promoted by the Company or in which he may be interested as vendor, shareholder or otherwise, and no such Director shall be accountable for any benefits received as a director or shareholder of such company except in so far as Section 197 or Section 188 of the Companies Act, 2013 may be applicable.

53. RETIREMENT OF DIRECTORS BY ROTATION

Subject to the provisions of Article 39 and 40, at every Annual General Meeting, one third of such of the Directors for the time being as are liable to retire or if their number is not three or a multiple of three, the number nearest to one-third, shall retire from office.

54. DETERMINATION OF DIRECTORS RETIRING BY ROTATION AND FILLING OF VACANCIES

Subject to the provisions of Articles 34 and 35 and Section 152 of the Companies Act 2013, the Directors to retire by rotation under Article 53 at every Annual General Meeting shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day, those who are to retire, shall, in default of and subject to any agreement among themselves, be determined by lot.

55. ELIGIBILITY FOR RE-ELECTION

A retiring Director shall be eligible for re-election.

56. COMPANY TO APPOINT SUCCESSORS

Subject to the provisions of Article 35, the Company at the Shareholders' Meeting at which a Director retires in manner aforesaid, may fill up the vacated office by electing a person thereto.

57. PROVISION IN DEFAULT OF APPOINTMENT

57.1. If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.

57.2. If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless:

- (a) at that meeting or at the previous meeting, resolution for the reappointment of such Director has been put to the meeting and lost;
- (b) the retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be re-appointed;
- (c) he is not qualified or he is disqualified for appointment;
- (d) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or
- (e) the proviso to Sub-section (2) of Section 162 of the Companies Act, 2013 is applicable to the case.

58. COMPANY MAY INCREASE OR REDUCE THE NUMBER OF DIRECTORS

Subject to the provisions of these Articles, including Article 35 and Section 149 of the Companies Act 2013, the Company may by special resolution, from time to time, increase the number of Directors and may by ordinary resolution, remove the number of directors (subject to the provisions of Section 169 of the Companies Act, 2013) before the expiration of his period of office and appoint another qualified Person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

59. NOTICE OF CANDIDATE FOR OFFICE OF DIRECTOR EXCEPT IN CERTAIN CASES

59.1. No person, not being a retiring Director, shall be eligible for appointment to the office of Director at any Shareholders' Meeting unless he or some shareholders intending to propose him has, not less than fourteen (14) days before the meeting, left at the registered office of the Company, a notice in writing under his hand signifying his candidature for the office of Director or the intention of such shareholders to propose him as a candidate for that office along with a deposit of one lakh rupees which shall be refunded to such person or, as the case may be, to such shareholder, if the person succeeds in getting elected as a Director or gets more than twenty-five percent of the total valid votes cast either on show of hands or on poll on such resolution.

59.2. Every person (other than a director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Companies Act, 2013 signifying his candidature for the office of a Director) proposed as a candidate for the office of Director shall sign and file with the Company, the consent in writing to act as a Director, if appointed.

60. REGISTER OF DIRECTORS ETC. AND NOTIFICATION OF CHANGE TO REGISTRAR

The Company shall keep at its registered office a register containing the particulars of its Directors and Key Managerial Personnel and shall otherwise comply with the provisions of the said Section in all respects.

61. REGISTER OF SHARES OR DEBENTURES HELD BY DIRECTORS

The Company shall in respect of each of its Director and Key Managerial Personnel keep at its registered office a register as required by Section 170 of the Companies Act, 2013 and shall otherwise duly comply with the provisions of the said Section in all respects.

62. DISCLOSURE BY DIRECTOR ON APPOINTMENT TO ANY OTHER BODY CORPORATE

Every director and Key Managerial Personnel within a period of thirty days of his appointment, or relinquishment of his office, as the case may be, disclose to the Company the particulars specified in sub-section (1) of section 184 relating to his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association which are required to be included in the register under that section 189 of the Companies Act, 2013.

63. DISCLOSURE BY A DIRECTOR OF HIS HOLDING OF SHARES AND DEBENTURES OF THE COMPANY, ETC.

Every Director and Key Managerial Personnel shall give notice to the Company of such matters relating to himself as mentioned in Article 62 for the purpose of enabling the Company to comply with the provisions of Section 189 of the Companies Act, 2013.

64. MANAGEMENT

64.1. Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint from time to time any of its members as Managing Director or Managing Directors of the Company upon such terms and conditions as the Board thinks fit and the Board may by resolution vest in such Managing Director or Managing Directors such of the powers hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine. The remuneration of the Managing Director or Managing Directors may be by way of monthly payment, fee for each meeting or participation in profits or by any or all these modes or any other mode not expressly prohibited by the Act and shall be subject to such limitations as may be prescribed by the Act. The Directors may whenever they appoint more than one Managing Director, designate one or more of them as "Joint Managing Director" or "Joint Managing Directors" or "Deputy Managing Director" or "Deputy Managing Directors", as the case may be, and accordingly the expression "Managing Director" shall also include and be deemed to include "Joint Managing Director" or "Deputy Managing Director" as the case may be.

64.2. The Managing Director or Managing Directors who are in the whole-time employment of the Company shall, subject to supervision and control of the Board of Directors, exercise such powers as are vested in them by the Board.

64.3. The Company shall not appoint or employ or continue the appointment or employment of a person as its Chairman or Managing or Whole-time director who,

- (a) is an un-discharged insolvent or has at any time been adjudged an insolvent;
- (b) suspends or has at any time suspended payment to his creditors or makes or has at any time made a composition with them; or
- (c) is or has at any time been convicted by a Court of an offence involving moral turpitude.

64.4. If Executive Chairman, Vice Chairman or Managing Director ceases to hold the office of Director, he shall ipso facto and immediately cease to be a Chairman, Vice Chairman or a Managing Director.

64.5. Subject to the provisions of the Act and these Articles, the Managing Director or Managing Directors shall not, while he or they continue to hold that office, be subject to retirement by rotation.

65. BOARD MEETINGS

The Board of the Company will meet not less than once a quarter in every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board: The Board Meeting of the Company shall be held in Bhopal, Mumbai or any other location as may be agreed by the Directors and the Company shall ensure that the Board Meeting of the Subsidiaries shall be held at the place where the respective registered office of the Subsidiary is situate or at any other location approved by the Directors of the Subsidiary.

66. QUORUM FOR BOARD MEETINGS

Subject to the terms set out in these Articles and the provisions of the Act, two (2) Directors or 1/3rd of its total strength (any fraction in that one-third being rounded off as one) whichever is higher and the participation of the directors by video conferencing or by other audio visual means would also constitute a quorum for the Board Meetings of the Company. In the absence of a valid quorum at a Board Meeting, such a Board Meeting shall be adjourned to the same place and time seven (7) days later or if that day is national holiday, till the next succeeding day, which is not national holiday, at the same time and place. If at the adjourned meeting also a valid quorum is not present, then the Directors present at such meeting shall be deemed to be the valid quorum and the Board Meeting shall continue and proceed with its agenda, subject to their being a valid quorum as per the provisions of the Act.

67. NOTICE OF BOARD MEETINGS

A meeting may be called by the Chairman of the Board of the Company or any one (1) other Director giving notice in writing to the

Company Secretary specifying the date, time and agenda for such meeting. The Company Secretary of the Company shall upon receipt of such notice give a copy of such notice to all Directors of such meeting, accompanied by a written agenda specifying the business of such meeting and copies of all papers relevant for such meeting. The Company shall ensure that sufficient information is sent with such notice to the Directors to enable each Director to make a decision on the issue in question at such meeting. Not less than a minimum seven (7) days' prior notice shall be given to each Director of any Board Meeting of the Company or the Subsidiary, as the case may be, accompanied by the agenda for the Board meeting by hand delivery or by post or by electronic means. The meeting may be called at shorter notice to transact business on urgent basis subject to the condition that at least one independent director shall be present at the meeting. In case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director. The quorum for the Board Meeting of the Company shall be in accordance with these Articles including Articles 66 herein above.

68. VOTING AT BOARD MEETINGS

- 68.1. At any Board Meeting, each Director may exercise one (1) vote. The matters shall be decided in the manner set out in Article 70 herein below.
- 68.2. The Directors may participate in Board meetings through video conferencing or other audio visual means, which are capable of recording and recognizing the participation of the directors and of recording and storing the proceedings of such meetings along with date and time. However certain matters specifically prohibited by the Act shall not be dealt with in a meeting through video conferencing or other audio visual means.

69. DECISION BY CIRCULATION

A written resolution circulated to all the Directors or members of committees of the Board, whether in India or overseas, and signed by a majority of them as approved, shall (subject to compliance with the relevant requirements of the Act) be as valid and effective as a resolution duly passed at a meeting of the Board or committee of the Board called and held in accordance with these Articles (provided that it has been circulated in draft form, together with the relevant papers, if any, to all the Directors).

70. DECISIONS AT BOARD MEETINGS

Subject to any additional requirements under the Act and these Articles, at a duly called Board Meeting, all decisions shall be taken by a simple majority (the affirmative vote greater than fifty percent (50%) of the Directors present at a meeting duly called and for which requisite quorum is present) as required under these Articles or under the Act, as the case may be.

71. DAY TO DAY MANAGEMENT

The day to day management of the Company shall be delegated by the Board to the Managing Director who shall exercise such powers as may be delegated by the Board of Directors subject to its overall supervision and control.

72. POWERS OF THE BOARD MEETING

A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion which by or under the Act or these Articles are for the time being vested in or exercisable by the Board generally.

73. DIRECTORS MAY APPOINT COMMITTEE

- 73.1. Subject to the provisions of these Articles and the restrictions contained in Section 179 of the Companies Act 2013, the Board may delegate any of its powers to committees of the Board consisting of such member or members of its body as it thinks fit and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes, but every committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purpose of its appointment but not otherwise, shall have the like force and effect as if done by the Board.
- 73.2. The Company shall have a separate executive committee of the Board of Directors consisting of such number of Directors and such personnel of the Company as may be deemed necessary by the Board of Directors of the Company (the "Executive Committee"). The Executive Committee will meet every month or at any time as the Directors deem necessary to, inter alia, discuss the ongoing business developments of the Company.
- 73.3. The Company shall have a separate transfer committee of the Board of Directors and of its Subsidiaries consisting of such number of Directors and such personnel of the Company as may be deemed necessary by the Board of Directors of the Company (the "Transfer Committee"). The Transfer Committee shall maintain the records of the various Transfers of the Equity Shares made by the shareholders of the Company and/or the Subsidiaries.

74. MEETING OF COMMITTEE HOW TO BE GOVERNED

The meeting and proceedings of any such committee of the Board shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors.

75. ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT

All acts done by any meeting of the Board or by a committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as if every such person had been duly appointed and was qualified to be a Director

and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

76. MINUTES OF BOARD MEETINGS

- 76.1. The Company shall cause minutes of all proceedings of every meeting of the Board and committee thereof to be kept by making within thirty (30) days of the conclusion of every such meeting entries thereof in books kept for that purpose with their pages consecutively numbered.
- 76.2. Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
- 76.3. In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- 76.4. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- 76.5. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- 76.6. The minutes shall also contain:
 - (a) the names of the Directors present at the meeting; and
 - (b) in the case of each resolution passed at the meeting, the names of the Directors, if any, dissenting from or not concurring in the resolution.
- 76.7. Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

77. POWERS OF THE BOARD

Subject to the provisions of the Act and these Articles, the control of the Company shall be vested in the Board who shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and to do provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or in other statute or by the Memorandum of Association of the Company or by these Articles or otherwise, to be exercised or done by the Company in general meeting provided further that in exercising any such power or doing any such act or things, the Board shall be subject to the provisions in that behalf contained in the Act or in any other Act or in the Memorandum of Association of the Company or these Articles or any regulations not inconsistent therewith and duly made thereunder including regulations made by the Company in General Meeting but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if those regulations had not been made.

78. DIVIDENDS

- 78.1. Subject to the provisions of these Articles and subject to the rights of the shareholders entitled to shares (if any) with preferential or social rights attached thereto, the profits of the Company which it shall, from time to time, determine to divide in respect of any year or other period shall be applied in the payment of a dividend on the Equity Shares of the Company but so that a partly paid-up share shall only entitle the holder with respect thereto to such proportion of the distribution upon a fully paid-up share as the amount paid thereon bears to the nominal amount of such share and so that, where capital is paid-up in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.
- 78.2. The Company in General Meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may fix the time for payment.
- 78.3. No larger dividend shall be declared than is recommended by the Directors but the Company in General Meeting may declare a smaller dividend.
- 78.4. No dividend shall be payable except out of the profits of the Company for the year or any other undistributed profits and no dividend shall carry interest as against the Company.
- 78.5. Where any assets, business or property is bought by the Company as from a past date upon the terms that the Company shall as from that date take the profits and bear the losses thereof, such profits and losses, as the case may be, shall, at the discretion of the Directors, be so credited or debited wholly or in part to the profit and loss account and in that case the amounts so credited or debited shall for the purpose of ascertaining the fund available for dividend be treated as a profit or loss arising from the business of the Company and available for dividend accordingly. If any shares or securities are purchased with dividend or interest, such dividend or interest when paid may at the discretion of the Directors be treated as revenue and it shall not be obligatory to capitalise the same or any part thereof.
- 78.6. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.
- 78.7. The Directors may from time to time pay to the members such interim dividends as in their judgement the position of the Company justifies.
- 78.8. The Directors may retain dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
- 78.9. Any General Meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the members, be set off against the call.
- 78.10. No shareholder shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever either alone or jointly with any other

Person or Persons and the Board may deduct from the interest or dividend payable to any member all sums of money due from him to the Company.

- 78.11. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
- 78.12. Unless otherwise directed, any dividend may be paid by cheque or warrant or by a payslip or receipt or by any electronic mode having the force of a cheque or warrant, sent through the post to the registered address of the member or Person entitled or in case of joint-holders, to that one of them first named in the register of members in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or payslip or receipt lost in transmission or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any payslip or receipt or the fraudulent recovery of the dividend by any other means. If several persons are registered as joint-holders of any shares, any one of them can give effectual receipts for any dividends or other moneys payable in respect thereof. No unclaimed dividend shall be forfeited before the claim thereto becomes barred by law. The Directors may annul such forfeiture and pay any such dividend.
- 78.13. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, the Company shall transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account". The Company shall within a period of ninety days of making any transfer of an amount to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the Company and also on any other website approved by the Central Government, for this purpose. Any money transferred to the unpaid dividend account of a Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the Fund known as Investor Education and Protection Fund established under Section 125 of the Companies Act, 2013. No unclaimed or unpaid dividend shall be forfeited by the Board.

79. CAPITALISATION

- 79.1. Subject to the provisions of these Articles, the Company may at any General Meeting resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of any reserve or reserves or any capital redemption reserve fund or in the hands of the Company and available for dividend or representing premiums received on the issue of shares and standing to the credit of the share premium account be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend. The distribution shall be made in the same proportion on the footing that they become entitled thereto as capital. All or any part of such capitalised fund may be applied on behalf of such shareholders in paying up in full any unissued shares, debentures or debenture-stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum. Provided that any sum standing to the credit of a share premium account or a capital redemption reserve fund may, for the purpose of this Article only, be applied in the paying up of un-issued shares to be issued to members of the Company as fully paid bonus shares.
- 79.2. A General Meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company or any investment representing the same or any other undistributed profits of the Company, not subject to charge for income-tax, be distributed among the members on the footing that they receive the same as capital.
- 79.3. For the purpose of giving effect to any resolution under the preceding two Articles, the Board may settle any difficulty which may arise in regard to the distribution, as they think expedient and in particular, may issue fractional certificates and may fix the value for distribution of any specific assets and may determine what cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest such cash or specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalised fund as may seem expedient to the Board. Where requisite, a proper contract shall be filed in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the Persons entitled to the dividend or capitalised fund and such appointment shall be effective.

80. BOOKS AND DOCUMENTS

- 80.1. The Company shall, and the Company shall cause its Subsidiaries and Affiliates to, keep proper, complete and accurate books of account in rupees in accordance with Indian accounting standards. Further, the Directors shall cause to be kept proper books of account in accordance with Section 128 of the Companies Act, 2013 with respect to:
- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;
 - (b) all sales and purchases of goods by the Company; and
 - (c) the assets and liabilities of the Company.
- 80.2. The books of account shall be kept at the registered office or subject to the proviso to Section 128 of the Companies Act, 2013 at such other place as the Directors think fit and shall be open to inspection by the Directors during the business hours.
- 80.3. The Directors shall from time to time determine whether and to what extent and at what time and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of the members not being Directors and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Directors.
- 80.4. The Directors shall from time to time in accordance with Sections 129, and 134, of the Act, cause to be prepared and to be laid before Company in General Meeting such profit and loss account and balance sheet as are referred to in those Sections.

80.5. A copy of every such profit and loss account and balance sheet (including the auditor's report and every other document required by law to be annexed or attached to the balance sheet) shall, at least twenty-one (21) days before the same are to be laid before the members, be sent to every member of the Company, to holders of debentures issued by the Company (not being debentures which ex-facie are payable to the bearer thereof), to trustees for the holders of such debentures and to all persons entitled to receive notices of General Meetings of the Company.

81. AUDIT

81.1. The auditors of the Company shall be appointed and their rights and duties regulated in accordance with Sections 139 and 147 of the Companies Act, 2013 and these Articles.

81.2. Every account of the Company when audited and approved by General Meeting shall be conclusive except as regards any error discovered therein within three (3) months next after the approval thereof. When any such error is discovered within that period, the accounts shall forthwith be corrected and thenceforth shall be conclusive.

82. CODE OF CONDUCT

The Board shall lay down a code of conduct for all the Board members and the senior management of the Company. All members of the Board and the senior management shall affirm compliance with the code of conduct on an annual basis.

83. COMMON SEAL

83.1. The Board shall provide a common seal for the purpose of the Company and shall have powers from time to time to destroy the same and substitute a new seal in lieu thereof and the Board shall provide for the safe custody of the seal for the time being and the seal shall never be used except by the authority of the Board or a committee of the Board previously given and in the presence of a Director of the Company or some other person appointed by the Directors for the purpose.

83.2. Every Deed or other instruments to which the Seal of the Company is required to be affixed shall be invalid unless the same is signed by one Director or some other person appointed by the Board for the purpose, provided nevertheless that certificate of shares may be sealed in accordance with the provisions of the Companies (Issue of Share Certificates) Rules, 1960 or the statutory modification or re-enactment thereof for the time being in force.

84. DOCUMENTS AND NOTICE

84.1. A document or notice may be served or given by the Company on any member or an officer thereof either in writing or through electronic mode.

84.2. Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the document or notice, provided that where a member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member and such service shall be deemed to have been effected in the case of a notice of a meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case, the time at which the letter would be delivered in the ordinary course of post.

84.3. A document or notice advertised in a newspaper circulating in the neighbourhood of the Office shall be deemed to be duly served or sent on the day on which the advertisement appears, on or to every member who has no registered address in India and has not supplied to the Company any address within India for the service of documents on him or the sending of notice to him.

84.4. A document or notice may be served or given by the Company on or to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a pre-paid letter addressed to him by name or by the title of representative of the deceased or assignee of the insolvent or by any like description, at the address (if any) in India supplied for the purpose by the person claiming to be so entitled or (until such an address has not so been supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.

84.5. Documents or notice of every General Meeting shall be served in the same manner hereinbefore authorised on or to (a) every member (b) every person entitled to a share in consequence of the death or insolvency of a member and (c) the auditor or auditors for the time being of the Company.

84.6. Every Person who, by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every document or notice in respect of each share received by him prior to his name and address being entered on the register of members, if it is duly served on the person from whom he derives his title to such Equity Share.

84.7. Any document or notice to be served or given by the Company may be signed by a Director or some person duly authorised by the Board for such purpose and the signature may be written, printed or lithographed.

84.8. All documents or notices to be served or given by members on or to the Company or any officer thereof shall be served or given by sending them to the Company or officer at the Office by post under a certificate of posting or by registered post or by leaving it at the Office.

85. AUTHENTICATION OF DOCUMENTS

Save as otherwise expressly provided in the Act or these Articles, documents or proceedings requiring authentication by the Company may be signed by a Director or an authorised officer of the Company and need not be under its Seal.

86. WINDING UP

The liquidator on any winding-up (whether voluntary, under supervision or compulsory) may, with the sanction of a special resolution but subject to the rights attached to any preference share capital, divide amongst the members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of the kind or not) and may for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trust for the benefit of the contributories as the liquidator, with the like sanction, shall be compelled to accept on shares or other securities whereon there is any liability.

87. INDEMNITY AND RESPONSIBILITY

87.1. The Company may, in its discretion and to the fullest extent permitted under applicable law, rule or regulation, indemnify any Director or officer or Secretary of the Company or any Person employed by the Company or auditor against any liability incurred by him by reason of any contract entered into or act or thing done by him as an officer, Director or Secretary or in any way in the discharge of his duties, or in defending any bona fide proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is granted to him by the Court. Such indemnity shall immediately attach as a lien on the property of the Company and have priority as between the Members over all other claims.

87.2. Subject to the provisions of the Act, no Director, Auditor or other officer of the Company shall be liable for the act, receipts, neglects or defaults of any other Director or officer or for joining in any receipts or other act for the sake of conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, firm or company to or with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgment, omission, default or oversight on his part or for any other loss, damage or misfortune whatsoever which shall happen in relation to the execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

88. WAIVER

In the event any requirement or condition as stipulated in these Articles are waived or amended in the manner as mutually agreed by shareholders by passing a special resolution, then such requirement or condition as set out in these Articles shall also be deemed to have been waived or amended to that extent.

We, the several persons, whose names, addresses and descriptions are subscribed hereunder are desirous of being formed into a company in pursuance of this Articles of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names:-

Sr. No.	Names & Addresses, description & Occupation of Subscribers	No. of Equity shares taken by each Subscriber	Signature of Subscribers	Name/Address description & Occupation of Witness
1.	Shri NAGENDRA MOHAN SHUKLA, S/o Shri Viswanath Shukla, E-7/50, Arera Colony, Bhopal. Business	100 (One Hundred)	- sd -	Witness to the signature of all the subscribers Sd/- Navin K.Gupta S/o Shri M.L.Gupta Dal Bazar Gwalior (M.P.) Chartered Accountant in Practice
2.	Smt. PRAKRITI SHUKLA, W/o Shri N. M. Shukla, E-7/50, Arera Colony, Bhopal. Business	100 (One Hundred)	- sd -	
3.	Shri RAMESH CHANDRA AGARWAL S/o Late Shri D.P. Agarwal, E-1/79, Arera Colony, Bhopal. Business	100 (One Hundred)	- sd -	
4.	Shri PRADYUMNA G. MISHRA, S/o Dr. Gopalkrishna Mishra, B/122, Alkapuri, BHEL, Bhopal. Business	100 (One Hundred)	- sd -	
5.	Shri K. RAMASUBBU, S/o S. Kalimuthu, 226 C, Sector C, Indrapuri, Bhopal. Service	100 (One Hundred)	- sd -	
6.	Shri KRISHAN GUPTA, S/o Late Sri M.P. Gupta, Goshapura No.1, Gwalior. Business	100 (One Hundred)	- sd -	
7.	Shri VISHNU PRASAD GARG, S/o Shri Babulal Garg, 1, Usha Colony, Gwalior. Business	100 (One Hundred)	- sd -	
	TOTAL	700 (Seven Hundred)		

Dated 9th October, 1995

D. B. CORP LTD.

Regd. Office: Plot No. 280, Sarkhej Gandhinagar Highway, Near YMCA Club, Makarba, Ahmedabad (Gujarat) – 380 051

CIN: L22210GJ1995PLC047208

Website: www.bhaskarnet.com

PROXY FORM

Form No. MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): _____

Registered address: _____

E-mail Id: _____

Folio No/ Client Id: _____ DP ID: _____

I/We, being the member (s) of _____ shares of the above named Bank, hereby appoint

1. Name: _____ Address: _____

E-mail Id: _____ Signature: _____ or failing him

2. Name: _____ Address: _____

E-mail Id: _____ Signature: _____ or failing him

3. Name: _____ Address: _____

E-mail Id: _____ Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 18th Annual General Meeting of the Company to be held on Thursday, 24th July, 2014 at 2.30 p.m. at Hotel Planet Landmark, 139/1, Amlī-Bopal Road, Near Ashok Vatika, Off S. G. Road, Ahmedabad, Gujarat – 380051 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Nos.	Resolutions	Optional *	
		For	Against
Ordinary Business			
1.	Adoption of financial statements for the year ended 31 st March, 2014.		
2.	Declaration of Final Dividend and confirmation of the interim dividend already paid.		
3.	Appointment of Mr. Girish Agarwal as a Director retiring by rotation.		
4.	Appointment of Joint Statutory Auditors for FY 2014-15 and fixing their remuneration.		
Special Business			
5.	Appointment of the Deputy Managing Director and payment of remuneration to him.		
6.	Appointment of Mr. Piyush Pandey as an Independent Director.		
7.	Appointment of Mr. Harish Bijoor an Independent Director.		
8.	Appointment of Mr. Kailash Chandra Chowdhary as an Independent Director.		
9.	Appointment of Mr. Ashwani Kumar Singhal as an Independent Director.		
10.	Passing of Special Resolution for approval of Borrowing Limits.		
11.	Passing of Special Resolution for amendment of Articles of Association of the Company.		

Signed this _____ day of _____ 2014.

Signature of Shareholder(s)

Signature of Proxy holder(s)

Affix 1/-
Revenue
Stamp
Here

Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- A person can act as proxy on behalf of Members upto and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.

* it is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

D. B. Corp Limited

Regd. Office : Plot No. 280, Sarkhej Gandhinagar Highway, Near YMCA Club, Makarba, Ahmedabad (Gujarat) – 380 051

Despatch of Annual Report and Other documents through Electronic mode

To the Members

As you may be aware, The Ministry of Corporate Affairs (MCA), Government of India, vide its Circular No. 17/2011 and 18/2011 dated 21st April, 2011 and 29th April, 2011 respectively, has allowed Companies to send official documents including Annual Reports to their shareholders electronically as part of its "Green Initiative in Corporate Governance".

Your Company had written vide letters dated 27th May, 2011, 19th July, 2012 and 16th May, 2013 to all its shareholders, who have registered their e-mail address with the Depository/Company, about the company adopting the practice of 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 3 years' Annual Report through e-mail to the shareholders who have registered their e-mail address with the Registrar. On the same lines, the Annual Report for the financial year ended 31st March, 2014 and the notice convening the 18th Annual General Meeting are also sent in electronic mode to such shareholders.

Kindly note that physical copies of the Annual Report for the financial year ended 31st March, 2014 and the notice convening the 18th Annual General Meeting are sent to those members who have specifically intimated the Company in this regard and also to those members who have not yet registered their e-mail addresses for such electronic delivery.

We appeal all members who have not registered their e-mail addresses to register it and opt for electronic delivery and contribute their small share to the noble cause of "Green Initiative". Kindly fill up the form given here below and send it to us.

The said Annual Report for the year ended 31st March, 2014 and Notice convening the 18th Annual General Meeting are also available on the Company's website www.bhaskarnet.com in "Our Investors" section.

For D. B. Corp Limited

Place: Mumbai
Date: May 12, 2014

Anita Gokhale
Company Secretary



ATTENDANCE SLIP

D. B. Corp Limited

Regd. Office : Plot No. 280, Sarkhej Gandhinagar Highway, Near YMCA Club, Makarba, Ahmedabad (Gujarat) – 380 051

18th ANNUAL GENERAL MEETING

Please fill this attendance slip and hand it over at the entrance of the venue of the meeting.

	Name and Address:	No. of shares held:
DP Id No.* : _____		
Client Id No.* : _____		
Regd. Folio No. : _____		

*Applicable to members holding shares in electronic form

I hereby record my presence at the 18th Annual General Meeting of D. B. Corp Limited held on Thursday, 24th July, 2014 at 2.30 p.m. at Hotel Planet Landmark, 139/1, Aml-Bopal Road, Near Ashok Vatika, Off S. G. Road, Ahmedabad, Gujarat – 380051.

Signature of the Member/ Proxy

D. B. Corp Limited

Regd. Office : Plot No. 280, Sarkhej Gandhinagar Highway, Near YMCA Club, Makarba, Ahmedabad (Gujarat) – 380 051

E-communication Registration Form

(As per circular nos. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 issued by the Ministry of Corporate Affairs)

Folio No. / DP ID & Client ID : _____
Name of First Registered Holder : _____
Name of Joint Holder(s) : _____
Registered Address : _____

E-mail ID (to be registered) : _____

I / We, members of D. B. Corp Limited, agree to receive all communication from the Company in electronic mode. Please register my above-mentioned e-mail id in your records for sending communication through e-mail.

Date: _____

Signature: _____
(First Holder)

Notes:

1. On registration, all the communication will be sent to the e-mail id registered for the folio.
 2. Members are requested to keep the Company/Depository Participants informed as and when there is any change in the e-mail address.
-

Unnmetro₹o

The Markets Driving India

Annual Report
2013-14


DB Corp Ltd



Across the Pages...

Corporate Overview

Unmetro - The Markets	
Driving India	01
Financial Highlights	02
The Year at a Glance	04
Chairman's Message	06
Board of Directors	08
Business Overview	10
Awards	20
Technology at DB Corp	22
Enabling Communities in Unmetro	24
The World of DB Corp	28
Geographical Spread	30
Corporate Information	31

Management Reports

Management Discussion and Analysis Report	32
Directors' Report	36
Report on Corporate Governance	44

Financial Statements

Standalone	
Auditors' Report	59
Balance Sheet	62
Statement of Profit and Loss	63
Cash Flow Statement	64
Notes to Financial Statements	65

Consolidated

Auditors' Report	89
Balance Sheet	90
Statement of Profit and Loss	91
Cash Flow Statement	92
Notes to Financial Statements	93
Statement Pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Company	119
Annual Accounts of Subsidiary Company	120

Caution regarding forward-looking statements

In this annual report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. Actual results may differ materially from those either expressed or implied in the statement depending on circumstances.



Unmetro

The Markets Driving India

INR 57.4 lakh crore

Size of Indian economy
in 2013 compared to
INR 11.6 lakh crore in 1993

INR 39,904

Per capita income
in 2013 compared to
INR 11,796 in 1993 in India

74.0%

Literacy rate in 2011
compared to 52.2%
in 1991 in India

364 million

New consumers added
over the last two
decades in India

The socio-economic landscape in India has fast evolved in the last two decades. Indian economy has grown manifold - from INR 11.6 lakh crore in 1993 to INR 57.4 lakh crore in 2013. Per capita income has grown from INR 11,796 in 1993 to INR 39,904 in 2013. Literacy rate has increased from 52.2% in 1991 to 74.0% in 2011. The country has added 364 million new consumers to its population in the last two decades. (Source: CSO and Census 2011)

The economic development of the country has also been broad-based. Urban centres that led country's growth in yesteryears have been joined by dozens of new epicentres of economic growth, the Tier II and Tier III cities of India. These epicentres are burgeoning with economic activity and have risen fast to stake their claim in country's growth and prosperity.

Bustling with economic activity, these markets drive the Indian economy and hence we call them 'Unmetro - The Markets Driving India'.

Equipped with a progressive mindset, skilled manpower, entrepreneurial instincts, enhanced infrastructure, Unmetro markets - the growth engines of India have money and confidence.

These fast emerging leading consumption centres attract marketers who are flocking in the Unmetro markets with intensity and precision. No one seems to lose out in these new markets that are driving their India business, more so with a realisation that these markets are going to grow fast over the coming years.

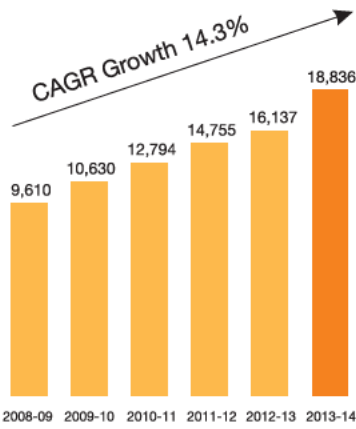
As a leading media conglomerate of India, DB Corp commands enviable leadership in terms of quality reach and spread across most of the 'Unmetro Markets' in India. Through our 58 editions of newspapers, 3 magazines, 17 radio stations, 4 online properties, around 200 district editions and host of events; the Company connects with close to 44.2 million aspiring Indians in the Unmetro markets every day (Source: IRS Q4, 2012). Riding on content and delivery excellence, the Company commands appreciable brand equity and customer loyalty.

Company's operating cities form a large portion of Unmetro markets and all of its media and entertainment properties are the bridges that the marketers use in reaching out to these new markets.

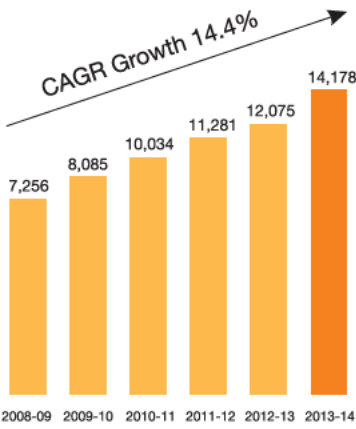
Financial Highlights

Particulars	Unit	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Operational Highlights							
Total Revenue	(₹ Mn)	9,610	10,630	12,794	14,755	16,137	18,836
Advertisement Revenue	(₹ Mn)	7,256	8,085	10,034	11,281	12,075	14,178
EBITDA	(₹ Mn)	1,473	3,429	4,169	3,604	3,998	5,241
PAT	(₹ Mn)	476	1,828	2,585	2,021	2,181	3,066
Net Worth	(₹ Mn)	2,360	6,361	8,179	9,177	10,214	11,405
Gross Fixed Asset	(₹ Mn)	7,403	7,780	9,088	10,443	11,142	11,874
Gross Long Term Debt	(₹ Mn)	4,595	2,394	1,745	1,328	1,098	969
Key Ratios							
EBITDA Margin	(%)	15	32	33	24	25	28
PAT Margin	(%)	5	17	20	14	14	16
Return on Equity	(%)	20	29	32	22	21	27
Return on Capital Employed	(%)	15	32	35	27	28	35
Gross Debt-Equity Ratio	(x)	190	38	21	14	11	8
Interest Coverage Ratio	(x)	2.9	12.4	25.0	33.6	32.7	61.1
Per Share Data							
Face Value	(₹)	10	10	10	10	10	10
Earnings Per Share	(₹)	2.8	10.6	14.2	11.1	12	16.7
Book Value Per Share	(₹)	14	35	44.6	50.1	55.7	62.2
Dividend Per Share	(₹)	0.5	2.0	4.0	5.0	5.5	7.3

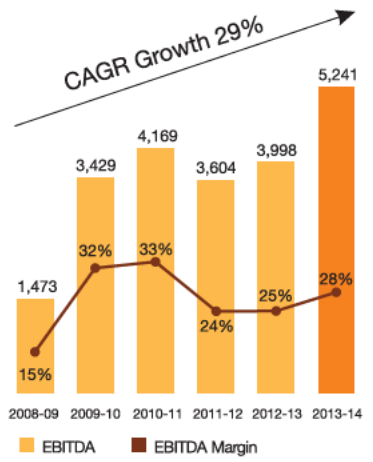
Total Revenue (₹ Mn)



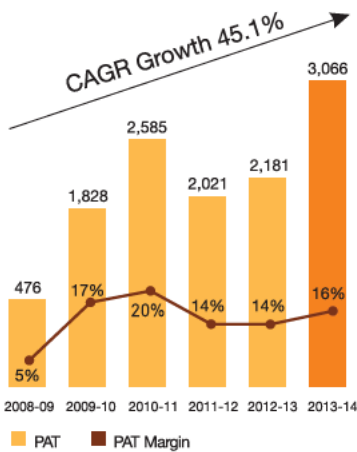
Advertisement Revenue (₹ Mn)



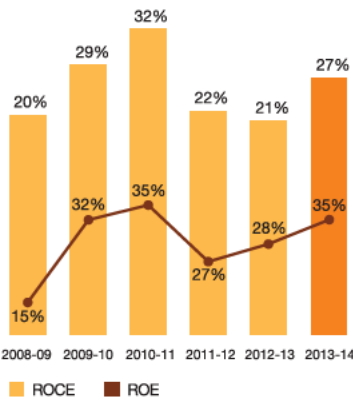
EBITDA (₹ Mn) & EBITDA Margin



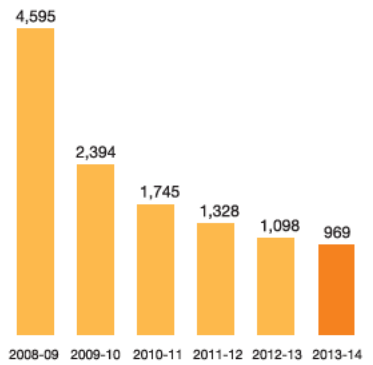
PAT (₹ Mn) & PAT Margin



ROCE & ROE



Gross Long Term Debt (₹ Mn)



The Year at a Glance



Strategic Initiatives

- Demerged media business from I Media Corp Limited, a wholly owned subsidiary and merged it with D. B. Corp Ltd. effective from April 1, 2013

Growth Initiatives

- Launched the group's 56th edition and Divya Marathi's 6th edition through a launch in Akola, Maharashtra
- Launched the group's 57th edition and Divya Marathi's 7th edition through a launch in Amravati, Maharashtra
- Launched the group's 58th edition and Dainik Bhaskar's 37th edition through a launch in Patna, Bihar

Digital Initiatives

- Launched three new digital properties bollywoodbhaskar.com, businessbhaskar.com, dainikbhaskar.com/UP to further strengthen group's leadership in online readership
- Launched smartphone apps for dainikbhaskar.com and divyabhaskar.com compatible with both  and  platforms
- WAP enabled dainikbhaskar.com and divyabhaskar.com were launched allowing easy user access through lower-end feature phones

Operational Efficiency Initiatives

- Restructured local sales to state specific vertical clusters to improve rate realisation
- Re-aligned corporate sales and marketing structure to provide sharper focus to advertisers at individual state level and to enhance yields
- Re-launched DB Star, a unique 12 pages daily, in an all-new avatar offering content in collaboration with Daily Mirror - London, for content across all major markets

Brand Building Initiatives

- As a responsible Media House, led the industry with a 'No Paid News' campaign during elections 2014
- Conceptualised 'Unmetro - The Markets Driving India' initiative. Organised industry conclaves at Mumbai, Delhi and Bengaluru, supported by an advertising campaign 'Unmetro Your Mind'
- Launched second edition of 'Mosaic' - the only compilation of best print advertisements in India in April 2013. Mosaic featured 121 campaigns of 105 brands by 31 creative agencies
- 'Yuva ho to Zidd Karo' campaign targeting youth was done during state elections at Madhya Pradesh, Chhattisgarh & Rajasthan
- The group communicated the Brand thought of 'Zidd Karo Duniya Badlo' taking a new dimension of saying NA (No), to the wrongs in the society. NA TVC was run on major news channels supported by a press campaign
- The strong reader connect of the brand led to record 16,22,993 salutes; tributes by the readers within 9 days on the reader engagement activity 'India Salutes Sachin' campaign
- Celebrated the 10th anniversary of Divya Bhaskar & conducted a contest 'Divya Bhaskar: The Great Gujarat Crossword' which registered 1027 entries from media agencies and clients. The 10 winners of the contest attended ADASIA at Hanoi, Vietnam
- 'Bhaskar Utsav', a multi event celebration was held in major cities & was spread over time celebrating reader connect. The initiative included celebration of the 10th anniversary of Divya Bhaskar, 30th anniversary of Dainik Bhaskar Indore edition and 2nd anniversary of Divya Marathi
- In a unique contest 'Fotomania' the group had 1,54,299 unique picture uploaded by 23,217 participants within a month. These pictures led to 4.89 lakh ad views on Facebook
- Junior Editor II – This reader engagement initiative encouraged young readers to showcase their creative abilities & got them captivated to newspaper formats enabling students to understand the role and nuances of journalism

Chairman's Message

Dear Shareholders,

Fiscal 2014 was another stellar year in our journey towards building 'India's largest and most admired media brand enabling socio economic change'.



Despite unusually weak domestic macroeconomic environment, where many companies pruned their advertising budgets, we continued with aplomb on our growth and expansion plans. The group successfully entered into the state of Bihar through the launch of Dainik Bhaskar Patna edition thereby expanding its presence to 14 states. Divya Marathi (the Marathi daily of the group) launched two new editions (Akola and Amravati) during the fiscal. This further strengthened our position as the largest read newspaper of urban India. Today, our footprints cover close to half of India's population and 49% of SEC A households.

Our strong reach and deep connect with fast growing Tier II and Tier III markets help companies offering contemporary products and services to connect with their consumers. Stupendous economic growth of these markets has helped us to maintain double digit revenue growth for 6 quarters in a row. Revenue of each of our product segments saw a healthy growth in realisation. The Company also saw expansion in its consumer base.

Our unrelenting focus on efficiency helped us to enhance overall operating margins to 28% against 25% in the preceding year. As a result during the fiscal, our consolidated revenues grew by more than 17% while EBITDA grew by a much stronger 31%.

Our two key non-print business segments viz. radio and digital also registered impressive growth during the year. Our revenues from radio business grew by 19.2% while EBITDA grew by 45% during the year.

Our digital business also witnessed healthy growth. India is one of the least penetrated and yet one of the largest and fastest growing digital markets. Increasing percentage of urban population is accessing news electronically. Our modern portal and mobile applications meet today's mobile

The group successfully entered into a new state through the launch of Dainik Bhaskar Patna edition in in the state of Bihar thereby now expanding into 14 states. Divya Marathi (The Marathi daily of the group) launched two new editions (Akola and Amravati) during the fiscal. This further strengthened our position as the largest read newspaper of urban India. Today, our footprints cover half of India's population and 50% of SEC A households.

population's on-the-go information needs. The page views of our portals viz. dainikbhaskar.com, divyabhaskar.com and dailybhaskar.com have grown at an astounding CAGR of 30%, 29% and 104% respectively over the last three years. (Source: ComScore)

We unbundled our national rates to unlock significant value through state focus strategy. This would result in better yield management and will also allow higher flexibility to our advertisers while choosing regions/markets in accordance with their requirements.

Number of brand building initiatives were undertaken during the fiscal to strengthen reader and advertiser connect. Conclaves were organised across key cities of India to highlight the growing economic contribution and the impact of Tier II & Tier III markets on the Indian economy. These markets are bustling with economic activity and hence we call them 'Unmetro - The Markets Driving India'. Our group also carried out a 'No Paid News' campaign during the fiscal exhibiting our core philosophy of 'Unrelenting focus on content integrity', amongst other key brand building initiatives.

Our group, every year, undertakes several CSR initiatives in accordance with our vision to enable socio economic change. With a large and geographically well spread base of readers, we connect with them on a daily basis and this has helped us to implement differentiated set of initiatives catering to local environment, in turn defining societal impact programs.

At an organisation level, our consistent endeavour has been to implement best work practices that inspire our employees to aim for excellence. In consonance with this philosophy, the organisation launched 'Badlaav Miljulkar' (an employee engagement survey program) along with our

partner – Gallup (a research based global consulting company into employee engagement) since 2011.

High standards of corporate governance are maintained and during the year, steps such as integrating the new companies act were taken to further enhance it.

We are confident that the inherent strength of our business, resolute focus on our goals, and deep domain expertise will help us to propel our growth in the years to come.

I would like to take this opportunity to thank our employees, customers, shareholders, partners and other stakeholders for their trust and support.

Yours sincerely,

Mr. Ramesh Chandra Agarwal
Chairman

Board of Directors



Mr. Ramesh Chandra Agarwal
Chairman

He holds a post graduate degree (Master's in Arts) in Political Science from Bhopal University and has approximately 52 years of experience in publishing and newspaper business. For over four decades that he has been with the company, he has exhibited qualities of strategic management and business leadership. Currently, he is also the Chairman of the Federation of Madhya Pradesh Chambers of Commerce and Industry. He has been awarded with Rajeev Gandhi Life Time Achievement Award in Journalism, National Citizen Award by Chief Justice-Supreme Court and Dadabhai Naoraji Millennium Awards for Patrakarita. He has been included in the India Today's list of 50 most powerful persons in India and is recipient of various other awards in the past.



Mr. Sudhir Agarwal
Managing Director

He has close to 23 years of experience in the publishing and newspaper business and has been a part of the organisation for the same number of years. He is responsible for the company's long-term vision and monitoring performance and devising the overall business plans. Under his dynamic leadership, the company has progressed to become one of largest read newspaper of the country. Basis his aggressive leadership quality, the company is considered as one of the fastest growing media groups by various analysts and investors. Under his innovative door-to-door contact launch process strategy, the company achieved no.1 status from the day it was launched across markets.



Mr. Pawan Agarwal
Dy. Managing Director

He has been on the Board since December 2005. He holds a bachelor's degree in industrial engineering from Purdue University-USA and has also attended a program on leadership's best practices at Harvard University. He has over 17 years of experience in the publishing business and has been with the company for the same number of years. He heads the entire production, Information & Technology department of the company. Besides this, he is also actively leading the Radio Business and the DB Digital Business within the group. He has been awarded by the Prime Minister for his contribution to Indian Language Journalism and also by the Enterprise Asia as one of the 'Outstanding Entrepreneurs of Asia-Pacific, 2010'.



Mr. Girish Agarwal
Non Executive Director

He has been on the Board since October 1995. He supervises the marketing and related functions. He has close to 20 years of experience in the publishing business and has been with the company for the same number of years. An active member of INS, he holds the distinction of being the youngest chairman of INS for Madhya Pradesh region. He is the recipient of the 'Entrepreneur of the Year', 2006, in Media Category by Ernst & Young. Further, he was recently awarded the 'Outstanding Entrepreneur' trophy at AEPA (Asia Pacific Entrepreneur Awards). Under his visionary leadership qualities, Divya Bhaskar, the leading Gujarati newspaper from DB Corp Ltd., won the 'Best in Print' (Bronze) at IFRA Asia Pacific Awards held in Chennai. Dainik Bhaskar is the only regional newspaper from India to have won this award.

Independent Directors



Mr. Piyush Pandey
Independent Director

He started life as a professional cricketer and tea taster before joining Ogilvy, Mumbai. He became NCD of Ogilvy India in 1994 and was inducted on Ogilvy's Worldwide Board in 2006. He was voted the most influential advertising man in India by Economic Times, 9 years in a row. He was the first Asian to be the President of the Cannes Jury for Film, Press and Outdoor in 2004. He was awarded the Lifetime Achievement award by AAAI in India in 2010 and Clio in 2012. He is the only Indian to have won three Grand Prizes at LIAA. His Fevikwik adhesive commercial was voted 'Commercial of Century' in 2000 and his work on Cadbury, was voted the 'Campaign of the Century'. Most recently, he worked on a campaign that brought the new Prime Minister to power in India.



Mr. Harish Bijoor
Independent Director

He is currently a brand domain specialist operating out of Bengaluru with multi-location presence of his consulting firm. He has earlier served at Zip Telecom Ltd., Tata Coffee Limited and Brook Bond Lipton India Ltd., in varied roles in senior management. He is also an active member of different coffee forums and Coffee Board of India. Besides, he is an active member of subcommittee on plantations of Planning Commission. He has recently written a book titled 'Marketing Trends - Smart insights into the world of India Business'.



Mr. Kailash Chandra Chowdhary
Independent Director

An associate member of the Institute of Chartered Accountants of India, he began his career as a probationary officer at Bank of Baroda in 1965 and has over 40 years of experience in finance, management and banking operations. He has been on the board of various organisations in the past. He was the Executive Director of Central Bank of India, Director of Cent Bank Financial and Custodial Services Limited, Director of New India Assurance Company Limited, Chairman & Managing Director of Vijaya Bank, Chairman & Managing Director of Central Bank of India, Chairman of Cent Bank Home Finance Limited, Director of Agricultural Finance Corporation Limited, Director of Master Card, Asia - Pacific Board and Trustee of Unit Trust of India.



Mr. Ashwani Singhal
Independent Director

He holds a bachelor of commerce (Hons.) degree from Gurunanak Dev University, Amritsar. He has over 30 years of experience in non-ferrous metallurgical industry and is presently handling the activities related to global sourcing of raw materials for his business in manufacturing of Aluminum Deox & Ferro Aluminum for steel industry. He is the founder director of Metal Recycling Association of India. He was the Vice President of BIR Brussels, the international authority in non-ferrous metals for global trends in the industry from 1996 to 2008. He is active in social service organisation called Lions International and is currently serving as the President of Lions Club Mumbai Millennium.

Earnings of Unmetro Citizenry are on the Rise. Consistently.

Contrary to the overall economic slowdown, Unmetro markets continue to witness strong growth in income as well as in wealth. Most of these cities are growing much faster as compared to national growth rates. Besides, 21% of urban households, contributing over INR 11 lakh crore to national income, are in the Unmetro markets (Source: Indicus Analytics Market Skyline of India 2013).

Today, many Unmetro markets represent progressive business centres that have successfully attracted considerable investments from multitude of businesses, which in turn has contributed to strong growth, prosperity and growing job opportunities in these markets.

High availability of skilled workforce backed by modern business infrastructure has also been instrumental in attracting large corporates to these cities. High percentage of SEC A and SEC B category households in these cities is an indicator of the strong earning potential of these markets. Changing demographic shifts along with lucrative jobs have also led to considerable increase in household earnings of these markets.

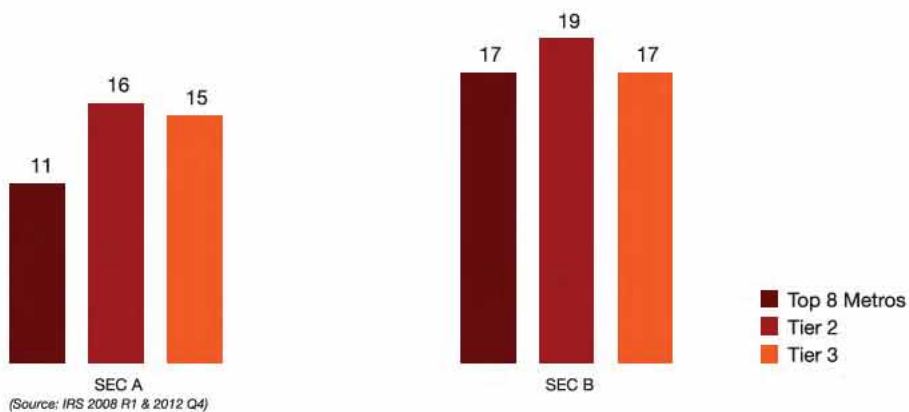
Fast expansion of technology and technology enabled service companies has further enhanced the affluence in these cities. According to a recent NASSCOM study, a few of the Unmetro markets are the fastest growing regions for IT-BPM exports out of India, with Punjab, Chandigarh and Bihar clocking a CAGR of 80%, 40% and 38% respectively during FY2010 - FY2013.

Economic growth of these markets also attracted many allied industries including banking and financial services, insurance, retail, hospitality and real estate leading to aggressive investments in these markets.


High percentage of SEC A and SEC B category households in these cities is an indicator of the strong earning potential of these markets.



Population Composition (%) 2012







Aspirational Quotient of Unmetro Juggernaut is Multiplying. Rapidly.

The consumers in the 'Unmetro Markets' are progressive individuals who aspire to own many of the coveted global brands. They have a strong inclination to own brands and maintain status as well as the lifestyle befitting one's personality and ambitions. No wonder, these cities today are amongst the fastest growing demand centres of luxury products.

Factors like high disposable income, aspiration to have superior lifestyle and multi-channel access to information on modern products and services have also been influential in upping the consumption pattern of today's Unmetro consumer.

Identifying this opportunity, many brands have fast expanded into these markets; a phenomenon also visible through an accelerated shift towards organised retail formats. Organised retailing in these cities is expected to grow at an astounding rate of 50% to 60% (Source: IBEF).

Apple, one of the most premium consumer brands is opening several stores in the Unmetro markets. Similarly, Miele, a global leader in the production of premium domestic appliances, plans to invest around INR 100 crore to expand its presence in India, mostly in the Unmetro Markets like Raipur, Indore and Coimbatore.

Another important indicator of strong corporate interest to tap prodigious aspirations of these markets is their high advertising spends allocated for these markets.

Organised retailing in these cities is expected to grow at an astounding rate of 50% to 60%.

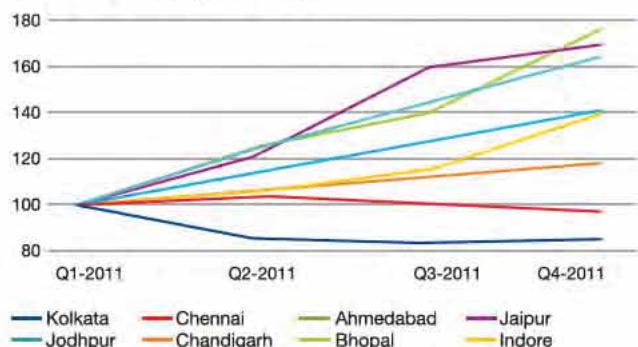
Unmetro Spender's Shopping List is Expanding. Comprehensively.

'Unmetro' markets have fast emerged as new consumption hot spots and significantly contribute to India's urban consumption. Increasing penetration of brands through organised retail like malls and web enabled devices has helped to address the fast growing needs of these markets. As per a report published by PwC, of the 700 malls planned in the country, almost 40% are expected to come up in these markets.

Unmetro markets are witnessing fast proliferation of other entertainment avenues like food & beverage (F&B) outlets including niche restaurants and Quick Service Restaurant (QSR) based retail formats. The momentum has got accentuated by the fact that while most of the companies are experiencing dull demand environment in the metros, the Unmetro markets, backed by increasing number of repeat and first time buyers, continue to maintain strong demand momentum.

High and growing affluence of these cities along with their increasing appetite for high-ticket items can be gauged through the newly developed Housing Start-Up Index (HSUI). The index has maintained an upward trend for most Unmetro markets including Bhopal, Indore, Jaipur, Raipur, Hubli et al.

Growth in HSUI (TTM avg)

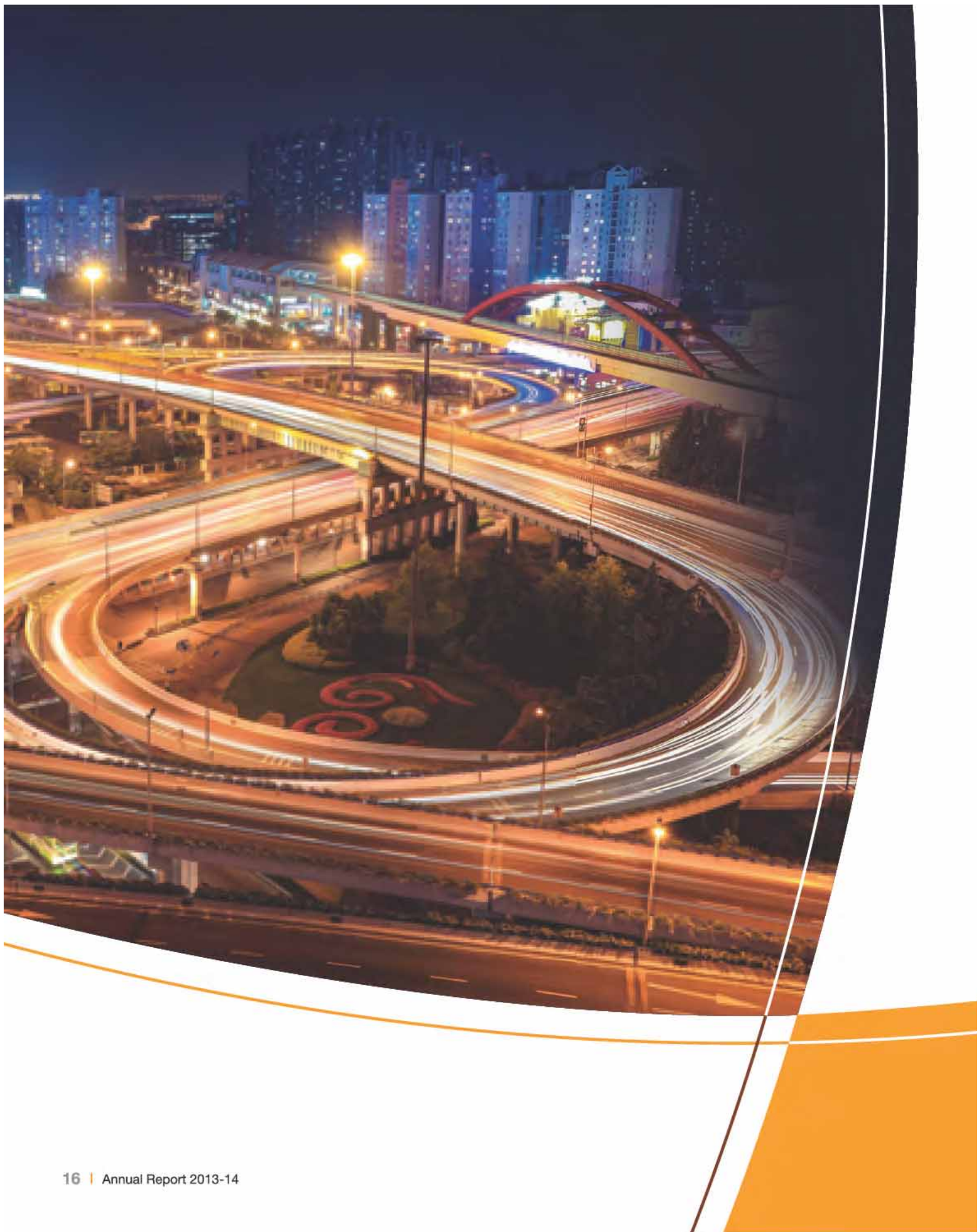


* Trailing twelve months average

(Source: NBO under the Ministry of Housing and Urban Poverty Alleviation)



As per a report published by PwC, of the 700 malls planned in the country, almost 40% are expected to come up in the Unmetro markets.



Infra Parity of Unmetro Markets is Catching Up. Holistically.

'Unmetro' markets in India, over the last few years, have considerably enriched their infrastructure. Concerted actions from centre and state have led to significant improvement in road condition, flight connectivity, public transportation and power supply in these markets. Many of these cities today boast of global standard international airports that have world class passenger facilities and modern lounges.

Government schemes like Jawaharlal Nehru National Urban Renewable Mission (JNNURM), launched in 2005 to renew and modernise 63 cities in India, along with policies specific to Special Economic Zones (SEZs) and National Investment Manufacturing Zone (NIMZs) have helped in upgrading the infrastructure in these cities.

Unmetro markets today enjoy modern and all-inclusive support infrastructure including global standard education institutes, luxury hotels and world class health facilities. As per a report by Jones Lang LaSalle, a global real estate firm, over half of India's 5-star hotels are located in these cities.

Many professionals and corporates attracted by the newly developed infrastructure of these markets along with their cost competitiveness and better lifestyle have relocated to these cities.

In one of the recent studies done by Tholons, a US based research and advisory company, many Unmetro markets are figuring amongst global top 100 outsourcing destinations. These markets have considerably upped their ranking during 2013 against 2012 highlighting further enhancement in their business infrastructure. Increasing number of national and global companies are making a beeline to get a foothold in these markets.

Unmetro markets today enjoy modern and all-inclusive support infrastructure including global standard education institutes, luxury hotels and world class health facilities. As per a report by Jones Lang LaSalle, a global real estate firm, over half of India's 5-star hotels are located in these cities.



दिव्य मराठी

दिव्य भास्कर

दैनिक भास्कर

ये हो सकते हैं मोदी के पहले दो फैसले; एक अर्थव्यवस्था से जुड़ा, दूसरा आस्था से

20 साल का नीतीश-राष्ट्र

गंगा: 25 हजार करोड़ रु. खर्च कर

Think Unmetro.

Think DB Corp.

DB Corp, over the last 56 years, has developed deep roots across 14 emerging states in India through a bouquet of well-established and diverse media platforms like print, radio and digital. The Company is engaged in printing and publication of newspaper brands; Dainik Bhaskar - the flagship Hindi daily, Divya Bhaskar - the Gujarati daily and Divya Marathi - the Marathi daily. These three brands have a combined readership of close to 20 million across India (Source: IRS Q4, 2012).

The Company's radio business operates under the brand name 'My FM' radio station and is currently operating in 17 tier II and tier III cities, all of which have Company's established print presence as well.


The Company has been making consistent investments in digital space too. The Company's internet portals provide live coverage of news and have witnessed stupendous growth in daily viewership.

DB Corp through its division of periodicals has been able to develop strong individual connect with people across all age groups. The Company publishes periodicals in Hindi, English and Gujarati languages.

Additionally, the Company has entered into strategic content syndication tie-ups with global publications like Harvard Business Review and Time magazine to deliver world class content to its readers.

In print, the Company enjoys undisputable leadership or is a formidable number two player across each of its operating markets. The Company enjoys strong credibility for its content and has been consistently increasing its audience base. With the growing interest of companies in the Unmetro markets, the outlook for each of the DB Corp business segments remains positive. The growing interest of advertisers to tap these markets has resulted in considerable reduction of the premiership of metro focused English newspapers to 4.6x in the year 2012 from 7.2x in the year 2005 over Unmetro focused regional dailies.

DB Corp enjoys strong business connect with companies. The group's ability to offer multiple advertising platforms across Unmetro markets help the marketers to optimally plan their advertising strategy.



www.bhaskarnet.com

Awards

INMA 2013

- Silver in Best Idea to Grow Subscription Sales: Speak Up Bihar
- Bronze in Best Idea to Grow Advertising Sales or Retain Advertising Clients: The Box Office Advantage
- Bronze in Best Brand Awareness Campaign Across Platforms: 'Unmetro Your Mind'

New York Festival

- Gold in the Best Special Event Category to MY FM for 'Borderless Radio'

Golden Mike

- Gold in Public Service Initiatives to MY FM for Ek Rupya Abiyaan
- Gold in Public Service Initiatives to MY FM for Azaadi Sarhado Se

43rd Creativity Print and Packaging Awards

- Gold for Dainik Bhaskar Budget 2013 Campaign
- Silver for Group Strength Campaign

World Brand Excellence Award

- MY FM wins 'Campaign of the Year'
- MY FM wins 'Best Radio Station of the Year 2013'

Marcom Awards 2013

- Platinum Award in the Book category 'Mosaic - Best in Print'

Hermes 2014

- Platinum in book design for Mosaic
- Platinum in group CSR initiatives for Catalyst (a series of group CSR initiatives)
- Gold in marketing collaterals for Unmetro calendar
- Gold in advertising campaign for 'Unmetro Your Mind'

World Association of Newspapers and News Publishers

- Bhaskar Champs Club gets awarded for World Young Reader Country of the Year 2013
 - 2 Guinness World Records
 - 1 Elite World Record
 - 3 Limca Records
 - 3 India Book of Records

DMAi Awards 2014

- DB Money Plant wins under creativity channel (Direct response - Print medium)

Indian Digital Media Awards 2013

- Digital arm of Dainik Bhaskar Group won for the 'Bhaskar Bollywood Microsite'

Guinness World Records 2013

- Brain Hunt 2012 gets recognised for 'Largest Writing Competition'

Asia Customer Engagement Award 2014

- Most Effective Use of Market Research for Speak Up Bihar (Out of Home)
- Effectiveness - Newspaper for 'Unmetro Your Mind'

National CSR Conclave, 2014

- Outstanding CSR Award in the Print Media Sector by 'Think Media Inc.'

Global CSR Excellence and Leadership Awards

- Community Development (for series of Group CSR Initiatives)
- Innovations in CSR Practices (Tree Plantation: Green Ambulance)

Technology at DB Corp

DB Corp extensively leverages contemporary tools, technology and processes to achieve high level of quality, efficiency and standardisation. The Company uses state-of-art high speed printing machines, KBA, that are equipped with latest technology. The Company also has an Integrated Content Management System, Matrix for end to end editorial requirements.

KBA Printing Machines

During the year 2013, the Company installed a new KBA machine along with FERAG mail room equipment at Indore. Earlier, in the year 2009, the Company had installed one KBA machine each at Ahmedabad and Jaipur. While the Indore and Jaipur KBA machines can print 32 pages all colour at a speed of 85,000 copies per hour and 170,000 copies per hour respectively, the KBA machine at Ahmedabad can print 255,000 copies per hour, 24 pages all colour.

Another key element of Company's technology infrastructure is its new-generation four-by-one Prisma offset press. It brings versatility to colour newspaper printing, uniting the enormous output of a double-width press and the flexibility of a one-around machine. The machine has a capacity of printing 3 books online and is equipped with capability of doing various innovative products such as pop out, drop out, flaps, french window, super panorama, etc.

In order to ensure quality reproduction, the Company has installed Computer to Plate (CTP) technology across its various locations. During the last year, the Company installed CTP in 17 new locations taking the total count of locations equipped with CTP technology to 42.

Matrix System

DB Corp uses Matrix, an established editorial system to support all editorial functions such as news gathering, workflow, pagination & archival. Company's editors, reporters, photographers, illustrators and designers seamlessly collaborate through its web based system across the cycle of print production (content, advertisement, ePaper and content syndication). Matrix allows multi-device real time accessibility to users across different locations and has been implemented for all four print publications of the Company.



Additional advantages of Matrix

- Allows users to view and download content of any centre
- Allows anytime-anywhere access to the Journalists and Photographers
- Offers tools that handle almost all newsroom tasks seamlessly due to central repository architecture
- Provides a fully automatic and paperless workflow rationalising all aspects of newspaper production
- Supports both content and design led workflow processes
- Gathers content from multiple sources, automatically forwards it to the concerned editors, maintains versions of processed content and generates alerts to keep users updated
- Minimises the possibility of human errors through extensions that check for duplicate matter in pages and does 'Jump Page' check for stories continued on another page





Enabling Communities in Unmetro

DB Corp considers corporate social responsibility (CSR) as an important element and undertakes several initiatives every year for the overall development of the market it operates in. The initiatives help in social, economic and environmental upliftment of these markets.

Leveraging the strong reach and trust of its brands, the Company engages with its audience on a common social platform. The Company awards the outstanding reformers to acknowledge their work thereby inspiring many others.

A few of the noteworthy initiatives undertaken by the Company during the year include:

Sarthak Diwali

Organised around Diwali, this initiative is aimed at making the festival special for the under privileged. Children were urged to share crackers, sweets and other gifts with the poor children in their vicinity.

Vastradaan

The campaign was organised during the winter season to provide warm clothing to the poor. Under this initiative, people were urged to donate blankets, sweaters, scarves, shawls, etc. During the campaign, close to 10 lakh units of warm clothes were donated by people all across the country.



Green Idol Awards

Green Idol Awards is a platform to recognise the significant efforts of those individuals, groups and organisations who have played a vital role in enhancing and conserving greenery. Over 800 registrations were received under this initiative.

Save Birds

The initiative was organised during summers to save birds by providing them with food grains and water (daana-paani). An appeal was made to people to keep sikoras (clay pots) at their home and work place. Under this initiative more than 80,000 free of cost sikoras were distributed.





देने का सुख
अधिक जानकारी के लिए संपर्क करें
मनीष शर्मा, 9587006100

अन्न
हम भी खुशियां बांटें
अन्न का दान

Mission Shiksha

Under this initiative, people were motivated to donate school utility items to the underprivileged kids. Around 70,000 items including 25,000 notebooks, 2,000 water bottles, 2,500 lunchboxes, 1,200 school bags and more than 38,000 stationery items were collected and distributed among underprivileged children.

Anndaan

This initiative was organised to provide the needy with food grains. Under this initiative an appeal was made to donate food grains which later were distributed in orphanages, old age homes and centres for disabled individuals. Over 1.40 lakh kgs of food grains were collected and donated under this initiative.



Computer Training

A first-of-its-kind knowledge initiative in the country organised to provide free computer training to housewives and senior citizens in the Company's office campus. A total of 4,000 plus candidates were trained under this initiative.

Netradaan

The initiative was conducted to spread awareness among people and to encourage them to donate eyes. Various mediums like online, SMS, etc were used to support this initiative and over 10,000 pledges were received.

Sookhi Holi

The Company has been undertaking 'Tilak Holi' initiative since last five years. The initiative encourages people to use water responsibly and save millions of gallons of water that gets wasted every year during the Holi festival. Lakhs of people played Holi just with Abir Gulal (Dry Colour). The state government of Jharkhand also adopted and promoted this initiative.

Mitti ke Ganesh

To conserve water and reduce its contamination owing to the immersions of synthetic Ganesha idols, the Company made an appeal to its readers to bring home only clay made Lord Ganesha idols. The readers were also urged not to immerse idols in ponds or other natural water bodies but in a water container at their homes and use the same water for gardening.



The World of DB Corp

D B Corp Ltd. is a leading media company with strong focus on fast growing Tier II and Tier III cities. Print, Radio and Digital are three key domains of Company's business. The Company, India's largest print media house, publishes 6 newspapers with 58 editions and around 200 sub editions in 4 languages (Hindi, Gujarati, Marathi and English) across 14 states in India. The 58 editions include 37 editions of Dainik Bhaskar, 7 editions of Divya Bhaskar and 7 editions of Divya Marathi.

The Company operates in radio segment through the brand 'MY FM' and has presence in 7 states and 17 cities. The online news portals of the Company namely dainikbhaskar.com, divyabhaskar.com and dailybhaskar.com are amongst the most widely accessed news portals in India.

Vision

To be the largest and most admired media brand enabling socio-economic change

Values

1. Differentiator
2. Ground connect
3. Focus on goals
4. Respect & Recognition
5. Ambition

दैनिक भास्कर

दिव्य भास्कर

दिव्य मराठी



DB DIGITAL

Business Segments

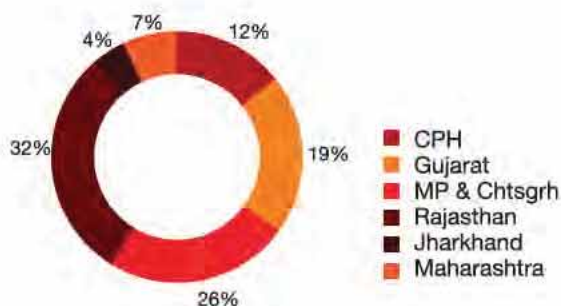
Print			Radio	DB Digital
Newspapers	Periodicals	Special Printing	94.3 MY FM 17 Radio Stations	dainikbhaskar.com divyabhaskar.com divyamarathi.com dailybhaskar.com
Dainik Bhaskar Divya Bhaskar Divya Marathi Saurashtra Samachar DNA DB Star	Aha! Zindagi Bal Bhaskar Young Bhaskar	Books Magazines Calendar/Diary Folders Annual Report		

Business Segments

Print

The Company publishes 6 newspapers in four different languages and has presence in 14 states. The combined average daily readership of its newspapers is close to 20 million. Dainik Bhaskar is the largest read newspaper of urban India with a very strong presence in Madhya Pradesh, Chhattisgarh, Chandigarh, Haryana, Punjab, Urban Rajasthan, Jharkhand and Bihar. The Company enjoys strong presence in the key markets of Gujarat via its Gujarati daily - Divya Bhaskar and in 7 cities of central Maharashtra through its Marathi daily 'Divya Marathi'. The Company's other newspaper brands include DB Star and DNA (on franchisee basis in Gujarat and Rajasthan).

Readership Breakup



Radio

The Company operates FM radio station across 7 states under the brand 'MY FM' 94.3. In line with its strategic focus, 'MY FM' operates 17 radio stations in fast growing cities viz. Jaipur, Ahmedabad, Chandigarh, Amritsar, Jalandhar, Indore, Bhopal, Gwalior, Udaipur, Ajmer, Surat, Bilaspur, Nagpur, Kota, Jabalpur, Raipur and Jodhpur, which also have company's print presence.

Periodicals

The Company publishes three periodicals viz. Aha! Zindagi - a monthly magazine published in Hindi and Gujarati, Bal Bhaskar - a Hindi magazine for children and Young Bhaskar - a children's magazine in English.

Digital

The Company enjoys strong digital presence through its portals dainikbhaskar.com, divyabhaskar.com, divyamarathi.com and dailybhaskar.com.

dainikbhaskar.com and divyabhaskar.com provide live coverage of latest news and are the most accessed news portals in Hindi and Gujarati respectively.

Geographical Spread



- 1 Madhya Pradesh
- 2 Chhattisgarh
- 3 Rajasthan
- 4 Chandigarh
- 5 Haryana
- 6 Gujarat
- 7 Maharashtra
- 8 Punjab
- 9 New Delhi
- 10 Himachal Pradesh
- 11 Uttarakhand
- 12 Jharkhand
- 13 Jammu
- 14 Bihar

*Placed Chronologically

Corporate Information

BOARD OF DIRECTORS

Chairman: Mr. Ramesh Chandra Agarwal
Managing Director: Mr. Sudhir Agarwal
Dy. Managing Director: Mr. Pawan Agarwal
Non-Executive Director: Mr. Girish 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,
Vittal Rao Nagar, Madhapur,
Hyderabad - 500 081
Tel. No.: 040-44655000
Fax No.: 040-23431551

REGISTERED OFFICE

Plot No. 280, Sarkhej - Gandhinagar Highway,
Near YMCA Club, Makarba,
Ahmedabad - 380 051,
Gujarat
Tel. No.: 079-39888850
Fax No.: 079-39814001

HEAD OFFICE

Dwarka Sadan, 6,
Press Complex, M P Nagar,
Bhopal - 462 011,
Madhya Pradesh
Tel. No.: 0755-3988884
Fax No.: 0755-2675190

CORPORATE OFFICE

501, 5th Floor, Naman Corporate Link,
Opp. Dena Bank, C-31, G- Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400 051
Tel. No.: 022-39888840
Fax No.: 022-26597217/39804793

CIN AND WEBSITE

CIN L22210GJ1995PLC047208
www.bhaskarnet.com

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW:

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

In 2013, M&E Industry witnessed strong double digit growth. Regional print, new media and Radio led the way on the back of booming tier II and III town consumption story. Regional print could achieve double digit growth, inspite of sluggish and soft Indian and global economy and resultant weak GDP growth slowing down to around 4.5% average for year. However, on the back of stable federal government, M & E Industry is estimated to grow at CAGR of 14.5% till 2018, as per FICCI-KPMG report.

As mentioned in FICCI-KPMG Report 2014 on M & E Industry, in the midst of a slow economic growth, the industry faced several challenges, both business and regulatory. However, 2013 was a year in which the foundation of the industry was strengthened to position for growth as the economy improves.

Print sector relatively had a comfortable year – especially regional print, with English print struggling on the ad revenue front. Advertising remained strong in the smaller towns and cities and local consumption continued to witness incremental growth, well-supported by local and general election in the Hindi heartland. Radio too had a good year with better long-term prospects on the background of expected phase III of licensing, thus expanding the business size exponentially for all radio players.

Overall, the M & E Industry grew at 11.8% (YoY) in the calendar year 2013 to ₹918 Billion (KPMG India Analysis). Print achieved a moderate growth of 8.5% with radio and digital advertising growing at 15% and 38.7%, respectively. Contrary to the prevailing trends in global print media, where there is intense competition from digital media, the print sector in India is showing a strong upsurge. It is mainly based on print media's advertising revenues and faith shown by advertisers in this medium. Most advertisers have backed up the extensive reach and localisation benefits that print offers. Some of the big spending sectors such as automobile, education, FMCG, retail, consumer durables and real estate increased their media spend on print this year. Hindi newspaper led growth trend with 11.5% (YOY) advertising growth.

Advertising continues to be driving the print with majority 67% revenue coming from it (KPMG India analysis). However during 2013, majority of players took a step towards increasing cover prices to bring out balance in advertisement and circulation mix. As a result, 2013 saw a rise in circulation revenues by 8.1% (YoY) for the industry. The growth of overall print industry was largely driven by Hindi and vernacular print markets. Hindi market grew by 10.5% while vernacular grew by 10%.

As per FICCI-KPMG report, Print industry is expected to grow at a CAGR of 9% over the next 5 years, wherein much of the growth will be driven by advertising revenues.

OPERATIONS AT GLANCE:

Financial Year (FY) 2013-14 provided the much needed upswing after 2 years of relatively lower growth. The Company is pleased to inform that the performance of all its business regions has been good. With the necessary strategic platform already set at the start of the year, the Company was able to capture higher ad revenue from regional markets under various segments.

Dainik Bhaskar Group continues to be highly respected regional news daily by 19.8 million readers across India's fastest growing markets. It continues to be the largest read newspaper of urban India leading the market position in legacy markets while strengthening its presence in emerging pockets. In Maharashtra, the Company launched new editions at Akola and Amaravati. Divya Marathi maintained strong growth momentum across all 7 editions during the year.

Apart from further building readership in the existing markets, the Company also entered into the state of Bihar with the launch of Patna edition in Q4. This launch garnered an overwhelming response and has created a space and strong position amongst established peers in this region. Results of this launch have reiterated DBCL's execution capabilities, meticulous pre-survey planning and thorough pre-launch strategies until seamless final roll out. With a well-strategized launch campaign built on the lines of unbiased content value and appealing to diverse readership categories, Dainik Bhaskar has achieved wide acceptance in Patna.

On the infrastructure front, the Company continued to invest in upgrading the printing facilities to provide quality product at all the locations and building efficiencies of advanced technology.

On the corporate front, the Company integrated its internet and interactive mobile services business which was housed in its wholly-owned subsidiary "I Media Corp Ltd." (IMCL) by demerging the same from IMCL and merging into DBCL. The demerger, which was approved by the Hon'ble High Court of Madhya Pradesh, Principal Seat at Jabalpur vide its order dated 27th March, 2014, became effective from 1st April, 2013 (Appointed Date). This demerger brought the 3 major segments viz. Print, Radio & Internet under one Company. As a result of this demerger, the Company's wholly-owned subsidiary "IMCL" now carries out only Events related business.

RISKS, CONCERNS AND THREATS:

1. Measurement of Readership Strengths:

For any newspaper publication, its strength is measured in terms of its readership and the response it is able to draw from its readers. Readership measurement still remains one of the key challenges for the print media market with The Indian Newspaper Society (INS), an umbrella association of the newspaper industry, rejecting the Indian Readership Survey (IRS), 2013, conducted by research agency Nielsen and the Media Research Users Council. Advertisers and Media planners do refer to the IRS results for readership of newspapers. In absence of a credible measurement parameter and given the lack of clarity, advertisers and media owners face huge challenges in media planning and spending.

- **Management Perception:**
DBCL has a dominant presence in most of its markets. The Bhaskar way of journalism places the reader at the center. It delivers 'knowledge enhancement' with 'product differentiation'. Advertisers are aware about its strengths, through the reader responses and that is a more practical measure currently available. Through proven readership responses, DBCL's advertisers have confidence in its strengths and continuing examples of greater reader responses is maintaining the same over the periods. Further, in absence of credible readership survey, media planners and buyers are referring earlier readership survey of Q 4' FY 13 for judging the relative strength of newspapers in different states as well as Country, as a whole.

Further, all local advertisers go by the reader response as yardstick for advertising in regional markets. DBCL's business is in Tier II and Tier III cities and more than 65% revenues come from local advertisers. During the past one year, DBCL has demonstrated its strengths with advertising revenues growing at more than 17% on YoY basis, which is the highest for any newspaper in India.

2. Different Media Segments for Advertising Spend:

Advertisers spend their advertising budgets across all advertising mediums. This puts pressure on advertising revenue of print.

- **Management Perception:**
Print media continues to account for highest share in overall advertising spend. In India, with a large number of consumers residing in Tier II & Tier III cities, print is expected to continue its dominance in commanding higher advertising spend. National & local advertisers continue to

believe in print medium as the most impactful, meaningful and cost-effective medium for advertising with maximum eyeballs delivery. DBCL also has multiple media platforms like print, radio and internet through which it can provide buyers with multi-platform offerings.

3. Volatile Newsprint Prices:

Newsprint prices are volatile and linked to Global demand. Further, fluctuation in USD is playing its part in making it further volatile. That poses a risk of increasing costs.

- **Management Perception:**
Newsprint prices are purely driven by the supply conditions. It poses both risk of increase in rate as well as opportunity for lower rates amidst increased supplies. The Company has a specialised team to monitor the global newsprint scenario, plan and negotiate the procurement. The Company is applying various measures like bulk procurement, change of quality mix and hedging the foreign currency liability etc., to minimise the impact of increase in newsprint prices. With a stable central government in power, Rupee has strengthened against USD and is expected to further strengthen against USD. That is expected to ease a part of pressure on both imported and domestic newsprint prices. We are encouraged by recent softening of import spot prices coupled with Rupee appreciation and expect newsprint prices to remain soften in most part of FY 2015.

4. Legislative Changes:

Changes in various governing legislations may have impact on both the revenue and cost.

- **Management Perception:**
Every Industry is prone to business risks due to changes in various legislations applicable to it. The Company uses expert professional advice in various legal and compliance matters. This helps the Company to well plan its business strategies and minimise the impact of changes, thereby ensuring smooth and profitable business.

5. Low economic growth :

Indian economy over the last year grew at a very slow pace. Advertising spends are driven by overall economic growth and may get adversely impacted in case of a slowed economy.

- **Management Perception:**
Currently advertising revenue spends in India as a percentage of GDP is very low as compared to developed countries. Hence, lower economic growth is expected to impact the advertising spend at a lower percentage.

Further, though the overall Indian economy is registering a slow growth, in the developing states, India's GDP growth is much higher. There is a larger potential since DBCL has a wide coverage in faster growing states of India and has businesses in multiple developing states. Further, ad revenue mix is well spread over national and multiple local state advertisers, which allows it to compensate revenue pressures in either local or national markets.

6. Increased Competitive Activities in our Mature and Legacy markets :

Attracted by high operating margin in faster developing states and substantial cash generation, other print media companies may see potential opportunity for launching their newspaper, in some of our mature and legacy markets

- **Management Perception:**
The Company has been facing almost 15 different competitors (of significance) in different states and in spite of 2nd entrant in most of markets, has created and established a strong and credible position, in all its markets, by becoming No. 1 from Day 1 of launch, in most of its major markets. Thus the Company has handled very well all its competitors and is proud to share that many of its new launches have been captured as case study by reputed Management Institutes like Indian Institute of Management – Ahmedabad , & Bengaluru, besides, Marico Foundation - London.

FINANCIAL PERFORMANCE (Consolidated) :

Income from operations:

It comprises of newspaper sales, advertisement revenue, event management income, job work charges and scrap and waste-paper sales. DBCL achieved a turnover of ₹ 18,598 million in FY 2013-14 as compared to ₹ 15,923 million in FY 2012-13, registering a growth of 16.80%. While advertising revenue grew from ₹ 12,075 million to ₹ 14,178 million, registering a growth of 17.41%. The circulation revenue grew by 14.58% to ₹ 3,234 million in the year under consideration.

Radio business's advertising revenue grew by 19.2% to ₹ 794 million in FY 2013-14 from ₹ 666 million. Digital media's advertising revenue grew by 56% to ₹ 161 million from ₹ 103 million in the said year.

Other income:

It comprises of interest income, miscellaneous income and excess liabilities/provisions written back. For FY 2013-14, other income grew by 11.80% to ₹ 239 million.

Raw material consumed:

Newsprint consumption increased from ₹ 5,446 million to ₹ 6,323 million during FY 2013-14, registering an increase of 16%. The increase in newsprint cost is attributable to increase in newsprint prices and impact of new launch editions of Akola, Amaravati and Patna, besides increase in circulation copies in mature market of MP, Rajasthan, Haryana etc.

Employee cost:

Employee cost increased by 8.23%. This as well includes the impact of new editions along with normal annual increments.

Other expenses:

It mainly comprises of other manufacturing expenses, advertisement and distribution expenses and general and administrative expenses etc. There is an increase in other expenses by 9.1%, which also includes the pre-launch expenses of new editions.

Depreciation:

Depreciation increased by 10.65% due to addition of fixed assets mainly on account of expansion of business.

Financial cost and foreign exchange fluctuations:

Finance costs decreased by 28% from ₹ 105 million to ₹ 75 million in FY 2013-14, due to reduction in long-term loan as well as lower utilisation of working capital limits.

Loss of ₹ 33 million was incurred during the year due to foreign exchange fluctuations.

Profit after tax (PAT):

Profit after tax (PAT) stood at ₹ 3,066 million for FY 2013-14 as compared to ₹ 2,181 million during FY 2012-13. This was due to increase in total revenue by 16.8% and was offset by 12% increase in operational expenditure. Besides, this also carries one time tax benefit of demerger and merger of digital media business in the Company for ₹ 149 million. Despite expansion of business, DBCL kept overall

expenditure under close control, which resulted in a 41% increase in Profit after Tax.

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:

During the year gone by, DBCL was able to capture the advertising revenue opportunities in various markets. The growth in advertising revenues was mostly driven by yield and partly by volume. The Company is of the opinion that there is further greater potential in improving the advertising yield and it is

working towards getting the full benefit out of its dominant markets. Also the concept of Un-Metro is expected to further help attract newer and additional advertisement spends from national advertisers.

The Company is confident of its business strategies that have visibly yielded very positive results during FY 2013-14. With continued focus on product and regular content innovation, the Company will strive to further improve its competitive strengths in new markets along with maintaining dominance in existing markets.

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

Place: Mumbai
Date: May 12, 2014

**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.

DIRECTORS' REPORT

To The Members

Your Directors have pleasure in presenting to you the 18th Annual Report together with the Balance Sheet and Statement of Profit and Loss for the year ended 31st March, 2014.

Financial Highlights (Standalone Results*)

Particulars	₹ in Mn	
	2013-14	2012-13
Sales	18,562	15,789
Other Income	239	247
Total Revenue	18,801	16,036
Operating expenditure	13,565	11,921
EBITDA	5,235	4,115
EBITDA Margin (%)	27.8%	25.7%
Finance Cost	75	104
Depreciation & Amortisation	642	573
Total Expenditure	14,282	12,599
Profit Before Tax	4,518	3,437
Provision for Current Tax, Deferred Tax & Other Tax Expenses	1,456	1,131
Profit After Tax (PAT)	3,063	2,306
PAT Margin (%)	16.3%	14.4%

*During the year, Integrated Internet and Mobile Interactive Services Business of I Media Corp Limited, wholly-owned subsidiary of your Company, was demerged and merged into your Company with effect from 1st April, 2013 ("Appointed Date"). Accordingly, results for financial year 2013-14 given above are not comparable with those for FY 2012-13.

Financial Highlights (Consolidated Results)

Particulars	₹ in Mn	
	2013-14	2012-13
Sales	18,598	15,923
Other Income	239	213
Total Revenue	18,836	16,137
Operating expenditure	13,595	12,138
EBITDA	5,241	3,998
EBITDA Margin (%)	27.8%	24.8%
Finance Cost	75	105
Depreciation & Amortisation	642	581
Total Expenditure	14,313	12,824
Profit Before Tax	4,524	3,313
Provision for Current Tax, Deferred Tax & Other Tax Expenses	1,457	1,132
Profit After Tax (before minority interest)	3,066	2,181
PAT Margin (%)	16.3%	13.5%
Dividend as % of Paid-up Share Capital	72.5%	55%

The consolidated results include impact on tax provision due to demerger of Integrated Internet and Mobile Interactive Services Business of the wholly-owned subsidiary viz. I Media Corp Ltd. into your Company which is as under:

Particulars	₹ in Mn
Profit After Tax as reported	3,066
Less:	
Impact on current tax and deferred tax on account of unabsorbed depreciation and accumulated losses of Integrated Internet and Mobile Interactive Services Business till 31 st March, 2013 in accordance with the Scheme	149
Profit After Tax excluding impact of the above adjustment arising out of the Scheme of Demerger	2,917

Review of Performance:

During the financial year 2013-14, Indian economy continued to grow at a slower pace. As per the Reserve Bank of India (RBI)'s latest update on Macro Economics and Monetary Developments 2014-15, real GDP growth at factor cost for the year 2013-14 is 4.7% and as per latest estimates with Q4 growth, it is expected to close at 4.9%. Despite general slow-down in the economy, your Company was able to deliver much better growth in revenues as well as profits. This was possible on the basis of well thought-out strategies of the management and committed all-around efforts by the whole team. Performance highlights of your Company during the year under consideration are as follows:

- ❖ Standalone sales and other income reached ₹ 18,801 Million witnessing a growth of 17% as compared to ₹ 16,036 Million in the previous year due to growth in circulation and advertisement revenue.
- ❖ Standalone advertising revenue reached ₹ 14,172 Million (growth by 18.4%) which also includes revenue from the internet and digital media business. Similarly, the circulation revenue reached ₹ 3,232 Million (growth by 14.8%).
- ❖ Standalone Profit After Tax (PAT) for the year under review was ₹ 3,063 Million which includes ₹ 149 Million towards tax benefit on account of accumulated tax losses of Internet business. Thus normal PAT (excluding the tax benefit) was ₹ 2,914 Million with 26% increase as against ₹ 2,306 Million in the previous year.
- ❖ The consolidated gross revenue of your Company increased to ₹ 18,836 Million from ₹ 16,137 Million in the previous year, whereas the consolidated PAT stood at ₹ 3,066 Million as against ₹ 2,181 Million of the previous year, which includes onetime tax gain of ₹ 149 million on account of demerger of internet business.

- ❖ Print business: Advertising revenues increased from ₹ 11,300 Million to ₹ 13,254 Million reflecting a growth of approx.17% YOY. As per FICCI-KPMG report 2014, overall print advertisement revenue grew at 11.3% for Hindi Market and 10.8% for Vernacular Market.
- ❖ Circulation revenues grew from ₹ 2,814 Million to ₹ 3,232 Million at a growth of approx.15% YOY.
- ❖ Print business EBITDA margins stand at approx. 28% at ₹ 4,909 Million.
- ❖ Print business normal PAT stands at approx. ₹ 2,825 Million (16% PAT margin excluding onetime tax gain of ₹ 149 Million on account of demerger of internet business).
- ❖ Print Business Matured editions EBITDA margin stands at approx. 32.8% at ₹ 5317 Million.

Review of Performance of Emerging Editions:

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

(₹ in Mn)

Review of Performance of Emerging Editions			
Summary Financials (₹ In Mn) (Standalone Results)			
Particulars	Emerging Editions	Others	Total
FY 2013-14			
Turnover			
— Advt. Revenue	1,138	13,034	14,172
— Sales	410	2,822	3,232
— Others	105	1,291	1,396
Total Income	1,653	17,147	18,801
Newsprint Cost	850	5,468	6,318
Opex	1,135	6,112	7,248
Total Cost	1,985	11,580	13,565
EBITDA	-332	5,567	5,235
EBITDA Margin (%)	-20.1%	32.5%	27.9%
Interest	5	71	75
Depreciation	56	585	642
PBT	-393	4,911	4,518
PBT Margin (%)	-23.8%	28.6%	24.0%

Revenues of our emerging editions in newly launched states of Jharkhand, Maharashtra and Bihar are growing rapidly. At the same time matured editions have improved the EBITDA margins

at 32.5%, on the back of improved advertising yearly growth in our matured markets. With most of the emerging editions on the verge of maturity, overall EBITDA margin for the Company is expected to show a higher growth in the forthcoming years post stabilisation of the emerging editions.

Emerging editions are classified as those editions which are below four years of age or which have turned profitable in last 4 quarters, whichever is earlier.

Operational Highlights and Future Outlook:

Your Company has delivered a robust operating performance this year amidst a challenging market environment. Focus on sustaining and extending leadership in core markets, consistent focus on operational efficiencies as well as strong performance across print and non-print segments have enabled the Company to report significant growth.

The Bhaskar way of journalism places the reader at the center. Your Company's growth strategy revolves around this philosophy. It combines 'knowledge enhancement' with 'product differentiation' enabling targeted growth. Associations with leading media brands for exclusive, unique content and re-alignment of corporate sales and marketing strategy with the aim of providing greater focus to advertisers at every state level has contributed extensively in achieving the growth.

Your Company's 'Un-Metro – Markets Driving India' initiative, which extensively analysed the potential of high-growth non-metro regions and brought it in focus with the advertisers and media planning agencies, has also contributed significantly towards broadening the horizons. The Bihar-Patna launch was an exciting challenge in that region and it received an overwhelming response and wide acceptance. The progress in Maharashtra continues to be well on course.

Your Company's non-print media segments have been making strong headway with commendable developments across digital and radio segments. Leveraging our leadership strengths in print media has complemented steady progress across digital and radio platforms. The potential of post-phase III licensing is exciting and your Company is well poised to strengthen its radio footprints further and it would be in an advantageous position in view of possibility of news content being allowed on FM radio, due to already existing infrastructure.

While the macro outlook does remain undefined, your Company is hopeful that with the political certainty, the consumer sentiment will become more positive and result in better growth across sectors. Your Company is confident that with the clear strategic focus, strong business fundamentals and superior execution capabilities supported by a talented team, it will strive towards its vision - 'to be the largest and most admired media brand enabling socio-economic change'.

Major events during the year:

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

With a view to reach advertisers with offering(s) of attractive combined advertising options in the internet and print medium, to achieve operational synergies and to generate larger advertising revenue and better customer satisfaction, your Company had considered it prudent, timely and appropriate to de-merge the Integrated Internet and Mobile Interactive Services Business of its wholly-owned subsidiary viz. IMCL into your Company. Accordingly, upon receipt of all the necessary statutory approvals and the sanction of the Hon'ble High Court of Madhya Pradesh, Principal Seat at Jabalpur vide its order dated 27th March, 2014, in accordance with Sections 391 to 394 and other applicable provisions of the Companies Act, 1956, the said internet business of IMCL was demerged from IMCL and merged into your Company w.e.f. 1st April, 2013, the Appointed Date fixed under the Scheme.

As a result, the said internet business of IMCL has now become part of your Company. This provides your Company the synergy in operations as both businesses complement each other.

❖ **Sale of stake held in Divya Prabhat Publications Private Limited (DPPPL):**

During the year, your Company sold its entire stake of 51% held in DPPPL to Mr. Prabhat Sojatia and Mr. Sunil Sojatia by terminating the Shareholders' Agreement dated 1st October, 2011 executed between the two companies and members of the Sojatia family. Accordingly, DPPPL had ceased to be a subsidiary of your Company effective close of business hours on 30th June, 2013

❖ **Redemption of 0% Non-convertible Redeemable Preference shares :**

In 2007, the Company had allotted 1 (One) 0% Non-Convertible Redeemable Preference Share (NCRPS) of ₹ 10,000/- each. The said NCRPS was redeemable at par at any time after 5 years but before 20 years from the date of allotment (31st July, 2007). Upon receipt of request and surrender of the same by the holder thereof, the said NCRPS was redeemed at par by the Company on 17th October, 2013.

CSR Activities at Dainik Bhaskar Group:

In line with the vision, Dainik Bhaskar Group contributes back to the Society and the environment through Corporate Social Responsibility (CSR) activities. The Board of Directors, Management and all the employees subscribe to the philosophy of 'compassionate care'. We believe and act on the philosophy of generosity and compassion, characterized by a willingness to build a better society. A few of the noteworthy initiatives undertaken by the company during the year include:

❖ **Mission Shiksha**

Under this initiative, DB Corp provided number of school utility items to underprivileged kids. Under the drive around 70,000 items including 25,000 notebooks, 2,000 water bottles, 2,500 lunchboxes, 1,200 school bags and more than 38,000 stationery items were distributed among children.

❖ **Save Birds**

The initiative was organised during summers, to save birds by providing them with food grain and water (daana-paani) An appeal was made to people to keep sikoras (clay pots) at their home and work place. Under this initiative more than 80,000 free of cost sikoras were distributed. .

❖ **Green Idol Awards**

Green Idol Awards is a platform to recognise the significant efforts of those individuals/groups and organizations who have played a vital role in enhancing and conserving greenery. Over 800 registrations were received under this initiative.

❖ **Mitti Ke Ganesh**

To conserve water and reduce its contamination owing to the immersions of synthetic Ganesha idols, the company made an appeal to its readers to bring home only clay made Lord Ganesha idols. The readers were also urged not to immerse idols in ponds or other natural water bodies but in a water container at their homes and use the same water for gardening.

❖ **Anndaan**

This initiative was organized to provide the needy with food grains. Under this initiative an appeal is made to the DB Corp's audience to donate food grains like rice, wheat, pulses, etc. which later was distributed in orphanages, old age homes and centres for disabled individuals etc. Over 1.40 lakh kgs of food grains were donated under this initiative.

❖ **Sarthak Diwali**

Organized around Diwali, this initiative is aimed at making the festival special for the under privileged. Children were urged to share crackers, sweets and other gifts with the poor children in their vicinity.

❖ **Vastradaan**

The campaign was organized during the winter season to provide warm clothing to the poor. Under this initiative people were urged to donate blankets, sweaters, scarves,

shawls etc. During the campaign, close to 10 lakh units of blankets, shawls and other warm clothes were donated by people all across the country.

❖ **Computer Training**

A first of its kind knowledge initiative in the country organized to provide free computer training in the company offices campus specially aimed at housewives and senior citizens. A total of 4000 plus candidates were trained under this initiative.

❖ **Netradaan**

The initiative was conducted to spread awareness among people and to encourage them to donate eyes. Various mediums like online, SMS, etc were used to support this initiative and over 10,000 pledges were received.

❖ **Sookhi Holi**

To save millions of gallons of water that gets wasted every year during Holi festival, the Company has been doing 'Tilak Holi' initiative since last five years. The initiative encourages people to use water responsibly.

Lakhs of people played Holi just with Abir-Gulal (Dry Color) and saved millions of gallons of water. In addition, the state government of Jharkhand also adopted and promoted the initiative 'Tilak Holi'.

Dividend:

The Board of Directors is pleased to inform that for the year under review, an interim dividend @ 30% (i.e. ₹ 3.00 per equity share of the face value of ₹ 10/- each) was declared and paid on 8th February, 2014. The Board has further recommended final dividend @ 42.5% (i.e. ₹ 4.25 per equity share of face value of ₹ 10/- each) for the financial year 2013-14. The final dividend, if approved by the members at the forthcoming Annual General Meeting, will be paid to those members whose names appear in the Register of Members at the end of the business hours on 16th July, 2014.

The total amount of dividend, including interim dividend, for the year 2013-14, will be ₹1,331 Million as against ₹ 1,009 Million for the previous financial year.

Directors:

During the year under review, Mr. Pawan Agarwal, existing non-executive director on the Board of Directors, was appointed as Deputy Managing Director of the Company for a period of five years w.e.f. 31st July, 2013.

A brief resume of Mr. Pawan Agarwal, nature of his expertise in specific functional areas and names of the Companies in which he holds 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.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Girish Agarwal, Director, retires 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 a Director in terms of Section 164 of the Companies Act, 2013. A brief resume of Mr. Girish Agarwal, nature of his expertise in specific functional areas and names of the companies in which he holds 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.

In terms of Sections 149 and 152 of the Companies Act, 2013, it is proposed to appoint all the Independent Directors on the Board of the Company viz. Mr. Piyush Pandey, Mr. Harish Bijoor, Mr. Kailash Chandra Chowdhary and Mr. Ashwani Kumar Singhal for 5 years i.e. till 31st March, 2019. Resolutions appointing them are recommended for passing by the members of the Company at the ensuing Annual General Meeting. A brief resume of each of these Independent Directors, nature of their expertise in specific functional areas and names of the 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.

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, 2014, 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, 2014 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, 2014, on a 'going concern' basis.

Subsidiaries:

The Board of Directors is pleased to report about the subsidiaries of your Company:

1. I Media Corp Limited (IMCL)

During the year, the Internet and Mobile Interactive Services Business of IMCL was successfully demerged into D. B. Corp Ltd. w.e.f. 1st April, 2013, the 'Appointed Date' as per the Scheme of Demerger approved by the Hon'ble High Court of Madhya Pradesh, Principal Seat at Jabalpur vide its order dated 27th March, 2014. IMCL will continue with 'events' business now onwards. During the year under report, IMCL achieved a turnover of ₹ 27.4 Million under the event business with Profit After Tax (PAT) of ₹ 4.2 Million.

2. Divya Prabhat Publications Pvt. Ltd. (DPPPL)

During the year, the Company sold its entire stake of 51% held in DPPPL due to which DPPPL has ceased to be a subsidiary of the Company effective close of business hours on 30th June, 2013.

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', 'DBCL - ESOS 2011 (Tranche 1)' and 'DBCL - ESOS 2011 (Tranche 2)'. 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 resolutions passed by the members in this regard. The Certificate will be placed at the Annual General Meeting for inspection by the members and 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 Statutory 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 139 of the Companies Act, 2013 and that they are not disqualified for re-appointment within the meaning of Section 139 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 2012-13 and 2013-14 is as under:

Cost Audit Report for generation of electricity from Wind Farm		Compliance Report for Printing and Publication Business	
FY 2012-13	FY 2013-14	FY 2012-13	FY 2013-14
a. Date of actual filing: 26 th September, 2013	a. Date of actual filing: will be filed on or before the due date	a. Date of actual filing: 26 th September, 2013	a. Date of actual filing: will be filed on or before the due date
b. Due date of filing: 30 th September, 2013	b. Due date of filing: 30 th September, 2014	b. Due date of filing: 30 th September, 2013	b. Due date of filing: 30 th September, 2014

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 or any amendment or re-enactment thereof.

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 for inspection at the registered office of the Company during working hours on working days upto the date of the ensuing Annual General Meeting.

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

- (a) Conservation of Energy and Technology Absorption:
Your 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:
Your Company earned Foreign Exchange of ₹ 128.65 million (Previous Year ₹ Nil). The Financial Expenses in foreign exchange during the year was ₹ 18.97 million (Previous Year ₹ 49.30 million) and on account of traveling and other expenses was ₹ 17.46 million (Previous Year ₹ 6.00 million).

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 had sent reminders to all these 6 shareholders at their latest available address but had 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 1 st April, 2013	6 shareholders / 247 shares
(ii)	Number of shareholders who approached the Company for transfer of shares from suspense account during the financial year 2013-14	Nil
(iii)	Number of shareholders to whom shares were transferred from suspense account during the financial year 2013-14	Nil
(iv)	Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31 st March, 2014	6 shareholders / 247 shares

Human Resources and Industrial Relations:

Your Company believes that we are the strongest when we are together committed to the organisation's vision. In an effort to achieve this, your Company cares for people, values human dignity, fosters a culture of team work, creates opportunities for working together and nurtures people to develop the best. By this it aims at inspiring people to find pride in work and to develop passion for excellence.

In consonance with this philosophy, HR has taken various initiatives this year to streamline and standardise various processes and programs already existing within the organisation:

- Standardised induction and on-boarding program across the Company which includes standardised induction presentations, functional induction modules (HR & Admin, Ad Sales, Editorial, Finance, SMD and Brand) and standardised email templates for new joinees and buddies.
- Introduced Buddy Program to help new employees in settling down well in the organization.
- Employee Engagement Survey and Fun at Work Survey to understand employee's opinion about our culture, people policies, processes, employee engagement, fun at work activities and to know pain areas of employees, etc. For this, the Company has tied up with Gallup Consulting, the reputed leader in the area of employee engagement.
- Took Performance Management System (PMS) to next level by introducing Balanced Scorecard Approach in the organisation wherein individual goals have been linked to the organisational objectives and implemented bell curve for transparent and fair model of reward and recognition.
- Realignment and deployment of "DB Core Values" across all locations and verticals and formation of Functional Strategies to align with the DB vision of "to be the largest and most admired media brand enabling socio-economic change".
- Initiative towards Business Excellence has been undertaken in partnership with QAI, India's leading consultancy firm in the area of process and quality management. The initiative includes standardising, documenting and implementing all processes across functions. In the first phase the functional areas of Editorial, HR & Admin, Ad Sales and Finance & Accounts are covered because of their all round impact on the organisation.

All these initiatives have helped to make your Company a good place to work.

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 12, 2014

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, 2014**

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 [Tranche 1(T-1)] and 2,03,170 [Tranche 2 (T-2)]
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/- (T-1) ₹ 113/- (T-2) 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	88,180	134,664	29,540 (T-1)
Options Exercised	132,645	65,231	40,520 (T-1)
The total number of shares arising as a result of exercise of options	132,645	65,231	40,520 (T-1)
Options forfeited / surrendered	164,977	160,229	79,670 (T-1)
Options lapsed	27,625	Nil	Nil (T-1)
Variation of terms of options	Nil	Nil	Nil (T-1)
Money realised by exercise of options	₹16,447,980/-	₹ 10,958,808/-	₹ 3,849,400/- (T-1)
Total number of options in force	88,180	265,743	317,280 (T-1)
Details of options granted during the year to			
(a) Directors	No options were granted during the year.	No options were granted during the year	No options were granted during the year
(b) Key Managerial Personnel:			
i) Dr. Bharat Agrawal			
ii) Mr. P. G. Mishra			
iii) Mr. R. D. Bhatnagar			
iv) Mr. Kalpesh Yagnik			
(b) Any other employee who received a grant in any year of options amounting to 5% or more of the options granted during the year (Includes ex-employees and group Company employees)	Nil	Nil	Employee Names Mahaveer Arantraj Upadhye 11,850 Nishit Jain 12,000 Pradeep Dwivedi 26,190 Prashant Virupax Kalyani 14,970 Puneet Bali 15,280 Raghavan Swaminathan 26,510 Sanjay Kumar Sharma 16,220 Saras Sethi 15,000 Vareesh Twari 10,290
(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 2014, calculated in accordance with Accounting Standard (AS)20	₹ 16.68	₹ 16.68	₹ 16.68
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.	Less than market price- ₹ 113/-
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.	Less than market price - ₹ 122.86
Method to estimate fair value	Not Applicable	Not Applicable	Not Applicable
Assumptions			
1. Risk free interest rate			1. 7.41%
2. Expected Life			2. 4.50
3. Expected Volatility			3. 26.71%
4. Expected Dividends			4. 2.43%
5. Closing Market Price of Share on the date of option grant			5. ₹ 226.05
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 April 1, 2013 to March 31, 2014 is ₹ 75,85,370. If the stock-based compensation cost was calculated as per the fair value method prescribed by SEBI, the total cost to be recognised in the financial statements for the period April 1, 2013 to March 31, 2014 would be ₹ 76,81,986. The effect of adopting the fair value method on the net income and earnings per share is presented below:

Particulars	(in ₹)
Profit as reported	March 31, 2014
	3,062,839,370
Add: Employee stock compensation cost under intrinsic value method	7,585,370
Less: Employee stock compensation under fair value method	7,681,986
Proforma profit after tax	3,062,742,754
Earnings Per Share	
Basic	
- As reported	16.70
- As adjusted	16.70
Diluted	
- As reported	16.68
- As adjusted	16.68

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

Place: Mumbai
Date: May 12, 2014

Ramesh Chandra Agarwal
Chairman

Financial Statements

Statutory Reports

Business Overview | Management Discussion & Analysis

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

Dear Sir,

Re.: 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, DBCL-ESOS 2011-Tranche 1 and DBCL-ESOS 2011-Tranche 2) 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

Navin K Gupta
Partner
Membership No. 75030

Place: Bhopal
Dated: May 03, 2014

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on the Code of Corporate Governance

Transparency and accountability are the two basic tenets of Corporate Governance. Responsible corporate conduct is integral to the way we do our business. We, D. B. Corp Limited, are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with the applicable legislation.

The Company's essential character revolves around values based on transparency, integrity, professionalism and accountability. At the highest level, the Company continuously endeavours to improve upon these aspects on an ongoing basis and adopts innovative approaches for leveraging resources, converting opportunities into achievements through proper empowerment and motivation, fostering a healthy growth and development of human resources to take the Company forward.

Our Code of Business Principles is an extension of our values and reflects our continued commitment to ethical business practices and regulatory compliances. We acknowledge our individual and collective responsibilities to manage our business activities with integrity. Our Code of Business Principles inspires us to set standards which not only meets the applicable legislation but also exceeds them in many areas of our business operations.

The Board of Directors ('the Board') is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to the best practices.

Compliance with Clause 49 of the Listing Agreement

In line with the above philosophy, your Company continuously strives for excellence through adoption of best governance and disclosure practices. In terms of Clause 49 of the Listing Agreement executed with the stock exchanges, the details of compliance for the year ended 31st March, 2014, are as follows:

I. Board of Directors

1. Board Composition and Category

The Board has an optimum combination of Executive and Non-Executive Directors which is in conformity with the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges in this regard. As provided in Clause 49 of the Listing Agreement, at least one-half of the Board of Directors should comprise of Non-executive Directors which has been complied with by the Company. The Chairperson of the Board is a Non-executive Promoter Director.

As at 31st March, 2014, the Board consisted of 8 members. The composition and category of directors on the Board of the Company are as under:

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

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

2. Role of Board of Directors

The primary role of the Board is that of trusteeship to protect and enhance shareholders' value and in optimizing long term value by providing the management with guidance and strategic direction on shareholders' behalf. The Board's mandate is to oversee the Company's strategic operations, review corporate performance, authorise and monitor strategic investment, ensure regulatory compliance and safeguard interests of the stakeholders. The day-to-day operations are conducted by the Managing Director and the Deputy Managing Director of the Company, under the supervision and control of the Board of Directors.

The Board meets at least once a quarter to review the quarterly performance and the financial results of the Company. The Board Meetings are generally scheduled well in advance and the notice of each Board Meeting is given in writing to each Director. Agenda includes notes giving comprehensive information on the related subject and in certain matters such as financial/ business plans, financial results, detailed presentations are generally made at the meeting. The Agenda papers are sent in advance separately to each Director. The members of the Board have complete access to all the information of the Company.

In case of a special and urgent business need, the Board's approval is taken by circulating the resolution, which is confirmed in the subsequent Board Meeting.

To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed at every Board Meeting on the overall performance of the Company. Senior management is invited to attend the Board Meetings as and when required so as to provide additional inputs to the items being discussed by the Board. The minutes of each Board Meeting is circulated in draft to all the Directors for their confirmation before being recorded in the

minutes book. The minutes of the Board Meetings of subsidiary companies are tabled at the Board Meetings. The Board periodically reviews the statement of significant transactions and arrangements entered into by the subsidiary companies.

3. Details of Directors being appointed and re-appointed

As per the Companies Act, 2013 and the Articles of Association of the Company, not less than two-third of the total number of directors (excluding Independent Directors) should retire by rotation. One third of retiring directors are required to retire every year by rotation and if eligible, the director qualifies for re-appointment.

Mr. Girish Agarwal retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

A brief resume of Mr. Girish Agarwal being re-appointed at the forthcoming Annual General Meeting:

Name of the Director	Mr. Girish Agarwal (DIN No. : 00051375)
Date of Birth	10 th July, 1971
Date of Appointment	27 th October, 1995
Areas of Experience Company	The Non Executive Director of the has been on the Board since October 1995. He guides the marketing and related operations and has approximately 20 years of experience in the publishing business. He has been with the organization for same number of years. He is also an active member of INS and holds the distinction of being the youngest Chairman of INS for Madhya Pradesh region. He is the recipient of the Entrepreneur of the Year for Media Category, for the year 2006 by Ernst & Young. Further, he was recently awarded the "Outstanding Entrepreneur" trophy at AEPA (Asia Pacific Entrepreneur Awards). Under his visionary leadership qualities, Divya Bhaskar, the leading Gujarati Newspaper from D. B. Corp Ltd., won the 'Best in Print' (Bronze) honor that was bestowed upon it at IFRA Asia Pacific Awards held in Chennai. Dainik Bhaskar Group is the only regional newspaper group from India to have won this award.
Educational Qualifications	Commerce Graduate
Companies in which he holds Directorship	As per list given below
Membership/ Chairmanship of Board Committees	Shareholders'/Investors' Grievance Committee – Chairman Remuneration Committee – Member Audit Committee – Member Executive Committee – Member
Shareholding	2,50,87,256 (as on 31 st March, 2014)

Companies in which Mr. Girish Agarwal holds Directorship

1.	Decore Exxoils Pvt. Ltd. (Formerly - Bhaskar Exxoils Pvt. Ltd.)	Director
2.	Bhaskar Foods Pvt. Ltd.	Director
3.	Bhaskar Industries Pvt. Ltd.	Director
4.	Bhaskar Publications And Allied Industries Pvt. Ltd.	Director
5.	DB Malls Pvt. Ltd.	Director
6.	Regency Agro Products Pvt. Ltd.	Director
7.	Saurashtra Samachar Pvt. Ltd.	Director
8.	Writers And Publishers Pvt. Ltd.	Director
9.	Sharda Solvent Ltd.	Director
10.	Shourya Diamonds Ltd.	Director
11.	Surge Developers Pvt. Ltd.	Director
12.	DB Power (Madhya Pradesh) Ltd.	Director
13.	DB Partners Enterprises Pvt. Ltd.	Director
14.	DB Buildcon Pvt. Ltd.	Director
15.	Dev Enterprises Pvt. Ltd.	Director
16.	Divya Trading Pvt. Ltd.	Director
17.	DB Publications Pvt. Ltd.	Director
18.	Divya Oil & Gas Pvt. Ltd.	Director
19.	Vindhya Solvent Pvt. Ltd.	Director
20.	Yoman Infrastructure Pvt. Ltd.	Director
21.	Delta Coal & Mining Pvt. Ltd.	Director
22.	D B Power Ltd.	Managing Director
23.	DB Power (Chhattisgarh) Ltd.	Director
24.	Vastu Mines Pvt. Ltd.	Director
25.	Dolby Mining & Power Pvt. Ltd.	Director
26.	Vista Natural Resources Pvt. Ltd.	Director
27.	Bhaskar News Media Ltd.	Director
28.	Bhaskar Infraventure Ltd.	Director
29.	Divya Energy & Foods Pvt. Ltd. (Formerly - DB Energy & Foods Pvt. Ltd.)	Director
30.	Le Soleil Developers Pvt. Ltd.	Director
31.	Dilligent Power Pvt. Ltd.	Managing Director
32.	D B Microfinance Pvt. Ltd.	Director
33.	Deligent Hotel Corporation Pvt. Ltd.	Director
34.	JGB Builders Pvt. Ltd.	Director
35.	New Era Publications Pvt. Ltd.	Director

A brief resume of Mr. Pawan Agarwal, Deputy Managing Director being appointed at the forthcoming Annual General Meeting:

The Board of Directors at its Meeting held on 18th July, 2014 appointed Mr. Pawan Agarwal, one of the existing Non-Executive director of the Company as Deputy Managing Director on the Board of the Company for a period of 5 years from 31st July, 2013 to 30th July, 2018 subject to the approval of the members at the forthcoming Annual General Meeting.

A brief resume of Mr. Pawan Agarwal, nature of his expertise in specific functional areas and names of the companies in which he holds directorship and / or membership / chairmanship of Committees of the Board, as stipulated under Clause 49 of the Listing Agreement is mentioned below:

Name of the Director	Mr. Pawan Agarwal (DIN No. : 00465092)
Date of Birth	31 st July, 1974
Date of Appointment	10 th December, 2005
Areas of Experience	The Deputy Managing Director has been on the Board since December 2005. He holds a bachelor's degree in Industrial Engineering from Purdue University, USA, and has also attended a program on leadership's best practices at Harvard University. He has over 17 years of experience in the publishing business and has been with our organization for same number of years. He heads entire production and Information Technology department of the Company. Besides this, he is also actively leading the Radio Business and the DB Digital Business within the Group. He has been awarded by the Prime Minister for his contribution to Indian Language Journalism and also by Enterprise Asia as one of the 'Outstanding Entrepreneurs of Asia-Pacific 2010'.
Educational Qualifications	Bachelors Degree in Industrial Engineering, USA
Companies in which he holds Directorship	As per list given below
Membership/ Chairmanship of Board Committees	Compensation Committee – Member Shareholders'/Investors' Grievance Committee – Member Executive Committee - Member
Shareholding	2,81,52,456 (as on 31 st March, 2014)

Companies in which Mr. Pawan Agarwal holds Directorship

1.	Chambal Tradings Pvt. Ltd.	Director
2.	Writers and Publishers Pvt. Ltd.	Director
3.	Decore Exxoils Pvt. Ltd. (Formerly - Bhaskar Exxoils Pvt. Ltd.)	Director
4.	Saurashtra Samachar Pvt. Ltd.	Director
5.	Surge Developers Pvt. Ltd.	Director
6.	Regency Agro Products Pvt. Ltd.	Director
7.	Shourya Diamonds Ltd.	Director
8.	I Media Corp Ltd.	Director
9.	India Interactive Technologies Ltd.	Director
10.	DB Partners Enterprises Pvt. Ltd.	Director
11.	D B Power Ltd.	Director
12.	DB Power (Chhattisgarh) Ltd.	Director
13.	DB Power (Madhya Pradesh) Ltd.	Managing Director
14.	Bhaskar News Media Ltd.	Director
15.	DB Metals Pvt. Ltd.	Director
16.	Delight Minings Pvt. Ltd. (Formerly – DB Minings Pvt. Ltd.)	Director
17.	Dynamic Infraventure Pvt. Ltd.	Director
18.	Diligent Power Pvt. Ltd.	Director
19.	D B Microfinance Pvt. Ltd.	Director
20.	Bhaskar Industries Pvt. Ltd.	Director
21.	Diligent Pinkcity Center Pvt. Ltd.	Director
22.	JGB Builders Pvt. Ltd.	Director
23.	The Indian Newspaper Society	Director
24.	BFP Traders Pvt. Ltd.	Director
25.	New Era Publications Pvt. Ltd.	Director

A brief resume of Mr. Piyush Pandey, Mr. Harish Bijoor, Mr. Kailash Chandra Chowdhary and Mr. Ashwani Kumar Singhal being appointed as “Independent Directors” at the forthcoming Annual General Meeting:

As per Section 152 and other applicable provisions of the Companies Act, 2013, the independent directors of the Company shall hold office for a term upto 5 consecutive years on the Board of a Company. The total tenure so far of all the existing Independent Directors on the Board of the Company exceeds 5 years. Hence, as per the provisions of the Companies Act, 2013 and subject to the approval of the Members at the ensuing Annual General Meeting, they are eligible for re-appointment as “Independent Director” for a period of one term of 5 years i.e. till 31st March, 2019.

None of the Independent Directors are disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as Directors.

A Brief resume of all the Independent Directors, nature of their expertise in specific functional areas and names of the Companies in which they hold directorship and / or membership / chairmanship of Committees of the Board, as stipulated under Clause 49 of the Listing Agreement are mentioned below:

Name of the Director	Mr. Piyush Pandey (DIN No. : 00114673)
Date of Birth	5 th September, 1955
Date of Appointment	28 th November, 2007
Areas of Experience	Mr. Piyush Pandey started life as a professional cricketer and tea taster, before putting away the tea cups and hanging up his ball-guards to join Ogilvy, Mumbai. He became NCD of Ogilvy India in 1994 and was inducted on Ogilvy's Worldwide Board in 2006. Piyush was voted the most influential advertising man in India by Economic Times, the leading business daily, 9 years in row. He was the first Asian to be the President of the Cannes Jury for Film, Press and Outdoor in 2004. He was awarded the Lifetime Achievement award by AAAI in India in 2010 and Clio in 2012. He is the only Indian to have won three Grand Prizes at LIAA. His Fevikwik adhesive commercial was voted 'commercial of century' in 2000 and his work on Cadbury, Campaign of the century.
Educational Qualifications	Holds Masters Degree in Arts
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	Compensation Committee – Member Audit Committee – Member
Shareholding	NIL

Name of the Director	Mr. Harish Bijoor (DIN No. : 01640485)
Date of Birth	3 rd June, 1961
Date of Appointment	28 th November, 2007
Areas of Experience	Harish Bijoor is currently a Brand Domain specialist operating out of Bangalore. He spent the most recent 18 months of his career as the Chief Operating Officer, Zip Telecom Limited. He has spent the last eight years prior to his Telecom stint with Tata Coffee Limited in various designations moving through the Brand Management and Marketing Hierarchy. He is actively involved in the world of coffee in India. He is a member of many active coffee forums and delivers lectures on the subject in India and Internationally. He is passionate about coffee, a terrain he spent 20 years of his working life in. He is a member of the Coffee Board of India under the auspices of the Union Ministry of Commerce. His career with the company culminated with leveraging exciting joint ventures with aggressive partners in the market. Barista coffee included, in the front-ended liquid coffee Café segment. Mr. Harish Bijoor contributes regularly to business publications on branding, sales, distribution and related topics.
Educational Qualifications	Masters in Commerce
Companies in which he holds Directorship	1. D. B. Corp Limited 2. Global Edge Software Ltd.
Membership/ Chairmanship of Board Committees	NIL
Shareholding	NIL

Name of the Director	Mr. Kailash Chandra Chowdhary (DIN No. : 01687337)
Date of Birth	8 th May, 1940
Date of Appointment	28 th November, 2007
Areas of Experience	An associate member of the Institute of Chartered Accountants of India, Mr. Chowdhary began his career as a probationary officer at Bank of Baroda in 1965 and has over 40 years of experience in finance, management and banking operations. He has been on the board of various organisations. He was the Executive Director of Central Bank of India, Director of Cent Bank Financial and Custodial Services Limited, Director of New India Assurance Company Limited, Chairman & Managing Director of Vijaya Bank, Chairman & Managing Director of Central Bank of India, Chairman of Cent Bank Home Finance Limited, Director of Agricultural Finance Corporation Limited, Director of Master Card, Asia/Pacific Board and 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 Remuneration Committee – Chairman Compensation Committee – Chairman
Shareholding	NIL

Name of the Director	Mr. Ashwani Kumar Singhal (DIN No. : 01973769)
Date of Birth	31 st October, 1961
Date of Appointment	28 th November, 2007
Areas of Experience	Mr. Ashwani Singhal holds a bachelor of Commerce (Hons.) degree from Gurunanak Dev University, Amritsar. He has over 30 years of experience in non-ferrous metallurgical industry and is presently handling the activities related to global sourcing of raw materials of his business in manufacture of Aluminum Deox & Ferro Aluminum for steel industry. He is founder director of Metal Recycling Association of India. He was the vice-president of BIR Brussels, the International Authority in Non-Ferrous Metals for global trends in the industry from 1996 to 2008. He is active in social service organization Lions International and currently serving as President Lions Club Mumbai Millennium for year 2013-14.
Educational Qualifications	Bachelor's Degree in Commerce (Hons)
Companies in which he holds Directorship	1. D. B. Corp Limited 2. Metal Recycling Association of India
Membership/ Chairmanship of Board Committees	Audit Committee – Member Compensation Committee – Member
Shareholding	NIL

4. Board Meetings

During the year under review, the Board met 4 (four) times. The Meetings were held on 16th May, 2013, 18th July, 2013, 17th October, 2013 and 16th January, 2014. 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.

5. Attendance of directors

Attendance of each director at the Board meetings held during the financial year 2013-14 and the last Annual General Meeting (AGM) of the Company held on 24th July, 2013 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, 2014 (calculated as per provisions of Clause 49 of the Listing Agreement) are as follows:

Names of the Director	No. of Board meetings attended during the financial year 2013-14	Attendance at the last AGM held on 24 th July, 2013	No. of Directorships (including DBCL)	No. of Committee Memberships ^b in Public Limited Companies	
				Memberships	Chairmanships
Mr. Ramesh Chandra Agarwal	Nil	Absent	7	Nil	Nil
Mr. Sudhir Agarwal	1	Absent	7	1	Nil
Mr. Girish Agarwal	3	Absent	8	2	1
Mr. Pawan Agarwal	2	Present	8	3	2
Mr. Kailash Chandra Chowdhary	4	Present	2	2	2
Mr. Piyush Pandey	2	Absent	1	1	Nil
Mr. Harish Bijoor	4	Absent	2	1	Nil
Mr. Ashwani Singhal	4	Absent	2	1	Nil

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

(b) Membership of Committees includes Chairmanship, if any.
The Board granted Leave of Absence to the Director(s) who were absent at the respective Board Meeting/s at their request.

6. Other Directorship

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

7. Membership of Board Committees

As stipulated under Clause 49, none of the Directors was a member of more than 10 committees of Board nor a chairman of more than 5 committees of Board.

II. Audit Committee

The object of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosure and oversee the integrity and quality of the financial reporting. The Committee acts as a link between the Statutory Auditors and the Board of Directors of the Company. The Terms of Reference of the Audit Committee are wide enough to cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956.

Composition

The Audit Committee presently comprises of 4 (four) Directors, three of whom are Non-Executive, Independent Directors. The Audit Committee is constituted in accordance with the provisions of Clause 49 (II) (A) of the Listing Agreement and Section 292A of the Companies Act, 1956. All the members of the Committee are financially literate and

have adequate accounting and financial management expertise. The Chairman of the Committee is an Independent, Non-Executive Director.

Senior executives are invited to participate in the meetings of the Committee as and when necessary. The quorum for the Audit Committee Meetings is two Independent Directors. The Company Secretary acts as Secretary to the Committee.

Meetings and Attendance

During the year under review, the Committee met 4 (four) times on 16th May, 2013, 18th July, 2013, 17th October, 2013 and 16th January, 2014. 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 2013-14:

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	3
Mr. Piyush Pandey	Member	Non-Executive, Independent Director	2
Mr. Ashwani Singhal	Member	Non-Executive, Independent Director	4

Mr. Kailash Chandra Chowdhary, Chairman of the Audit Committee answered queries raised by the shareholders at the latest Annual General Meeting of the Company held on 24th July, 2013.

Statutory Auditors

The Company's Statutory Auditors are two leading independent audit firms:

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

III. Shareholders' / Investors' Grievance Committee

The Shareholders'/Investors' Grievance Committee oversees share transfers and monitors redressal of shareholders/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 Company maintains continuous interaction with the Registrar and Transfer Agent of the Company (RTA) and takes proactive steps and

actions for resolving complaints/queries of the shareholders/investors. The Committee oversees the performance of the RTA and recommends measures for overall improvement in the quality of investor services.

Composition

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

Meetings and Attendance

During the year under review, the Committee met 4 (four) times on 16th May, 2013, 18th July, 2013, 17th October, 2013 and 16th January, 2014. 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 2013-14:

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

The total number of complaints received from shareholders/investors during the year ended 31st March, 2014 were 36, all of which were duly resolved and disposed off appropriately, as reported by the RTA of the Company. The complaints related mainly to non-receipt of refund under IPO, non-receipts of Dividend, etc. In view of the posting of the annual reports and the dividend warrants, as the case may be, within the statutory time limit, the delay or non-receipt of the annual reports or the dividend warrants was not due to any lapse on the part of the Company.

IV. Remuneration 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.

Composition

At present, the Remuneration Committee consists of three members who are Non-Executive Directors. The Chairman of the Committee is Mr. Kailash Chandra Chowdhary, an Independent, Non-Executive Director nominated by the Board. The Company Secretary of the Company acts as the Secretary to the Remuneration Committee.

Meetings and Attendance

During the year under review, the Committee met 2 (two) times on 18th July, 2013 and 16th January, 2014. The following table provides the composition of the Remuneration Committee and attendance of the members at the meetings of the Committee held during the financial year 2013-14:

Members	Chairman / Member	Category	No. of meetings attended
Mr. Kailash Chandra Chowdhary	Chairman	Non-Executive, Independent Director	2
Mr. Girish Agarwal	Member	Non-Executive, Non-Independent Director	2
Mr. Ramesh Chandra Agarwal	Member	Non-Executive, Non-Independent Director	Nil

The minutes of the Remuneration Committee, once confirmed and signed by the Chairman, are noted by the Board of Directors in the subsequent Board Meeting.

None of the Directors have been granted any stock option.

During the year, Mr. Pawan Agarwal, one of the existing Non-Executive Director of the Company was appointed as Deputy Managing Director of the Company for the period of 5 years w.e.f. 31st July, 2013, pursuant to the Service Agreement executed between the Company and the Deputy Managing Director on 31st July, 2013. The Deputy Managing Director is entitled to an annual salary of ₹ 48,00,000/- per annum. As per the agreement, he shall not be entitled to any sitting fees for attending the meetings of the Board or any Committee and he will be liable to retire by rotation as per the statutory provisions in this regard.

Remuneration to Executive Directors

During the financial year 2013-14, the Company has paid remuneration to its Executive Directors as per the details given below:

(in ₹)

Names of Directors	Salaries and perquisites
Mr. Sudhir Agarwal – Managing Director	60,00,000/- p.a.
Mr. Pawan Agarwal – Deputy Managing Director*	48,00,000/- p.a.

* Mr. Pawan Agarwal was appointed as the Deputy Managing Director of the Company w.e.f. 31st July, 2013. On 16th January, 2014, the Board of Directors on recommendation of the Remuneration Committee, approved payment of remuneration to the Deputy Managing Director with effect from his date of appointment i.e. 31st July, 2013.

Remuneration to Non-Executive Directors

Details of sitting fees paid to Non-Executive Directors for the year ended 31st March, 2014 are as under:

(in ₹)

Names of Directors	Sitting fees
Mr. Ramesh Chandra Agarwal	Nil
Mr. Girish Agarwal	60,000
Mr. Pawan Agarwal	*20,000
Mr. Kailash Chandra Chowdhary	1,90,000
Mr. Piyush Pandey	90,000
Mr. Harish Bijoor	80,000
Mr. Ashwani Singhal	1,80,000
Total	6,20,000

* Sitting fees paid for attending the Board Meeting held on 16th May, 2013.

V. Compensation 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.

Composition

At present, the Compensation Committee consists of 4 (four) members including three Non-Executive and one Executive Directors. Mr. Kailash Chandra Chowdhary, Independent Director is the Chairman of the Committee. The Company Secretary of the Company acts as the Secretary to the Compensation Committee.

Meetings and Attendance

During the year, 4 (four) meetings of the Compensation Committee were held on 16th May, 2013, 18th July, 2013, 17th October, 2013 and 16th January, 2014. 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 2013-14:

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

VI. Executive Committee

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

Composition

At present, the Executive Committee consists of 4 (four) members including the two Executive Directors, one Non-Executive Director and Mr. Ramesh Chandra Agarwal, Non-Executive Director as the Chairman of the Committee.

Meetings and Attendance

The Committee met once on 20th December, 2013 during the year under review which was attended by all the members. 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 2013-14:

Members	Chairman / Member	Category	No. of meetings attended
Mr. Ramesh Chandra Agarwal	Chairman	Non-Executive, Non-Independent Director	1
Mr. Sudhir Agarwal	Member	Executive, Non-Independent Director	1
Mr. Girish Agarwal	Member	Non-Executive, Non-Independent Director	Nil
Mr. Pawan Agarwal	Member	Executive, Non-Independent Director	1

VII. General Body Meetings

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

Year	Date and Time	Special Resolution Passed, if any
2010-11	8 th 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. 1 st January, 2012.
2011-12	5 th 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.
2012-13	24 th July, 2013 4.00 p.m.	Nil

All the above Annual General Meetings were held in Ahmedabad where the Registered Office of the Company is situated.

VIII. Postal Ballot

During the financial year 2013-2014, the following resolutions were passed by Postal Ballot pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2011

Financial Year	Date of passing of the Resolution	Nature of the Resolution Ordinary/ Special	Particulars of the Resolution	% of votes in favour of the Resolution
2013-14	14 th December, 2013	Special Resolution	Amendment to the Memorandum of Association of the Company by inserting additional clauses in its Main Object clause.	99.99%
		Requisite Majority	Approval of the Scheme of Arrangement in the nature of demerger of Integrated Internet and Mobile Interactive Service Business of I Media Corp Limited to D. B. Corp Limited.	99.99%

The Company followed a transparent postal ballot process. The Postal Ballot Form together with self-addressed postage pre-paid Business Reply Envelope were sent by post (and electronically by e-mail to those Members who have registered their email ids with the Company/Depositories) whose names appear in the Register of Members/record of the Depositories as on 1st November, 2013. All replies received upto the close of working hours on 12th December, 2013 were considered.

The Company had appointed Mr. S. Anand SS Rao, Practising Company Secretary, Hyderabad as Scrutinizer for conducting the aforesaid Postal Ballot voting process in a fair and transparent manner.

The result of the Postal Ballot was declared on 14th December, 2013, which was taken as the date of passing of the resolutions. The results of the above Postal Ballot was published in the newspapers and also posted on the Company's website.

IX. Subsidiary Companies

Explanation 1 to Clause 49 III of the Listing Agreement defines a 'material non-listed Indian subsidiary' as an unlisted subsidiary, incorporated in India, whose turnover or networth (i.e. paid-up capital and free reserves) exceeds 20% of the consolidated turnover or networth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

As per this definition, the Company did not have any 'material unlisted Indian Subsidiary' during the year under review.

The Company monitors the performance of its subsidiary, inter-alia by the following means:

- The minutes of the Board Meetings of the subsidiary Company are noted at the Board Meetings of the Company.
- The investments made by the subsidiary companies, if any, financial statements and general working of the subsidiary are reviewed by the Audit Committee from time to time.

X. 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 (in various tranches).

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.

XI. Code of Conduct

In order to further enhance the ethical and transparency process in conducting and managing the affairs of the Company based on

best corporate governance practices, the Board of Directors has adopted Code of Business Conduct and Ethics for the Board of Directors and Senior Management of the Company in terms of Clause 49 I D of the Listing Agreement. All Board members and Senior Management personnel have affirmed their compliance with the said Code for the financial year ended March 31, 2014. A declaration to this effect signed by the Managing Director is appended at the end of this report.

XII. Code of Conduct for Prevention of Insider Trading

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended, the Board of Directors of the Company has adopted the 'D. B. Corp Limited Code of Conduct for Prevention of Insider Trading'. The Code is applicable to all Directors and Designated Employees and Officers and their dependants, who are expected to have access to unpublished price sensitive information relating to the Company. The rationale behind the Code is to prevent trading in shares of the Company by persons, who are in the management of the Company or are close to them on the basis of 'undisclosed price sensitive information' about the Company, which they possess but is not available to others. As per the terms of the said Code, all Directors and Designated Employees and Officers are restricted from dealing in the shares of the Company during 'restricted periods' notified by the Company from time to time.

Ms. Anita Gokhale - Company Secretary has been appointed as the Compliance Officer for monitoring adherence to the said Code. The said Code is made available on the intranet of the Company for compliance by all the concerned.

XIII. Disclosures

a. Disclosure on materially significant related party transactions that may have potential conflict with the interests of the Company at large

The Company has not entered into any transaction of a material nature with the Promoters, Directors or the Management, their Subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.

Transactions with related parties entered into by the Company in the normal course of business are placed before the Audit Committee. Details of related party transactions as per requirements of Accounting Standard - AS 18 – 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India are disclosed in "Notes to Accounts" under Schedules to financial statements. Except the transactions disclosed under the said note, there are no other significant related party transactions between the Company and the related parties.

b. Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company

follows the Accounting Standards prescribed by 'The Companies Accounting Standards Rules, 2006' and relevant provisions of the Companies Act, 1956 and in preparation of financial statements, the Company has not adopted a treatment different from that prescribed in the Accounting Standard(s). The significant accounting policies which are consistently applied are set out in "Notes to Accounts" under Schedules to financial statements.

c. Risk Management

A system has been evolved to inform the Board about the risk assessment and minimization procedures and periodical review of the same to ensure that management controls risk through means of a properly defined framework.

d. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

The Company has complied with all the requirements of the Listing Agreement entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. 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 related to the capital markets during the last three years.

e. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause

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.

XIV. Means of Communication

a. Publication of Results

The quarterly/half-yearly and annual 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 after its submission to the Stock Exchanges.

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. Intimation to Stock Exchanges

All price sensitive information and matters which are material and relevant to shareholders are intimated to all the Stock Exchanges where the securities of the Company are listed.

d. 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.

e. 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.

f. Designated email-id

The Company has also designated an email-id "dbcs@dainikbhaskargroup.com" for investor servicing.

g. Investor Conference Call

Every quarter, post the announcement of financial results, 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.

XV. General Shareholder Information

a. Annual General Meeting

The Annual General Meeting (AGM) for the financial year 2013-14 will be held on Thursday, 24th July, 2014 at 2.30 p.m. at Hotel Planet Landmark, 139/1, Amli-Bopal Road, Nr. Ashok Vatika, Off S.G. Road, Ahmedabad, Gujarat-388 051.

b. 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.

c. 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".

d. 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

e. Book closure dates for the purpose of AGM

The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 17th July, 2014 to Thursday, 24th July, 2014 (both days inclusive) for the purpose of AGM.

f. Equity Shares held in Suspense Account

In terms 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, 2014 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, 2014

Sr. No.	Category	No. of Holders	Total Shares	Percentage (%)
1	Promoters	10	9,59,09,922	52.27
2	Promoters Bodies Corporate	6	4,15,95,057	22.67
3	Foreign Institutional Investors	48	3,40,13,584	18.54
4	Mutual Funds	42	49,03,167	2.68
5	Resident Individuals	9719	19,07,124	1.04
6	Bodies Corporate	260	48,52,962	2.64
7	H U F	367	52,309	0.03
8	Non Resident Indians	139	2,12,950	0.11
9	Clearing Members	36	19,126	0.01
10	Indian Financial Institutions	1	8,741	0.01
11	Trusts	1	8,725	0.00
12	Overseas Corporate Bodies	1	1,404	0.00
13	Banks	1	430	0.00
	Total	10631	18,34,85,501	100.00

Distribution of Shareholding as on 31st March, 2014

Share or debenture holding of nominal value	Share/debenture holders		Share/debenture Amount (in ₹)	
	Number	% to Total	in ₹	% to Total
Upto - 5000	9932	93.42	78,21,710	0.43
5001 - 10000	290	2.73	21,28,080	0.12
10001 - 20000	172	1.62	23,66,750	0.13
20001 - 30000	67	0.63	16,15,240	0.09
30001 - 40000	15	0.14	5,41,670	0.03
40001 - 50000	14	0.13	6,32,830	0.03
50001 - 100000	34	0.32	25,60,350	0.14
100001 & Above	107	1.01	181,71,88,380	99.04
Total	10631	100.00	183,48,55,010	100.00

g. 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., Hyderabad (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.

h. 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, 2014, status of the dematerialized and physical form of shares of the Company is as under:

Shares held in	No. of Shares	Percentage (%)
Electronic Form with CDSL	3,59,497	0.19
Electronic Form with NSDL	18,31,23,829	99.81
Physical Form	2,175	0.00
Total	18,34,85,501	100.00

i. 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 May 27, 2011 and July 19, 2012 to all its shareholders who have registered their e-mail address with the Depository/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 3 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 Depository / 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.

j. Listing of Equity Shares on Stock Exchanges and Stock Codes

The Equity Shares of the Company are listed on the following Stock Exchanges

Name of the Stock Exchange	Script Code / Symbol
BSE Limited	533151 / DBCORP
National Stock Exchange of India Limited	DBCORP

The Annual Listing fees for the year 2014-15 have been paid to both these Stock Exchanges.

k. The GDR/ADR/Convertible Instruments

The Company has not issued any GDR/ADR/Convertible instruments during the financial year 2013-14.

l. Stock market price data for the year 2013-14

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 2013	243.00	212.90	19,622.68	18,144.22	246.00	214.00	5962.30	5477.20
May 2013	266.55	232.05	20,443.62	19,451.26	266.00	232.50	6229.45	5910.95
Jun 2013	259.00	225.00	19,860.19	18,467.16	259.85	222.10	6011.00	5566.25
Jul 2013	280.00	230.00	20,351.06	19,126.82	282.85	229.55	6093.35	5675.75
Aug 2013	258.50	225.30	19,569.20	17,448.71	260.00	225.50	5808.50	5118.85
Sept 2013	265.95	211.00	20,739.69	18,166.17	268.95	236.00	6142.50	5318.90
Oct 2013	272.00	232.00	21,205.44	19,264.72	275.00	240.30	6309.05	5700.95
Nov 2013	284.50	260.00	21,321.53	20,137.67	278.00	259.00	6342.95	5972.45
Dec 2013	298.00	261.20	21,483.74	20,568.70	321.30	285.00	6415.25	6129.95
Jan 2014	344.50	270.00	21,409.66	20,343.78	344.40	285.00	6358.30	6027.25
Feb 2014	321.00	292.10	21,140.51	19,963.12	321.90	272.35	6282.70	5933.30
Mar 2014	318.00	286.00	22,467.21	20,920.98	323.80	285.55	6730.05	6212.25

m. Shares held by Directors

The details of the shares held by the Directors of the Company as on 31st March, 2014 are as under:

Names of Directors	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. Piyush Pandey	Nil
Mr. Harish Bijoor	Nil
Mr. Ashwani Kumar Singhal	Nil

n. Key Financial Reporting Dates for the Financial Year 2013-14

Unaudited results for the first quarter ended 30 th June, 2014:	On or before 14 th August, 2014
Unaudited results for the second quarter/half year ended 30 th September, 2014:	On or before 14 th November, 2014
Unaudited results for the third quarter ended 31 st December, 2014:	On or before 14 th February, 2015
Audited results for the financial year 2014-15:	On or before 30 th May, 2015

XVI. Other Information

a. 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.

b. 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.

c. 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 and 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.

d. 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 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.

e. 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
Final Dividend 2012-13	31-Jul-13	30-Jul-20
Interim Dividend 2013-14	8-Feb-14	7-Feb-21

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.

f. 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:

➤ 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.

➤ 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.

g. 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.

h. 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

Ms. 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: 022-3988 8840
Fax No: 022-2659 7217 / 3980 4793
E-mail Id: dbcs@dainikbhaskargroup.com

For D. B. Corp Limited

Place: Mumbai
Date: May 12, 2014

Anita Gokhale
Company Secretary

AUDITORS' CERTIFICATE

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, 2014, 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 Kalpesh Jain
Partner
Membership Number: 106406
Place : Mumbai
Date : May 12, 2014

For Gupta Navin K. & Co.
Chartered Accountants
ICAI Firm Registration Number: 06263C
per Navin K. Gupta
Partner
Membership Number: 75030

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

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 ended on 31st March, 2014, 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 12, 2014

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 2013-14 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 12, 2014

Sudhir Agarwal
Managing Director

P. G. Mishra
Chief Financial Officer

D. B. Corp Limited

INDEPENDENT AUDITOR'S 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, 2014, 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 notified under the Companies Act, 1956 (the 'Act'), read with General Circular 08/2014 dated April 04, 2014 issued by the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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, 2014;
- (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, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards notified under the Act, read with General Circular 08/2014 dated April 04, 2014 issued by the Ministry of Corporate Affairs;
 - (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, 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
ICAI Firm registration number: 101049W
Chartered Accountants

per Kalpesh Jain
Partner
Membership No. 106406

Place : Mumbai
Date : May 12, 2014

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

per Navin K. Gupta
Partner
Membership No. 75030

Place : Mumbai
Date : May 12, 2014

**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) 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, the provisions of clause 4(iii) (b) to (d) of the Order are not applicable to the Company and hence not commented upon.
- (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, 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 (₹)	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	3,814,080	Assessment year 2010-11	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Demand of Income tax	3,519,920	Assessment year 2011-12	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 issue 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
ICAI Firm registration number: 101049W
Chartered Accountants

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

per Kalpesh Jain
Partner
Membership No. 106406

per Navin K. Gupta
Partner
Membership No. 75030

Place : Mumbai
Date : May 12, 2014

Place : Mumbai
Date : May 12, 2014



D. B. Corp Limited

Balance sheet as at March 31, 2014

Notes	March 31, 2014 ₹	March 31, 2013 ₹
Equity and liabilities		
Shareholders' funds		
Share capital	3 1,834,855,010	1,833,748,440
Reserves and surplus	4 9,609,177,960	8,910,101,402
	11,444,032,970	10,743,849,842
Non-current liabilities		
Long-term borrowings	5 726,808,430	878,017,103
Deferred tax liabilities (net)	6 885,130,922	833,737,074
Other long-term liabilities	7 346,385,271	310,248,178
	1,958,324,623	2,022,002,355
Current liabilities		
Short-term borrowings	8 536,929,963	495,848,872
Trade payables	9 1,116,829,105	958,482,145
Other current liabilities	9 1,558,616,638	1,565,084,992
Short-term provisions	10 1,048,350,105	941,346,207
	4,260,725,811	3,960,762,216
TOTAL	17,663,083,404	16,726,614,413
Assets		
Non-current assets		
Fixed assets	11	
Tangible assets	8,248,727,930	7,595,617,818
Intangible assets	234,910,590	294,150,527
Capital work-in-progress	22,242,452	70,248,234
Non-current investments	12 735,160,869	1,584,093,741
Long-term loans and advances	13 1,855,192,137	983,796,404
Other non-current assets	14 48,504,705	64,389,383
	11,144,738,683	10,592,296,107
Current assets		
Inventories	15 1,732,340,096	1,298,195,514
Trade receivables	16 3,274,164,623	3,038,928,041
Cash and bank balances	17 1,120,444,231	1,247,277,235
Short-term loans and advances	13 375,526,093	534,047,838
Other current assets	14 15,869,678	15,869,678
	6,518,344,721	6,134,318,306
TOTAL	17,663,083,404	16,726,614,413
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

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

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

per Kalpesh Jain
Partner
Membership No. 106406

per Navin K. Gupta
Partner
Membership No. 75030

Managing Director **Director**

Company Secretary

Place : Mumbai
Date : May 12, 2014

Place : Mumbai
Date : May 12, 2014

Place : Mumbai
Date : May 12, 2014

D. B. Corp Limited

Statement of profit and loss for the year ended March 31, 2014

Notes	March 31, 2014 ₹	March 31, 2013 ₹
Income		
Revenue from operations	18,562,084,829	15,788,596,499
Other income	238,621,248	247,328,288
(I)	18,800,706,077	16,035,924,787
Expenses		
Cost of raw material consumed	6,324,193,103	5,425,922,444
(Increase) / decrease in inventories of finished goods	(6,352,935)	275,183
Employee benefit expenses	3,021,765,762	2,683,488,577
Foreign exchange loss (net)	32,998,288	35,364,128
Other expenses	4,192,864,677	3,775,980,623
(II)	13,565,468,895	11,921,030,955
Earnings before interest, tax, depreciation and amortisation (EBITDA) (I - II)		
	5,235,237,182	4,114,893,832
Finance costs	75,344,493	104,396,027
Depreciation and amortisation expenses	641,529,471	573,070,400
Profit before tax		
	4,518,363,218	3,437,427,405
Tax expenses		
Current tax [refer note 26 (A) and 41]	1,404,130,000	1,043,430,000
Deferred tax charge	51,393,848	87,938,879
Total tax expense		
	1,455,523,848	1,131,368,879
Profit for the year		
	3,062,839,370	2,306,058,526
Earnings per equity share [nominal value of share ₹ 10 (March 31, 2013: ₹ 10)]		
Basic	16.70	12.58
Diluted	16.68	12.56
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

For Gupta Navin K. & Co.
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D. B. Corp Limited

per Kalpesh Jain
Partner
Membership No. 106406

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Partner
Membership No. 75030

Managing Director Director

Company Secretary

Place : Mumbai
Date : May 12, 2014

Place : Mumbai
Date : May 12, 2014

Place : Mumbai
Date : May 12, 2014

D. B. Corp Limited
Cash flow statement for the year ended March 31, 2014

	For the year ended March 31, 2014	For the year ended March 31, 2013
	₹	₹
A. Cash flow from operating activities		
Profit before tax	4,518,363,218	3,437,427,405
Non-cash adjustments to reconcile profit before tax to net cash flows		
Loss on sale/disposal of fixed assets (net)	11,890,642	13,822,674
Finance costs	75,344,493	104,396,027
Interest income	(84,369,808)	(103,256,592)
Depreciation and amortisation expenses	641,529,471	573,070,400
Gain on merger of subsidiaries [Refer note 26 (B)]	-	(29,470,730)
Profit on sale of investment in subsidiary [Refer note 26 (C)]	(4,200)	-
Provision for doubtful advances	19,300,000	-
Provision for other than temporary diminution in value of investments	123,275,000	62,500,000
Bad trade receivables written off (net)	789,310	-
Provision for doubtful advances written back	-	(5,000,000)
Provision for doubtful trade receivables	77,435,760	67,414,298
Foreign exchange differences on loans and unrealised exchange differences	(22,668,584)	28,593,595
Operating profit before working capital changes	5,360,885,302	4,149,497,077
Movements in working capital		
Increase in inventories	(434,144,582)	(114,356,925)
Increase in trade receivables	(287,323,232)	(660,058,792)
Increase in long-term loans and advances	(1,008,357,378)	(2,958,044)
Decrease / (increase) in short-term loans and advances	146,965,827	(75,037,228)
Increase in other long-term liabilities	40,152,325	33,948,733
Decrease in trade payables	173,456,347	(115,463,023)
(Decrease) / increase in other current liabilities	(49,901,154)	289,614,780
Increase in short-term provisions	30,897,417	41,094,387
Cash generated from operations	3,972,630,872	3,546,280,965
Direct taxes paid	(1,500,883,638)	(1,039,168,229)
Net cash flow from operating activities	(A) 2,471,747,234	2,507,112,736
B. Cash flow from investing activities		
Purchase of fixed assets	(1,063,805,427)	(543,267,493)
Proceeds from sale of fixed assets	5,812,341	16,085,946
Purchase of shares in subsidiary companies	-	(379,675,107)
Purchase of investments	-	(410,000,000)
Advances for properties	-	(58,636,211)
Sale of investments	10,000,000	8,000,000
Interest received	79,480,187	101,489,437
Loans and advances given to subsidiary companies	-	(134,625,486)
Inter-corporate deposits recovered	-	87,499,992
Fixed deposits with maturity period more than three months matured (net)	47,423,295	443,021,538
Net cash used in investing activities	(B) (921,089,604)	(870,107,384)
C. Cash flow from financing activities		
Long-term loans repaid	(260,193,683)	(316,310,099)
Short-term loans repaid during the year	(989,089,485)	(1,679,698,919)
Short-term loans taken during the year	1,015,916,673	1,350,088,312
Dividend paid	(1,192,150,472)	(962,408,295)
Dividend distribution tax	(202,626,891)	(156,152,726)
Interest paid	(36,723,582)	(68,028,038)
Payment to holder of preference share on redemption	(10,000)	-
Proceeds from issue of shares	15,013,236	8,170,192
Net cash used in financing activities	(C) (1,649,864,204)	(1,824,339,573)
Net decrease in cash and cash equivalents	(A)+(B)+(C) (99,206,574)	(187,334,221)
	For the year ended March 31, 2014	For the year ended March 31, 2013
	₹	₹
Cash and cash equivalents at the beginning of the year	1,160,215,934	1,347,550,155
Cash and cash equivalents transferred pursuant to the scheme [refer note 26 (A)]	19,781,865	-
Cash and cash equivalents at the end of the year	1,080,791,225	1,160,215,934
Net decrease in cash and cash equivalents	(99,206,574)	(187,334,221)

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

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

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

per Kalpesh Jain
Partner
Membership No. 106406

per Navin K. Gupta
Partner
Membership No. 75030

Managing Director Director

Company Secretary

Place : Mumbai
Date : May 12, 2014

Place : Mumbai
Date : May 12, 2014

Place : Mumbai
Date : May 12, 2014

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

1. Nature of operations

D. B. Corp Limited (the 'Company') is in the business of publishing newspapers, radio broadcasting, event management and providing integrated internet and mobile interactive services. 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 internet business includes the websites of Dainik Bhaskar, Divya Bhaskar and Divya Marathi having newspapers in e-paper category and dainikbhaskar.com, divyabhaskar.com, dailybhaskar.com and divyamarathi.com.

The Company derives its revenue mainly from the sale of its publications and advertisements published in the publications, aired on radio, displayed on websites and portal and mobile interactive services.

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 under the Companies Act, 1956 (the 'Act') read with General Circular 08/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The financial statements have been prepared on an accrual basis and under the historical cost convention. 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 and impairment losses, if any. Cost comprises the purchase price and any cost attributable to 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 entire 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.

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

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.

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

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

g) Impairment of tangible and intangible assets

The Company assesses at each reporting date whether there is any 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, wherever applicable, a long term growth rate is calculated and applied to projected 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.

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 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.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

j) Inventories

Inventories are valued as follows:

Raw materials -	Lower of cost and net realisable value.
News Prints and	However, material and other items held
Stores and	for use in the production of inventories are
Spares	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.

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

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 / aired / displayed on website 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 Company is accounted on the basis of supply made to Madhya Pradesh PaschimKshetra V.V. Co. Limited, as per the agreement.

Event

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

Interest

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

Dividend Income

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

l) Barter Transactions

Revenue from barter transactions involving exchange of advertisements with non-monetary assets such as

investment or property is measured at the fair value of the advertisements published / aired as it is more clearly evident.

m) 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

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

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.

n) 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 administers the scheme.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

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.

o) 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 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 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.

p) 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.

q) Borrowing costs

Borrowing costs includes interest, 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.

r) 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

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

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.

s) 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.

t) 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.

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 options 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.

v) 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 EBITDA on the basis of profit 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, 2014 ₹	March 31, 2013 ₹
Authorised shares		
249,000,000 (March 31, 2013: 249,000,000) equity shares of ₹ 10 each	2,490,000,000	2,490,000,000
1,000 (March 31, 2013: 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		
183,485,501 (March 31, 2013: 183,373,844) equity shares of ₹ 10 each fully paid up [refer note (b) (i) below]	1,834,855,010	1,833,738,440
Nil (March 31, 2013: 1), Zero % non - convertible redeemable preference share of ₹ 10,000 each [refer note (b) (ii) below]	-	10,000
Total issued, subscribed and fully paid-up share capital	1,834,855,010	1,833,748,440

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

	March 31, 2014		March 31, 2013	
	Nos	₹	Nos	₹
Equity shares				
At the beginning of the year	183,373,844	1,833,738,440	183,308,354	1,833,083,540
Issued during the year - Employee Stock Option Schemes ('ESOS')	111,657	1,116,570	65,490	654,900
Outstanding at the end of the year	183,485,501	1,834,855,010	183,373,844	1,833,738,440
Preference shares				
At the beginning of the year	1	10,000	1	10,000
Share redeemed during the year [refer note (b) (ii) below]	(1)	(10,000)	-	-
Outstanding at the end of the year	-	-	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, 2014, the amount of per share dividend recognised as distributions to equity shareholders is ₹ 7.25 per share (March 31, 2013: ₹ 5.50 per share).

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

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 had class of 1 Zero % non-convertible redeemable preference share having value of ₹ 10,000 per share. This preference share was redeemed at par on October 17, 2013. Accordingly, as per the provisions of the Act, a transfer of ₹ 10,000 was made to Capital Redemption Reserve out of the surplus in the statement of profit and loss.

(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, 2014 Nos.	March 31, 2013 Nos.
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	238,396	126,739
Allotted as share issued in pursuant to the scheme of arrangements	1,732,500	1,732,500
	1,970,896	1,861,078

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

	March 31, 2014		March 31, 2013	
	Nos	% of holding	Nos	% of holding
(i) Equity shares of ₹ 10/- each fully paid				
Pawan Agarwal	28,152,456	15.34	28,152,456	15.35
Sudhir Agarwal	26,681,449	14.54	26,681,449	14.55
Girish Agarwal	25,087,256	13.67	25,087,256	13.68
Peacock Trading and Investments Private Limited	18,548,647	10.11	10,127,247	5.52
Nalanda India Equity Fund Limited	14,582,902	7.95	12,233,041	6.67
Bhaskar Infrastructure Private Limited	12,112,420	6.60	12,112,420	6.61
(ii) Preference share of ₹ 10,000/- fully paid				
Sunderbabu Venugopal	-	-	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 36.

4 Reserves and surplus

	March 31, 2014 ₹	March 31, 2013 ₹
General reserve		
Balance as per the last financial statements	1,059,034,042	824,034,042
Add: Amount transferred from surplus balance in the statement of profit and loss	310,000,000	235,000,000
Less: Adjustment pursuant to the scheme [refer note 26 (A)]	828,415,915	-
	540,618,127	1,059,034,042
Capital redemption reserve account		
Balance as per the last financial statements	-	-
Add: Amount transferred from surplus balance in the statement of profit and loss [refer note 3(b) (ii)]	10,000	-
	10,000	-
Securities premium account		
Balance as per the last financial statements	2,391,851,350	2,378,004,188
Add: Premium received on shares issued as per ESOS	23,997,386	13,847,162
	2,415,848,736	2,391,851,350
Stock options outstanding (refer note 36)		
Gross employee stock options at the beginning of the year	69,893,679	62,308,309
Less: Value of employee compensation of option exercised	21,044,070	10,943,350
	48,849,609	51,364,959
Surplus in the statement of profit and loss		
Balance as per the last financial statements	5,407,851,051	4,514,021,715
Profit for the year	3,062,839,370	2,306,058,526
Less: Appropriations		
Transferred to general reserve	310,000,000	235,000,000
Transferred to capital redemption reserve [refer note 3(b) (ii)]	10,000	-
Proposed final equity dividend [amount per share ₹ 4.25 (March 31, 2013: ₹ 3.50)]	780,319,788	641,913,454
Interim equity dividend [amount per share ₹ 3.00 (March 31, 2013: ₹ 2.00)]	550,360,098	366,729,802
Tax on dividend	226,149,047	168,585,934
	6,603,851,488	5,407,851,051
Total reserves and surplus	9,609,177,960	8,910,101,402

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

5 Long-term borrowings	Non-current portion		Current maturities	
	March 31, 2014 ₹	March 31, 2013 ₹	March 31, 2014 ₹	March 31, 2013 ₹
Foreign currency loans from financial institution (secured) (refer note below)	726,808,430	878,017,103	242,269,538	219,504,329
The above amount includes				
Amount disclosed under the head "Current liabilities" (refer note 9)	-	-	(242,269,538)	(219,504,329)
	726,808,430	878,017,103	-	-

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)

Deferred tax liability

Depreciation

Gross deferred tax liability

Deferred tax assets

Provision for doubtful trade receivables and advances

Provision for gratuity and leave encashment

Provision for other than temporary diminution in value of investments

Provision for deferred employee compensation on options exercisable

under employee stock option schemes

Gross deferred tax assets

Deferred tax liabilities (net)

March 31, 2014 ₹	March 31, 2013 ₹
1,100,860,831	1,018,547,731
1,100,860,831	1,018,547,731
123,697,515	96,952,732
45,428,413	34,142,976
30,000,000	36,256,000
16,603,981	17,458,949
215,729,909	184,810,657
885,130,922	833,737,074

7 Other long-term liabilities

	Non-current portion		Current maturities	
	March 31, 2014 ₹	March 31, 2013 ₹	March 31, 2014 ₹	March 31, 2013 ₹
Security deposits from newspaper agencies	346,385,271	310,248,178	38,487,252	34,472,020
The above amount includes				
Amount disclosed under the head "Current liabilities" (refer note 9)	-	-	(38,487,252)	(34,472,020)
	346,385,271	310,248,178	-	-

8 Short-term borrowings

Secured

Buyers' credit from banks [refer note (a) below]

Total secured borrowings

Unsecured

Buyers' credit from banks [refer note (b) below]

Total unsecured borrowings

Total short-term borrowings

March 31, 2014 ₹	March 31, 2013 ₹
362,417,164	298,853,920
362,417,164	298,853,920
174,512,799	196,994,952
174,512,799	196,994,952
536,929,963	495,848,872

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

- (a) Secured buyers' credit facilities are from various lenders. They are secured by first charge on the current assets of the Company. In some cases, the lenders also hold second charge over the plant and machinery or moveable fixed assets of the Company. Interest rates for buyers' credits are multiline rates ranging between 0.84% p.a. and 1.20% p.a. (March 31, 2013: Between 1.25% p.a. and 4.18% p.a.) (as mutually agreed).
- (b) The unsecured buyers' credit facility is provided by various lenders. Interest rates for unsecured buyers' credits are multiline rates ranging between 1.18% p.a. and 1.21% p.a. (March 31, 2013: Between 1.25% p.a. and 4.18% p.a.) (as mutually agreed).

9 Current liabilities	March 31, 2014 ₹	March 31, 2013 ₹
Trade payables (refer note 38)	1,116,829,105	958,482,145
Other current liabilities		
Current maturities of long-term borrowings (refer note 5)	242,269,538	219,504,329
Current maturities of other long-term liabilities (refer note 7)	38,487,252	34,472,020
Payables for purchase of capital goods	11,737,780	14,450,047
Accrued expenses	524,839,590	519,604,813
Unclaimed dividend*	530,021	406,941
Advances from customers	667,822,268	707,851,977
Interest accrued but not due on borrowings	17,525,187	16,587,052
Statutory liabilities	55,405,002	52,207,813
	1,558,616,638	1,565,084,992
Total current liabilities	2,675,445,743	2,523,567,137

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

10 Short-term provisions	March 31, 2014 ₹	March 31, 2013 ₹
Provision for employee benefits (refer note 35)		
Provision for gratuity	66,286,080	37,843,610
Provision for leave encashment	67,366,212	62,606,453
	133,652,292	100,450,063
Other provisions		
Provision for tax (net of taxes paid)	-	89,889,498
Provision for loss on forward contracts	1,762,677	-
Proposed dividend	780,319,788	641,913,454
Tax on proposed dividend	132,615,348	109,093,192
	914,697,813	840,896,144
	1,048,350,105	941,346,207

D. B. Corp Limited
Notes to financial statements as at and for the year ended March 31, 2014

11 Fixed assets

Assets	Gross block			Depreciation / amortisation			Net block				
	As at April 1, 2013	Transfer in accordance with scheme of arrangement [refer note 26 (A)]	Additions during the year	Deductions during the year	As at March 31, 2014	Up to April 1, 2013	For the year	On deductions	Up to March 31, 2014	As at March 31, 2014	As at March 31, 2013
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Tangible assets											
Land											
- Freehold	74,837,606	-	-	-	74,837,606	-	-	-	-	74,837,606	74,837,606
- Leasehold	28,905,498	-	2,277,212	-	31,182,710	1,959,993	612,192	-	2,572,185	28,610,525	26,945,505
Buildings											
- Freehold	740,853,564	-	125,758,428	3,444,847	863,167,145	94,525,000	26,980,129	527,684	120,977,445	742,189,700	646,328,564
- Leasehold	512,583,738	-	318,453,560	-	831,037,298	14,413,799	12,084,557	-	26,498,356	804,538,942	498,169,939
Leasehold improvements	175,772,197	-	59,353,459	391,736	234,733,920	38,604,167	18,585,796	3,738	57,186,225	177,547,695	137,168,030
Plant and machinery (refer note 2 and 3 below)	7,046,020,989	-	554,318,377	10,608,885	7,589,730,481	1,631,636,727	406,538,207	8,180,735	2,029,994,199	5,559,736,282	5,414,384,262
Office equipments	236,859,965	6,290,930	26,413,177	13,427,356	256,136,716	72,455,005	14,193,098	6,415,859	80,232,244	175,904,472	164,404,960
Vehicles	34,203,059	-	2,323,568	2,338,070	34,188,557	18,504,564	1,967,958	2,263,823	18,208,689	15,979,868	15,698,505
Furniture and fixtures	308,779,596	4,952,922	28,844,852	3,235,513	339,341,857	106,648,424	28,280,144	2,019,588	132,908,980	206,432,877	202,131,172
Electric fittings, fans and coolers	366,734,577	-	41,258,211	1,844,679	408,148,109	76,976,598	19,356,678	1,069,664	95,263,612	310,884,497	289,757,979
Computers	427,725,179	22,969,840	49,740,481	26,489,254	473,945,246	301,933,883	43,543,163	23,596,266	321,880,780	152,065,466	125,791,296
Total Tangible assets	9,953,275,968	34,213,692	1,208,741,325	61,780,340	11,134,450,645	2,357,658,150	572,141,922	44,077,357	2,885,722,715	8,248,727,930	7,595,617,818
Intangible assets											
One time license fees	512,201,000	-	-	-	512,201,000	299,960,465	51,220,100	-	351,180,565	161,020,435	212,240,535
Computer software - including ERP	129,357,575	1,723,046	7,551,992	-	138,632,613	47,447,583	17,294,875	-	64,742,458	73,890,155	81,909,992
Goodwill	25,609,517	-	-	-	25,609,517	25,609,517	-	-	25,609,517	-	-
Total Intangible assets	667,168,092	1,723,046	7,551,992	-	676,443,130	373,017,565	68,514,975	-	441,532,540	234,910,590	294,150,527
Grand Total	10,620,444,060	35,936,738	1,216,293,317	61,780,340	11,810,893,775	2,730,675,715	640,656,897	44,077,357	3,327,255,255	8,483,638,520	7,889,768,345
Capital work-in-progress (refer note 1 below)											
Previous year ended March 31, 2013	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	7,048,234

Notes

- Expenses relating to construction or acquisition of fixed assets capitalised during the year ₹ 10,100,384 (March 31, 2013: ₹ 4,590,835) and included in capital work-in-progress as at the year end ₹ Nil (March 31, 2013: ₹ 611,193).
- Plant and machinery above includes common transmitters infrastructure which are jointly held assets as at March 31, 2014:
Gross block - ₹ 122,386,729 (March 31, 2013: ₹ 122,386,729)
Net block - ₹ 39,167,393 (March 31, 2013: ₹ 49,469,079)
% of Ownership- 30.26% (March 31, 2013: 30.26%)
- Additions to plant and machinery during the year includes exchange differences net loss capitalised ₹ 131,750,219 (March 31, 2013: ₹ 86,097,461).

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

12 Non-current investments	March 31, 2014 ₹	March 31, 2013 ₹
A Trade investments in subsidiaries (Unquoted, fully paid up, valued at cost unless stated otherwise): (refer note 37)		
(i) Investment in equity shares:		
(1) 1,122,914 (March 31, 2013: 1,122,914) equity shares of ₹ 10 each of I Media Corp Limited [refer note 26 (A) and 26 (B)]	10,967,913	416,662,637
(2) Nil (March 31, 2013: 21,730) equity shares of ₹ 10 each of Divya Prabhat Publication Private Limited [refer note 26 (C)]	-	9,995,800
(ii) Investment in debentures:		
Nil (March 31, 2013: 350,000) Zero % compulsorily convertible debentures of ₹ 1,000 each of I Media Corp Limited [refer note 26 (A)]	-	350,000,000
B Non trade investments (fully paid up, valued at cost unless stated otherwise) (net of provision, wherever applicable) (refer note 37):		
(a) Quoted investments in equity shares of other companies:		
(1) 300,000 (March 31, 2013: 300,000) equity shares of ₹ 10 each of Ajcon Global Services Limited [Gross value ₹ 22,500,000 (March 31, 2013: ₹ 22,500,000), provision* ₹ 17,500,000 (March 31, 2013: ₹ 17,500,000)]	5,000,000	5,000,000
(2) 52,136 (March 31, 2013: 52,136) equity shares of ₹ 10 each of Everonn Education Limited [Gross value ₹ 22,800,000 (March 31, 2013: ₹ 22,800,000), provision* ₹ 20,000,000 (March 31, 2013: ₹ 20,000,000)]	2,800,000	2,800,000
(3) 5,340,000 (March 31, 2013: 5,340,000) equity shares of ₹ 5 each of DMC Education Limited [Gross value ₹ 26,700,000 (March 31, 2013: ₹ 26,700,000), provision* ₹ 20,000,000 (March 31, 2013: ₹ 10,000,000)]	6,700,000	16,700,000
(b) Unquoted investments in other companies:		
(i) Investment in equity shares:		
(1) 100,000 (March 31, 2013: 100,000) equity shares of ₹ 10 each of Dwarkas Gems Limited [Gross value ₹ 15,000,000 (March 31, 2013: ₹ 15,000,000), provision* ₹ 15,000,000 (March 31, 2013: ₹ 15,000,000)]	-	-
(2) 375,000 (March 31, 2013: 375,000) equity shares of ₹ 10 each of Arvind Coirfoam Private Limited [Gross value ₹ 15,000,000 (March 31, 2013: ₹ 15,000,000), provision* ₹ 15,000,000 (March 31, 2013: ₹ 15,000,000)]	-	-
(3) 325,000 (March 31, 2013: 325,000) equity shares of ₹ 10 each of Micro Secure Solution Limited [Gross value ₹ 141,250,000 (March 31, 2013: ₹ 141,250,000), provision* ₹ 56,775,000 (March 31, 2013: ₹ Nil)]	84,475,000	141,250,000
(4) 81,085 (March 31, 2013: 81,085) equity shares of ₹ 10 each of Naaptol Online Shopping Private Limited	30,000,000	30,000,000
(5) 486,825 (March 31, 2013: 486,825) equity shares of ₹ 10 each of Neesa Leisure Limited [Gross value ₹ 100,000,000 (March 31, 2013: ₹ 100,000,000), provision* ₹ 21,600,000 (March 31, 2013: ₹ Nil)]	78,400,000	100,000,000
(6) 140,000 (March 31, 2013: 140,000) equity shares of ₹ 10 each of Trophic Wellness Private Limited [Gross value ₹ 39,900,000 (March 31, 2013: ₹ 39,900,000), provision* ₹ 29,900,000 (March 31, 2013: ₹ Nil)]	10,000,000	39,900,000
(7) 1,100,917 (March 31, 2013: 1,100,917) equity shares of ₹ 1 each of Abbee Consumables and Peripherals Sshope Limited [Gross value ₹ 30,000,000 (March 31, 2013: ₹ 30,000,000), provision* ₹ 30,000,000 (March 31, 2013: ₹ 30,000,000)]	-	-
(8) 2,434 (March 31, 2013: 2,434) equity shares of ₹ 10 each of Koochie Play Systems Private Limited	20,000,000	20,000,000
(9) 100 (March 31, 2013: 100) equity shares of ₹ 100 each of United News of India	10,000	10,000
(10) 10 (March 31, 2013: 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, 2013: 200,000), Zero % fully convertible debentures of ₹ 100 each of Cubit Computers Private Limited [Gross value ₹ 20,000,000 (March 31, 2013: ₹ 20,000,000), provision* ₹ 20,000,000 (March 31, 2013: ₹ 20,000,000)]	-	-
(2) 700,935 (March 31, 2013: 700,935) convertible warrants of ₹ 53.50 of Edserv Softsystems Limited [Gross value ₹ 37,500,000 (March 31, 2013: ₹ 37,500,000), provision* ₹ 37,500,000 (March 31, 2013: ₹ 32,500,000)]	-	5,000,000
(3) 1 (March 31, 2013: 1), Zero % fully convertible debenture of ₹ 8,500,000 each of Roxton (Italy) Clothing Private Limited	8,500,000	8,500,000
(4) 1 (March 31, 2013: 1), Zero % fully convertible debenture of ₹ 25,500,000 each of Timbor Home Limited	25,500,000	25,500,000
(5) 1 (March 31, 2013: 1), Zero % fully convertible debenture of ₹ 390,000,000 each of Gitanjali Gems Limited	390,000,000	390,000,000
C Investment property (at cost less accumulated depreciation)**		
Buildings	62,806,956	22,774,304
[Cost of property: ₹ 63,803,526 (March 31, 2013: ₹ 22,898,300) less accumulated depreciation: ₹ 996,570 (March 31, 2013: ₹ 123,996)]		
	735,160,869	1,584,093,741
Aggregate amount of quoted investments (net of other than temporary diminution in value of investments)	14,500,000	24,500,000
Aggregate market value of quoted investments	11,868,527	18,553,528
Aggregate amount of unquoted investments (net of other than temporary diminution in value of investments)	657,853,913	1,536,819,437
Aggregate provision for other than temporary diminution in value of investments	283,275,000	160,000,000

* Provision represents provision for other than temporary diminution in value of investment

** Includes property of ₹ 40,800,060 (March 31, 2013: ₹ Nil) pending to be registered in the Company's name

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

13 Loans and advances
(Unsecured, considered good unless stated otherwise)

	Non-current		Current	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	₹	₹	₹	₹
a Capital advances				
Advances for capital goods	38,013,312	54,362,695	-	-
b Advances for properties				
Considered good	321,198,883	210,717,545	-	-
Unsecured considered doubtful	71,000,000	71,000,000	-	-
	392,198,883	281,717,545	-	-
Less: Provision for doubtful advances	(71,000,000)	(71,000,000)	-	-
	321,198,883	210,717,545	-	-
c Security deposits				
Deposit with government authorities	54,842,577	55,238,311	-	-
Security deposit against lease of properties [refer note 27(b)]	1,353,320,200	453,320,200	-	-
Deposit with others	79,258,306	72,958,933	-	-
	1,487,421,083	581,517,444	-	-
d Loans and advances to related parties [refer note 27(b)]				
Loans and advances to subsidiaries [refer note 27(d)]	-	137,198,720	-	-
Advances recoverable in cash or kind or for value to be received	-	-	19,761,734	307,518,078
	-	137,198,720	19,761,734	307,518,078
e Other loans and advances				
Taxes paid (net of provision for taxation)	8,558,861	-	-	-
Advances recoverable in cash or kind or for value to be received	-	-	332,727,185	207,016,598
Advances to employees	-	-	23,037,174	19,513,162
Unsecured considered doubtful				
Advances recoverable in cash or kind or for value to be received	-	-	19,979,338	679,338
	8,558,861	-	375,743,697	227,209,098
Less: Provision for doubtful advances	-	-	19,979,338	679,338
	8,558,861	-	355,764,359	226,529,760
Total loans and advances	1,855,192,137	983,796,404	375,526,093	534,047,838

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

	Non-current		Current	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	₹	₹	₹	₹
Firm in which directors are partner				
R.C. Printer	16,870,200	16,870,200	-	-
Private companies in which directors are member				
Writers and Publishers Private Limited	1,323,233,800	423,233,800	3,080,980	140,000,000
Bhaskar Publication and Allied Industries Private Limited	-	-	15,378,774	166,666,635
DB Malls Private Limited	-	-	950,968	818,720
Bhaskar Industries Private Limited	1,619,435	1,619,435	-	-
Decore Exxoil Private Limited	-	-	22,180	-
DB Infrastructure Private Limited	-	-	218,637	-
Bhaskar Infrastructure Private Limited	11,596,765	-	1,440	-

14 Other asset
(Unsecured, considered good unless stated otherwise)

	Non-current		Current	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	₹	₹	₹	₹
Non-current bank balance (refer note 17)	2,200,000	2,215,000	-	-
Unamortised term loan processing fees (ancillary borrowing costs)	46,304,705	62,174,383	15,869,678	15,869,678
	48,504,705	64,389,383	15,869,678	15,869,678

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

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

	March 31, 2014	March 31, 2013
	₹	₹
Raw materials		
News print	1,349,006,780	843,111,966
News print in transit	112,108,830	236,302,171
	1,461,115,610	1,079,414,137
Finished goods - Magazines	7,443,078	1,090,143
Stores and spares	263,781,408	217,691,234
	1,732,340,096	1,298,195,514

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

	March 31, 2014	March 31, 2013
	₹	₹
Outstanding for a period less than six months from the date they are due for payment	3,022,377,735	2,796,650,866
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	251,786,888	242,277,175
Considered doubtful	269,443,917	210,059,654
	521,230,805	452,336,829
Less: Provision for doubtful trade receivables	269,443,917	210,059,654
	251,786,888	242,277,175
	3,274,164,623	3,038,928,041

For details of debts due by firms or private companies in which any director is a partner or a director / member respectively, refer note 27(b).

17 Cash and bank balance

	Non-current		Current	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	₹	₹	₹	₹
Cash and cash equivalents				
Balances with banks				
On current account	-	-	516,430,118	444,622,932
Deposits with original maturity of less than 3 months	-	-	230,000,000	450,003,000
Cheques on hand / transit	-	-	313,308,723	240,521,916
Cash on hand	-	-	21,052,384	25,068,086
	-	-	1,080,791,225	1,160,215,934
Other bank balances:				
Unclaimed dividend accounts	-	-	530,021	406,941
Deposits with original maturity of more than 3 months but less than 12 months	-	-	38,278,085	84,626,084
Deposits with original maturity of more than 12 months	2,200,000	2,215,000	844,900	2,028,276
	2,200,000	2,215,000	1,120,444,231	1,247,277,235
The above includes				
Amount disclosed under the head "Other non-current assets" (refer note 14)	(2,200,000)	(2,215,000)	-	-
	-	-	1,120,444,231	1,247,277,235

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

	March 31, 2014 ₹	March 31, 2013 ₹
18 Revenue from operations		
Sale of products		
Sale of newspapers	3,179,631,167	2,754,679,515
Sale of magazines	52,389,962	59,493,811
	<u>3,232,021,129</u>	<u>2,814,173,326</u>
Sale of services		
Advertisement revenue	14,172,337,684	11,965,430,638
Printing job charges	892,642,890	695,391,777
Portal and wireless revenue	605,140	-
	<u>15,065,585,714</u>	<u>12,660,822,415</u>
Other operating revenue		
Income from event management	26,057,433	111,290,863
Sale of power	7,706,749	5,133,235
Sale of wastage arising during printing activity	230,713,804	197,176,660
	<u>264,477,986</u>	<u>313,600,758</u>
Total revenue from operations	<u>18,562,084,829</u>	<u>15,788,596,499</u>
19 Other income		
Interest income from:		
Bank deposits	72,565,249	88,896,026
Loans to subsidiaries	-	6,953,027
Inter-corporate deposits	-	5,264,381
Others	11,804,559	2,143,158
Gain on merger of subsidiaries [refer note 26 (B)]	-	29,470,730
Profit on sale of investment in subsidiary [refer note 26 (C)]	4,200	-
Excess liabilities / provisions written back (refer note 42)	119,775,023	59,145,894
Miscellaneous income	34,472,217	55,455,072
	<u>238,621,248</u>	<u>247,328,288</u>
20 Cost of raw material consumed		
Newsprint [refer note 34 (c) and (d)]		
Opening inventories	1,079,414,137	994,407,974
Add: Purchased during the year	6,705,894,576	5,510,928,607
	<u>7,785,308,713</u>	<u>6,505,336,581</u>
Less: Closing inventories	1,461,115,610	1,079,414,137
	<u>6,324,193,103</u>	<u>5,425,922,444</u>
21 Employee benefit expenses		
Salaries, wages and bonus	2,700,273,217	2,376,174,670
Contribution to provident fund and employee's state insurance corporation (refer note 35)	154,855,308	137,862,678
Employee stock option scheme	7,585,370	8,491,086
Gratuity expenses (refer note 35)	42,282,219	38,758,289
Workmen and staff welfare expenses	116,769,648	122,201,854
	<u>3,021,765,762</u>	<u>2,683,488,577</u>

D. B. Corp Limited
Notes to financial statements as at and for the year ended March 31, 2014

	March 31, 2014	March 31, 2013
	₹	₹
22 Other expenses		
Consumption of stores and spares [refer note 34 (d)]	1,034,090,276	948,117,147
Electricity and water charges	355,234,541	334,028,199
Distribution expenses	280,097,177	277,951,394
Repair and maintenance:-		
Plant and machinery	206,445,802	150,038,182
Building	13,211,092	17,621,202
Others	52,394,435	57,928,721
Rent (refer note 29)	230,568,501	215,106,022
Business promotion expenses	197,281,515	210,900,754
Survey expenses	176,356,189	172,621,953
Advertisement and publicity	204,220,401	162,650,341
News collection charges	152,952,153	151,345,657
Traveling and conveyance	183,881,491	139,932,720
Legal and professional charges [refer note 34(g) and 39]	159,446,463	126,814,361
Royalty (refer note 28)	55,065,770	64,125,562
Communication expenses	67,023,114	61,575,935
Printing job work charges	44,683,271	39,714,571
Event expenses	39,391,276	117,028,193
License fees	38,076,770	32,596,223
Insurance	14,355,105	12,823,186
Rates and taxes	8,069,802	7,208,983
Loss on sale / disposal of fixed assets (net)	11,890,642	13,822,674
Bad trade receivables written off		20,143,242
Less: Already provided	(19,353,932)	789,310
Provision for doubtful trade receivables		77,435,760
Provision for other than temporary diminution in value of investments		123,275,000
Provision for doubtful advances		19,300,000
Miscellaneous expenses	447,328,821	332,114,345
	4,192,864,677	3,775,980,623
23 Finance costs		
Interest expense:		
On term loans	13,554,600	18,410,859
On banks	5,981,154	22,395,006
On others	18,125,963	23,103,960
Amortisation of term loan processing fees	15,869,678	15,869,678
Foreign exchange difference considered as borrowing cost	21,813,098	24,616,524
	75,344,493	104,396,027

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

24. Earnings Per Share (EPS)

Particulars	March 31, 2014	March 31, 2013
i) Profit for the year (₹)	3,062,839,370	2,306,058,526
ii) Weighted average number of equity shares outstanding for Basic EPS	183,412,718	183,340,073
iii) On account of shares to be issued under ESOS	183,070	230,447
iv) Weighted average number of Equity Shares outstanding for Diluted EPS	183,595,788	183,570,520
v) Nominal value of share (₹)	10.00	10.00
vi) Basic Earnings per share (₹)	16.70	12.58
vii) Diluted Earnings per share (₹)	16.68	12.56

25. Utilisation of initial public offer proceeds

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, 2014 and March 31, 2013.

Particulars	Amount to be utilised as per Prospectus	Actual utilisation till March 31, 2014	Balance to be utilised / (excess utilised) as on March 31, 2014
	₹	₹	₹
Setting up publishing units	600,000,000	818,515,123	(218,515,123)
Upgrading existing plant and machinery	305,000,000	614,685,911	(309,685,911)
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	111,599,896	31,005,104
Total	2,690,065,000	2,690,065,000	-

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

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 and accordingly, the management has reallocated

the proposed utilisation as explained in the table above with the approval of the Audit Committee and the Board of Directors of the Company.

As at March 31, 2014 there are no unutilised proceeds. As at March 31, 2013, pending utilisation, proceeds of ₹ 115,221 were temporarily held in current accounts with banks

26. Scheme of Arrangement :

A) Demerger of Integrated Internet and Mobile Interactive Services business of I Media Corp Limited (IMCL) and merger with the Company:

The Company along with its subsidiary IMCL had filed a Scheme for demerger of Integrated Internet and Mobile Interactive Services business of IMCL and merger with the Company.

The Scheme of Arrangement was approved by the Honorable High Court of Madhya Pradesh, Principal seat at Jabalpur, vide their order dated March 27, 2014 which was filed with the Registrar of Companies on April 08, 2014. Accordingly the Scheme became effective on April 08, 2014 with appointed date April 01, 2013.

As prescribed in the Scheme, all assets and liabilities of Integrated Internet and Mobile Interactive Services business of IMCL as at March 31, 2013 were transferred to and the Company at their respective book value and the deficit after considering the reduction of the Company's investments in IMCL is charged against the general reserve as under:-

Particulars	Amount
Fixed assets (net of accumulated depreciation)	35,936,739
Current Assets (net of provision for doubtful trade receivable ₹ 1,302,435)	58,497,060
Total assets	94,433,799
Current liabilities and provisions	29,956,270
Long Term Borrowing from Holding Company	350,000,000
Unsecured loans	137,198,720
Total liabilities	517,154,990
Net liabilities	(422,721,191)
Less: Reduction in the value of investments held in IMCL (the remaining value of investments in IMCL reflects the fair value of the net assets of IMCL as at date of demerger)	405,694,724
Deficit charged against general reserve	(828,415,915)

As per Clause 4.6 of the Scheme, the unabsorbed depreciation and brought forward losses related to IMCL (against which IMCL had not recognised deferred tax assets) till March 31, 2013 aggregating to ₹ 439,544,502 has been transferred to the Company which has been set off by the Company while computing the Current Tax provision for the year ended March 31, 2014. This has resulted in a net reduction of ₹ 149,401,176 in the current tax expense.

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

B) Scheme of Amalgamation between Synergy Media Entertainment Limited ('SMEL') and I Media Corp Limited('IMCL')

On December 11, 2012, the Company acquired balance stake in its two subsidiaries i.e. 45% in IMCL and 43.18% in 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, whereby IMCL and SMEL became wholly-owned subsidiaries of the Company.

Post this acquisition, with an objective of consolidation of event management business in one single entity, the management of the Company decided to merge SMEL with IMCL and pursuant to approval of the Honorable High Court of Madhya Pradesh dated April 30, 2013, SMEL was merged with IMCL with effect 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 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.

In accordance with 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 was recognised as gain on merger of subsidiaries, under the head 'Other income' (refer note 19).

C) On June 30, 2013, Company sold its investment in a subsidiary Divya Prabhat Publications Private Limited for a consideration of ₹ 10,000,000. Gain of ₹ 4,200 on disposal has been recognised as profit on sale of investment in subsidiary under the head 'Other income' (refer note 19).

27. (a) Related party disclosure

Related party disclosures, as required by Accounting Standard 18 - "Related Party Disclosures" are given below:

Particulars

Related Party

Related parties where control exists

Subsidiaries

- I Media Corp Limited
- Divya Prabhat Publications Private Limited (up to June 30, 2013)

Related parties with whom transaction have taken place during the year

Key Management Personnel

- Shri Sudhir Agarwal, Managing Director
- Shri Pawan Agarwal, Deputy Managing Director (with effect from July 31, 2013)

Relatives of Key Management Personnel

- Shri Ramesh Chandra Agarwal (Father of Shri Sudhir Agarwal and Shri Pawan Agarwal)
- Shri Girish Agarwal, Director (Brother of Shri Sudhir and Shri Pawan Agarwal)
- Smt Kasturi Devi Agarwal (Grand Mother of Shri Sudhir Agarwal and Shri Pawan 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 - MPCG
- Bhaskar Printing Press - CPH2
- Bhaskar Samachar Seva
- Bhaskar Publication and Allied Industries Private Limited
- Bhaskar Infrastructure Private Limited (Formerly known as Bhaskar Infrastructure Limited)
- Bhaskar Industries Private Limited
- Decore Exxoil Private Limited
- Bhaskar Venkatesh Products Private Limited
- DB Malls Private Limited
- DB Power Limited
- DB Infrastructure Private Limited
- R.C. Printer
- Writers and Publishers Private Limited
- Diligent Media Corporation Limited (up to October 09, 2012)
- Diligent 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

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

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

Particulars	Transactions for the Year ended		Amount receivable / (Payable) As at	
	March 31, 2014 ₹	March 31, 2013 ₹	March 31, 2014 ₹	March 31, 2013 ₹
Advertisement revenue				
Abhivyakti Kala Kendra	54,000	-	-	-
Bhaskar Industries Private Limited	1,676,053	216,571	-	61,742
Bhaskar Venkatesh Products Private Limited	3,047,438	1,848,627	1,670,170	2,522,247
D B Malls Private Limited	8,709,544	275,470	-	-
DB Power Limited	241,576	252,900	-	-
Diligent Hotels Corporation Private Limited	44,614	288,602	1,526,194	1,583,468
Divya Prabhat Publications Private Limited	22,880	12,600	-	-
I Media Corp Limited	3,984,856	31,545,820	1,057,196	3,358,395
Writers and Publishers Private Limited	-	3,541,444	-	-
Sale of magazines				
Bhaskar Publication and Allied Industries Private Limited	224,221	312,920	125,459	590,984
Printing job charges (Revenue)				
Bhaskar Publication and Allied Industries Private Limited	3,839,516	4,276,693	-	-
Divya Prabhat Publications Private Limited	-	993,147	-	-
Salaries, wages and bonus				
Shri Sudhir Agarwal	6,000,000	6,000,000	-	-
Shri Pawan Agarwal	3,200,000	-	-	-
Rent Income				
Bhaskar Publication and Allied Industries Private Limited	1,000,000	1,000,000	-	-
Rent Paid				
Bhaskar Industries Private Limited	156,000	156,000	-	-
Bhaskar Infrastructure Private Limited	3,951,312	3,951,312	-	(146,510)
D B Malls Private Limited	-	125,000	-	-
R.C. Printer	12,275,136	12,275,136	-	-
Writers and Publishers Private Limited	65,339,568	65,339,568	-	-
Decore Exxoil Private Limited	13,714,310	9,711,459	-	-
News collection charges				
Bhaskar Samachar Seva	-	426,699	(1,997,869)	(2,010,760)
Diligent Media Corporation Limited	-	1,128,558	-	-
Printing job work charges				
Bhaskar Printing Press- CPH2	-	-	(271,975)	(271,975)
Bhaskar Printing Press- MPCG	-	-	(442,220)	(442,220)
Diligent Media Corporation Limited	-	4,174,030	-	-
Royalty paid				
Diligent Media Corporation Limited	-	4,629,676	-	-
Advertisement and publicity expenses				
Abhivyakti Kala Kendra	2,606,990	-	(184,000)	-
D B Malls Private Limited	199,106	-	-	-
Diligent Hotels Corporation Private Limited	1,424,582	-	-	-
I Media Corp Limited	-	4,363,048	-	(348,206)
Traveling and conveyance				
Diligent Hotels Corporation Private Limited	2,706,428	87,346	(85,320)	(87,346)
Interest income from inter-corporate deposits				
Writers and Publishers Private Limited	-	5,264,381	-	-
Interest income from loans to subsidiaries				
Divya Prabhat Publications Private Limited	-	125,227	-	-
I Media Corp Limited	-	6,827,800	-	-
Purchase of Fixed Assets				
Bhaskar Publication and Allied Industries Private Limited	-	13,332	-	-
Loan and advances given				
I Media Corp Limited	-	137,198,720	-	137,198,720

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

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

Particulars	Transactions for the Year ended		Amount receivable / (Payable) As at	
	March 31, 2014 ₹	March 31, 2013 ₹	March 31, 2014 ₹	March 31, 2013 ₹
Loan and advances repaid				
Divya Prabhat Publications Private Limited	-	(2,500,000)	-	-
Writers and Publishers Private Limited	-	(87,499,992)	-	-
Amounts paid towards subscription of debentures [refer note 26 (A)]				
I Media Corp Limited	-	-	-	350,000,000
Advance repaid for publication of advertisement				
Writers and Publishers Private Limited	-	(3,731,464)	(18,427,431)	(18,427,431)
Sale of investments				
Writers and Publishers Private Limited	-	-	-	60,000,000
Security Deposit given against lease of properties				
Writers and Publishers Private Limited	900,000,000	-	1,323,233,800	423,233,800
R.C. Printer	-	-	16,870,200	16,870,200
Bhaskar Infrastructure Private Limited	-	-	11,596,765	11,596,765
Bhaskar Industries Private Limited	-	-	1,619,435	1,619,435
Security Deposit Received				
Bhaskar Publication and Allied Industries Private Limited	-	-	(10,000,000)	(10,000,000)
Purchase of investments in subsidiaries made from minority shareholders (refer note 26 (B))				
Bhaskar Infrastructure Private Limited	-	23,621,405	-	-
Shri Girish Agarwal	-	19,006	-	-
Shri Pawan Agarwal	-	19,006	-	-
Shri Sudhir Agarwal	-	19,006	-	-
Smt Jyoti Agarwal	-	14,443	-	-
Smt Namita Agarwal	-	13,690	-	-
Smt Nitika Agarwal	-	13,690	-	-
Writers and Publishers Private Limited	-	355,954,108	-	-
News print given				
Bhaskar Publication and Allied Industries Private Limited	30,244,364	34,148,338	15,378,774	54,740,706
Divya Prabhat Publications Private Limited	540,572	42,709	-	-
Dividend Paid				
Bhaskar Infrastructure Private Limited	78,730,730	63,590,205	-	-
Bhaskar Publication and Allied Industries Private Limited	19,615,700	15,843,450	-	-
Bhopal Financial Services Private Limited	36,771,735	29,700,248	-	-
Chambal Tradings Private Limited	54,739,100	44,212,350	-	-
Dev Fiscal Service Private Limited	10,783,500	8,709,750	-	-
Peacock Trading and Investments Private Limited	65,827,106	53,168,047	-	-
Shri Girish Agarwal	163,067,164	85,890,977	-	-
Smt Jyoti Agarwal	32,162,046	45,239,787	-	-
Shri Pawan Agarwal	182,990,964	97,428,492	-	-
Shri Ramesh Chandra Agarwal	5,991,434	160,367,055	-	-
Shri Sudhir Agarwal	173,429,419	100,480,832	-	-
Smt Kasturi Devi Agarwal	648,668	281,899	-	-
Smt Namita Agarwal	42,524,300	34,346,550	-	-
Smt Nitika Agarwal	22,600,500	18,254,250	-	-
Stitex Global Limited	3,900,000	3,150,000	-	-
Balance outstanding at the year end				
Bhaskar Industries Private Limited	-	-	(2,100)	-
Bhaskar Infrastructure Private Limited	-	-	1,440	-
Bhaskar Publication and Allied Industries Private Limited	-	-	-	111,925,929
D B Malls Private Limited	-	-	950,968	818,720
Decore Exxoil Private Limited	-	-	22,180	-
DB Infrastructure Private Limited	-	-	218,637	-
DB Power Limited	-	-	108,755	32,723
I Media Corp Limited	-	-	(3,934,413)	(11,906,870)
R.C. Printer	-	-	(812,393)	-
Writers and Publishers Private Limited	-	-	3,080,980	80,000,000

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

(c) Corporate guarantee given

The Company has given a Corporate Guarantee of ₹ 450,000,000 (March 31, 2013: ₹ 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.

(d) 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, 2014	March 31, 2013	March 31, 2014	March 31, 2013
I Media Corp Limited	10,967,913	903,861,357	903,861,357	903,861,357
Synergy Media Entertainment Limited [refer note 26 (B)]	-	-	-	25,459,032
Divya Prabhat Publications Private Limited [refer note 26 (C)]	-	9,995,800	9,995,800	12,715,930

28. Royalty:

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 Honorable Supreme Court. This appeal is pending before the Honorable 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 is 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 for the period before August 25, 2010 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 is expected to prejudice seriously the position of the Company with regards to the litigation.

29. Leases

Operating Lease (for assets taken on Lease):

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.

- The Company has taken various residential, office and godown premises under operating lease agreements. These are generally renewable by mutual consent;
- Lease payments recognised for the year are ₹ 230,568,501 (March 31, 2013: ₹ 215,106,022)
- 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.
- There are no non-cancellable leases.



D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

Operating lease (for assets given on Lease):

- a) The Company has given printing machine on operating lease arrangement for a period of 6 years. The lease arrangement is cancellable with mutual consent.
- b) Lease income recognised for the year is ₹ 1,000,000 (March 31, 2013 ₹ 1,000,000).
- c) There are no restrictions imposed in the lease agreements and there is no escalation clause in the agreement.
- d) The details of fixed assets given on operating lease are as follows:

Particulars	March 31, 2014		March 31, 2013	
	₹		₹	
Gross carrying amount	30,483,936		30,483,936	
Accumulated depreciation	11,162,393		9,714,407	
Depreciation recognised in the statement of profit and loss	1,447,986		1,447,986	

30. Contingent liabilities not provided for:

- a) For details of corporate guarantee given refer note 27 (c).
- 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 ₹ 1,593,215 (March 31, 2013: ₹ 4,189,036). 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.

31. Commitments

Capital commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 100,533,742 (March 31, 2013: ₹ 112,205,232).

32. Derivative Instruments

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

Nature of derivative contract	Nature of underlying exposures	March 31, 2014		March 31, 2013	
		Amount in USD	Amount in Indian currency ₹	Amount in USD	Amount in Indian currency ₹
Foreign exchange forward contracts	Buyers credit from banks	-	-	509,857	27,689,204
Foreign exchange forward contracts	Trade payables	1,450,000	88,266,750	-	-

33. As of balance sheet date, the Company's net foreign currency exposure (payable) that is not hedged is ₹ 1,720,195,716 (March 31, 2013 ₹ 1,730,055,374).

34. (a) Opening and Closing stock of finished goods:

Particulars	March 31, 2014		March 31, 2013	
	No. of magazines		No. of magazines	
Closing stock	94,094		64,200	
Opening stock	64,200		109,500	

(b) Value of imports on CIF Basis:

Particulars	March 31, 2014		March 31, 2013	
	₹		₹	
Raw materials	2,361,799,468		2,107,951,929	
Stores and spares	70,519,325		24,497,809	
Capital goods	-		78,048,450	
Total	2,432,318,793		2,210,498,188	

(c) Consumption of raw material:

	March 31, 2014		March 31, 2013	
	Quantity In Kgs.	₹	Quantity In Kgs.	₹
Newsprint	176,344,883	6,324,193,103	164,696,126	5,425,922,444

(d) Imported and indigenous raw materials, stores and spares consumed:

	March 31, 2014		March 31, 2013	
	₹	% of Total consumption	₹	% of Total consumption
i) Raw materials				
Imported	2,249,581,253	35.57	2,177,562,510	40.13
Indigenous	4,074,611,850	64.43	3,248,359,934	59.87
Total	6,324,193,103	100.00	5,425,922,444	100.00
ii) Stores and spares				
Imported	39,111,301	3.78	18,900,634	1.99
Indigenous	994,978,975	96.22	929,216,513	98.01
Total	1,034,090,276	100.00	948,117,147	100.00

(e) Expenditure in foreign currency (on accrual basis):

Particulars	March 31, 2014		March 31, 2013	
	₹		₹	
Traveling and conveyance	1,731,308		419,990	
Finance Costs	18,973,047		49,298,408	
Repairs and maintenance	5,220,751		-	
Others	10,516,223		5,587,114	
Total	36,441,329		55,305,512	

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

(f) Income in foreign currency:

Particulars	March 31, 2014	March 31, 2013
	₹	₹
Advertisement income	128,653,079	-

(g) Auditors' remuneration (included in legal and professional charges under note 22):

Particulars	March 31, 2014	March 31, 2013
	₹	₹
As Auditor		
Audit fees	10,518,580	10,348,934
Tax audit fees	449,440	449,440
Reimbursement of out of pocket expenses	1,123,600	561,800
Total	12,091,620	11,360,174

35. Employee benefits:

Defined contribution plan

During the year ended March 31, 2014 and March 31, 2013; the Company contributed the following amounts to defined contribution plans:

Particulars	March 31, 2014	March 31, 2013
	₹	₹
Provident Fund	125,740,968	110,514,489
Employees' State Insurance Corporation	29,114,340	27,348,189
Total	154,855,308	137,862,678

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, 2014	March 31, 2013
	₹	₹
Current service cost	18,125,193	19,836,347
Interest cost on benefit obligation	10,238,630	7,934,817
Expected return on plan assets	(7,842,116)	(7,177,552)
Net actuarial loss recognised in the year	21,760,512	18,164,677
Past service cost	-	-
Net benefit expense	42,282,219	38,758,289
Actual return on plan assets	8,266,472	6,856,013

Balance sheet

Details of Provision and fair value of plan assets

Particulars - Gratuity	March 31, 2014	March 31, 2013
	₹	₹
Present value of defined benefit obligation	164,452,366	127,982,879
Fair value of plan assets	(98,166,286)	(90,139,269)
Net liability	66,286,080	37,843,610

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

Particulars - Gratuity	March 31, 2014	March 31, 2013
	₹	₹
Opening defined benefit obligation	127,982,879	93,350,785
Interest cost	10,238,630	7,934,817
Current service cost	18,125,193	19,836,347
Benefits paid	(14,079,204)	(10,982,208)
Actuarial losses on obligation	22,184,868	17,843,138
Closing benefit obligation	164,452,366	127,982,879

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

Particulars - Gratuity	March 31, 2014	March 31, 2013
	₹	₹
Opening fair value of plan assets	90,139,269	84,441,788
Expected return	7,842,116	7,177,552
Contributions by employer	13,839,749	9,823,676
Benefits paid	(14,079,204)	(10,982,208)
Actuarial losses on plan assets	424,356	(321,539)
Closing fair value of plan assets	98,166,286	90,139,269
Actuarial losses recognised in the year	21,760,512	18,164,677

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

The Company expects to contribute ₹ 20,000,000 (March 31, 2013: ₹ 10,000,000) to gratuity fund during the annual period beginning after balance sheet date.

As at March 31, 2014 and March 31, 2013, the entire plan assets are held in the form of investments with insurer.

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

Particulars-Gratuity	March 31, 2014	March 31, 2013
Discount rate	9.14%	8.00%
Expected rate of return on assets	9.14%	8.70%
Employee turnover	0-5 years of service- 28% 5-10 years of service- 14% and for service thereafter- 7%	for 0-5 years of service- 28% and for service thereafter- 14%
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, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
	₹	₹	₹	₹	₹
Defined benefit obligation	164,452,366	127,982,879	93,350,785	81,867,707	67,922,829
Plan assets	98,166,286	90,139,269	84,441,788	74,060,336	60,785,240
Asset / (Liability)	(66,286,080)	(37,843,610)	(8,908,997)	(7,807,371)	(7,137,589)
Experience adjustments on plan liabilities (Gain)/Loss	41,006,466	14,927,133	(42,389)	4,523,864	3,633,997
Experience adjustments on plan Assets Gain / (Loss)	424,356	(321,539)	(3,773,443)	(1,209,129)	4,780,173

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.

36. Employee Stock Option Schemes 2008, 2010 and 2011

The Company has granted Stock Options to its employees through its equity settled schemes referred to as "DBCL – ESOS 2008", "DBCL- ESOS 2010" and "DBCL-ESOS 2011". During the year ended March 31, 2014, the following schemes were in operation:

	DBCL – ESOS 2008	DBCL – ESOS 2010	DBCL – ESOS 2011
Number of options under the scheme	700,000	600,000	3,000,000
Number of option granted under the scheme	413,427	491,203	234,300 (T-1) 203,170 (T-2)
Vesting Period	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	For T-1: Within five years from the date of vesting For T-2: Within three 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.	For T-1: 61.95% discount to the market price on date of grant. For T-2: 50.00% 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		

The details of activity under DBCL ESOS 2008, ESOS 2010, ESOS 2011 (T-1) and ESOS 2011 (T-2) are as summarised below:

Particulars	March 31, 2014 (no of options)			
	DBCL - ESOS 2008	DBCL - ESOS 2008	DBCL – ESOS 2011 (T-1)	DBCL – ESOS 2011 (T-2)
Outstanding at the beginning of the year	155,609	357,666	175,410	-
Granted during the year	-	-	-	203,170
Forfeited / cancelled during the year	12,854	50,461	22,100	16,560
Exercised during the year	47,555	41,462	22,640	-
Expired during the year	7,020	-	-	-
Outstanding at the end of the year	88,180	265,743	130,670	186,610
Exercisable at the end of the year	88,180	134,664	29,540	-
Weighted average remaining contractual life (no of years)	2.76	2.85	5.59	7.22
Weighted average fair value of options granted (₹)	101.31	124.97	177.57	122.86
*Weighted average exercise price (₹)	124.00	168.00	95.00	113.00

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

Particulars	March 31, 2013 (no. of options)			
	DBCL - ESOS 2008	DBCL - ESOS 2010	DBCL - ESOS 2011 (T-1)	DBCL - ESOS 2011 (T-2)
Outstanding at the beginning of the year	231,831	411,944	203,850	-
Granted during the year	-	-	-	-
Forfeited / cancelled during the year	20,915	41,370	10,560	-
Exercised during the year	34,702	12,908	17,880	-
Expired during the year	20,605	-	-	-
Outstanding at the end of the year	155,609	357,666	175,410	-
Exercisable at the end of the year	107,016	128,888	22,890	-
Weighted average remaining contractual life (no of years)	3.76	5.11	8.05	-
Weighted average fair value of options granted (₹)	101.31	124.97	177.57	-
*Weighted average exercise price (₹)	124.00	168.00	95.00	-

* Weighted average exercise price for every scheme represents the weighted average exercise price for options outstanding at the beginning of the year, options granted, forfeited, exercised, expired during the year and options exercisable, outstanding at the end of the year, under respective schemes.

For options exercised during the year, the weighted average share price during the year was ₹ 263.45 per share (March 31, 2013: ₹ 212.24 per share).

The details of exercise price for stock options outstanding at the end of the year as at March 31, 2014 is as under:

ESOP Schemes	Exercise prices (₹)	Number of options outstanding	Weighted average remaining contractual life of options (in years)
ESOP 2008	124	88,180	2.76
ESOP 2010	168	265,743	2.85
ESOP 2011(T-1)	95	130,670	5.59
ESOP 2011(T-2)	113	186,610	7.22

Stock options granted

203,170 options have been granted during the year ended March 31, 2014. The weighted average fair value of stock options granted during the year ₹ 122.86 (March 31, 2013 ₹ Nil). The Black and Scholes Options Pricing model has been used for computing the weighted average fair value considering the following inputs:

	March 31, 2014	March 31, 2013
Weighted average share price (₹)	226.05	
Exercise Price (₹)	50.00% discount to the market price on date of grant i.e ₹ 113.00	
Expected Volatility	26.71%	
Life of the options granted (Vesting and exercise period) in years	4.50	
Average risk-free interest rate	7.41%	
Expected dividend yield	2.43%	

No options were granted during the year

The expected life of the option 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 option is indicative of future trends, which may also not necessarily be the actual outcome. The Company expects the volatility of its share price to reduce as it matures.

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, 2014 ₹	March 31, 2013 ₹
Profit after tax as reported	3,062,839,370	2,306,058,526
Add: Employee stock compensation cost under intrinsic value method	7,585,370	8,491,087
Less: Employee stock compensation cost under fair value method	7,681,986	10,880,440
Proforma profit after tax	3,062,742,754	2,303,669,173
Earnings Per Share		
Basic		
- As reported	16.70	12.58
- As adjusted	16.70	12.57
Diluted		
- As reported	16.68	12.56
- As adjusted	16.68	12.55

37. 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, 2014, the Company has made provision of ₹ 283,275,000 (March 31, 2013: ₹ 160,000,000) in respect of other than temporary diminution, in the value of the investments.

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

- An amount of ₹ 5,311,446 (March 31, 2013: ₹ 6,721,914) and ₹ Nil (March 31, 2013: ₹ Nil) was due and outstanding to suppliers as at March 31, 2014 on account of Principal and Interest respectively.
- No interest was paid during the year to any supplier (March 31, 2013: ₹ Nil).
- No interest was paid to any suppliers for payments made beyond the appointed date during the accounting year (March 31, 2013: ₹ Nil).

D. B. Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

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, 2013: ₹ Nil).

e) No amount of interest was accrued and unpaid at March 31, 2014 (March 31, 2013: ₹ 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.

39. Legal and professional charges include sitting fees paid to Directors ₹ 620,000 (March 31, 2013: ₹ 615,000).

40. Since the segment information as per Accounting Standard 17 - Segment Reporting is provided on the basis of consolidated financial statements, the separate segment

information based on standalone financial statements are not provided.

41. The current tax expense includes a net reversal of ₹ Nil (March 31, 2013: ₹ 28,771,316) relating to earlier years.

42. The excess liabilities / provisions written back mainly represent excess provisions made for sales incentives and other expenses during the previous year which has been reversed in the current year.

43. Previous year figures

Current year's figures are not comparable to the previous year due to scheme of arrangement [refer note 26 (A)]. Previous year figures have been regrouped / reclassified where necessary to conform to current year's classification.

As per our report of even date.

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

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

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

per **Kalpesh Jain**
Partner
Membership No. 106406

per **Navin K. Gupta**
Partner
Membership No. 75030

Managing Director

Director

Company Secretary

Place : Mumbai
Date : May 12, 2014

Place : Mumbai
Date : May 12, 2014

Place : Mumbai
Date : May 12, 2014

D. B. Corp Limited

INDEPENDENT AUDITOR'S 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, 2014, 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 but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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, 2014;
- (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.

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

per Kalpesh Jain
Partner
Membership No. 106406

Place : Mumbai
Date : May 12, 2014

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

per Navin K. Gupta
Partner
Membership No. 75030

Place : Mumbai
Date : May 12, 2014

D. B. Corp Limited

Consolidated balance sheet as at March 31, 2014

Notes	March 31, 2014 ₹	March 31, 2013 ₹
Equity and liabilities		
Shareholders' funds		
Share capital	4 1,834,855,010	1,833,748,440
Reserves and surplus	5 9,632,521,678	8,457,842,696
	11,467,376,688	10,291,591,136
Minority Interest (refer note 34)	-	10,627,285
Non-current liabilities		
Long-term borrowings	6 726,808,430	878,017,103
Deferred tax liabilities (net)	7 885,130,922	833,874,518
Other long-term liabilities	8 346,385,271	312,982,492
	1,958,324,623	2,024,874,113
Current liabilities		
Short-term borrowings	9 536,929,963	495,848,872
Trade payables	10 1,114,282,981	961,200,245
Other current liabilities	10 1,568,957,282	1,596,872,318
Short-term provisions	11 1,049,502,495	946,065,272
	4,269,672,721	3,999,986,707
TOTAL	17,695,374,032	16,327,079,241
Assets		
Non-current assets		
Fixed assets	12	
Tangible assets	8,249,310,515	7,631,615,238
Intangible assets	254,044,660	681,342,566
Capital work-in-progress	22,242,452	70,248,235
Non-current investments	13 724,192,956	807,435,304
Long-term loans and advances	14 1,855,192,139	850,118,808
Other non-current assets	15 48,504,705	64,429,361
	11,153,487,427	10,105,189,512
Current assets		
Inventories	16 1,732,340,096	1,299,155,890
Trade receivables	17 3,279,798,670	3,083,275,556
Cash and bank balances	18 1,132,959,962	1,276,634,427
Short-term loans and advances	14 380,918,199	546,954,178
Other current assets	15 15,869,678	15,869,678
	6,541,886,605	6,221,889,729
TOTAL	17,695,374,032	16,327,079,241
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 Gupta Navin K. & Co.
ICAI Firm registration number: 06263C
Chartered Accountants

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

per Kalpesh Jain
Partner
Membership No. 106406

per Navin K. Gupta
Partner
Membership No. 75030

Managing Director

Director

Place : Mumbai
Date : May 12, 2014

Place : Mumbai
Date : May 12, 2014

Company Secretary
Place : Mumbai
Date : May 12, 2014

D. B. Corp Limited

Consolidated statement of profit and loss for the year ended March 31, 2014

	Notes	March 31, 2014 ₹	March 31, 2013 ₹
Income			
Revenue from operations	19	18,597,584,708	15,923,164,283
Other income	20	238,617,048	213,422,990
(I)		18,836,201,756	16,136,587,273
Expenses			
Cost of raw material consumed	21	6,329,536,283	5,445,432,796
(Increase) / decrease in inventories of finished goods		(6,352,935)	275,183
Employee benefit expenses	22	3,025,194,242	2,795,024,476
Foreign exchange loss (net)		32,998,288	35,914,543
Other expenses	23	4,213,369,807	3,861,803,356
(II)		13,594,745,685	12,138,450,354
Earnings before interest, tax, depreciation and amortisation (EBITDA) (I - II)		5,241,456,071	3,998,136,919
Finance costs	24	75,345,167	104,508,760
Depreciation and amortisation expenses	12 and 13	642,456,854	580,641,591
Profit before tax		4,523,654,050	3,312,986,568
Tax expenses			
Current tax [refer note 27 (A) and 39]		1,405,968,177	1,043,813,543
Deferred tax charge		51,393,848	88,005,083
Total tax expense		1,457,362,025	1,131,818,626
Profit for the year before minority interest		3,066,292,025	2,181,167,942
Minority Interest in the losses of subsidiary companies		165,039	197,149
Profit for the year		3,066,457,064	2,181,365,091
Earnings per equity share [nominal value of share ₹ 10 (March 31, 2013: ₹ 10)]			
Basic		16.72	11.90
Diluted		16.70	11.88
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 Gupta Navin K. & Co.
ICAI Firm registration number: 06263C
Chartered Accountants

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

per Kalpesh Jain
Partner
Membership No. 106406

per Navin K. Gupta
Partner
Membership No. 75030

Managing Director Director

Place : Mumbai
Date : May 12, 2014

Place : Mumbai
Date : May 12, 2014

Company Secretary
Place : Mumbai
Date : May 12, 2014

D. B. Corp Limited

Consolidated cash flow statement for the year ended March 31, 2014

	For the year ended March 31, 2014 ₹	For the year ended March 31, 2013 ₹
A. Cash flow from operating activities		
Profit before tax	4,523,654,050	3,312,986,568
Non-cash adjustments to reconcile profit before tax to net cash flows		
Loss on sale / disposal of fixed assets (net)	11,890,641	13,822,674
Finance costs	75,345,167	104,508,760
Interest income	(84,369,808)	(96,325,851)
Depreciation and amortisation expenses	642,456,854	580,641,591
Loss on disposal of investment in subsidiary [Refer note 27 (C)]	415,971	-
Provision for doubtful advances	19,300,000	-
Provision for other than temporary diminution in value of investments	123,275,000	62,500,000
Bad trade receivables written off	838,711	1,676,210
Provision for doubtful advances written back	-	(5,000,000)
Provision for doubtful trade receivables	78,357,343	68,731,157
Foreign exchange differences on loans and unrealised exchange differences	(22,668,584)	28,593,595
Operating profit before working capital changes	5,368,495,345	4,072,134,704
Movements in working capital		
Increase in inventories	(434,472,105)	(113,507,099)
Increase in trade receivables	(294,666,297)	(669,574,046)
Increase in long-term loans and advances	(1,014,790,175)	(3,022,190)
Decrease / (increase) in short-term loans and advances	150,544,496	(85,257,042)
Increase in other long-term liabilities	40,168,325	32,771,502
Increase / (decrease) in trade payables	170,437,104	(116,425,584)
(Decrease) / increase in other current liabilities	(35,343,908)	293,615,434
Increase in short-term provisions	30,897,417	42,951,305
Cash generated from operations	3,981,270,202	3,453,686,984
Direct taxes paid	(1,501,350,664)	(1,041,296,468)
Net cash from operating activities (A)	2,479,919,538	2,412,390,516
B. Cash flow from investing activities		
Purchase of fixed assets	(1,063,891,416)	(567,283,214)
Proceeds from sale of fixed assets	5,812,341	20,592,859
Acquisition of stake from minority shareholders	-	(379,675,107)
Purchase of investments	-	(410,000,000)
Advances for properties	-	(58,636,211)
Sale of investments	10,000,000	8,000,000
Interest received	79,480,187	94,558,697
Inter-corporate deposits recovered	-	87,499,992
Fixed deposits with maturity period more than three months matured (net)	47,463,273	442,981,560
Net cash used in investing activities (B)	(921,135,615)	(761,961,424)
C. Cash flow from financing activities		
Long-term loans repaid	(260,193,683)	(316,310,099)
Short-term loans repaid during the year	(989,089,485)	(1,679,698,919)
Short-term loans taken during the year	1,015,916,673	1,350,088,312
Dividend paid	(1,192,150,472)	(962,408,295)
Dividend distribution tax	(202,626,891)	(156,152,726)
Interest paid	(36,724,256)	(68,140,770)
Payment to holder of preference share on redemption	(10,000)	-
Proceeds from issue of shares	15,013,236	8,170,192
Net cash used in financing activities (C)	(1,649,864,878)	(1,824,452,305)
Net decrease in cash and cash equivalents (A)+(B)+(C)	(91,080,955)	(174,023,213)
	For the year ended March 31, 2014 ₹	For the year ended March 31, 2013 ₹
Cash and cash equivalents at the beginning of the year	1,189,573,126	1,363,596,339
Less: Transferred on sale of stake in subsidiary [refer note 27 (C)]	5,185,215	-
Cash and cash equivalents at the end of the year	1,093,306,956	1,189,573,126
Net decrease in cash and cash equivalents	(91,080,955)	(174,023,213)

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 Kalpesh Jain
Partner
Membership No. 106406

Place : Mumbai
Date : May 12, 2014

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

per Navin K. Gupta
Partner
Membership No. 75030

Place : Mumbai
Date : May 12, 2014

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

Managing Director **Director**

Company Secretary

Place : Mumbai
Date : May 12, 2014

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

1. Nature of operations

D. B. Corp Limited (the 'Company') is in the business of publishing newspapers, radio broadcasting, event management and providing integrated internet and mobile interactive services. 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 internet business includes the websites of Dainik Bhaskar, Divya Bhaskar and Divya Marathi having newspapers in e-paper category and dainikbhaskar.com, divyabhaskar.com, dailybhaskar.com and divyamarathi.com.

The Company derives its revenue mainly from the sale of its publications and advertisements published in the publications, aired on radio, displayed on websites and portal and mobile interactive services.

2. Basis of consolidation

The consolidated financial statements ('CFS') are related to the Company and its subsidiary companies (the 'Group') 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) read with General Circular 08/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs.

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, 2014
1.	I Media Corp Limited [refer note 27 (A) and (B)]	India	100
2.	Divya Prabhat Publications Private Limited (up to June 30, 2013) [refer note 27 (C)]	India	Nil

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 is based, in so far as it is 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 under the Companies Act, 1956 (the 'Act') read with General Circular 08/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The CFS has been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The CFS has been prepared on an accrual basis and under the historical cost convention. 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 and impairment losses, if any. Cost comprises the purchase price and any cost attributable to 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 entire exchange differences arising on translation / settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

asset to the cost of the asset and depreciates the same over the remaining life of the asset.

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 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.

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

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.

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

g) Impairment of tangible and intangible assets

The Group assesses at each reporting date whether there is any 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, wherever applicable, a long term growth rate is calculated and applied to projected 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.

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.

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

The cost comprises purchase price 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.

Where the Group is the lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

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.
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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 / aired / displayed on website 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

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

Dividend Income

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

l) Barter Transactions

Revenue from barter transactions involving exchange of advertisements with non-monetary assets such as investment or property is measured at the fair value of the advertisements published / aired, as it is more clearly evident.

m) 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

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

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.

n) 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 company to fund the gratuity liability. Under this scheme, the obligation to pay gratuity remains with the Company, although the Insurance company administers the scheme.

Accumulated leave, which is expected to be utilised within

the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

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.

o) 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 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 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.

p) 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

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

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.

q) Borrowing cost

Borrowing costs includes interest, 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.

r) 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.

s) 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.

t) 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.

u) 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. The Group recognises business segments as its primary segment information reporting format. There are no geographical reportable segments since the Group caters to the Indian market only and has only one reportable geographical 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

Unallocated items include general corporate income, expenses, assets and liabilities 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.

v) 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 options 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.

w) 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 EBITDA on the basis of profit from continuing operation. In this measurement, the Group does not include depreciation and amortisation expenses, finance costs and tax expenses.

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

4 Share capital

Authorised shares

249,000,000 (March 31, 2013: 249,000,000) equity shares of ₹ 10 each
1,000 (March 31, 2013: 1,000), Zero % non-convertible redeemable preference shares of ₹10,000 each

Issued, subscribed and fully paid-up shares

183,485,501 (March 31, 2013: 183,373,844) equity shares of ₹ 10 each fully paid up [refer note (b) (i) below]
Nil (March 31, 2013: 1), Zero % non-convertible redeemable preference share of ₹ 10,000 each [refer note (b) (ii) below]

Total issued, subscribed and fully paid-up share capital

March 31, 2014 ₹	March 31, 2013 ₹
2,490,000,000	2,490,000,000
10,000,000	10,000,000
2,500,000,000	2,500,000,000
1,834,855,010	1,833,738,440
-	10,000
1,834,855,010	1,833,748,440

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

Equity shares

At the beginning of the year

Issued during the year -Employee Stock Option Schemes ('ESOS')

Outstanding at the end of the year

March 31, 2014		March 31, 2013	
Nos	₹	Nos	₹
183,373,844	1,833,738,440	183,308,354	1,833,083,540
111,657	1,116,570	65,490	654,900
183,485,501	1,834,855,010	183,373,844	1,833,738,440

Preference shares

At the beginning of the year

Share redeemed during the year [refer note (b) (ii) below]

Outstanding at the end of the year

March 31, 2014		March 31, 2013	
No	₹	No	₹
1	10,000	1	10,000
(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, 2014, the amount of per share dividend recognised as distributions to equity shareholders is ₹ 7.25 per share (March 31, 2013: ₹ 5.50 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 had class of 1 Zero % non-convertible redeemable preference share having value of ₹ 10,000 per share. This preference share was redeemed at par on October 17, 2013. Accordingly, as per the provisions of the Act, a transfer of ₹ 10,000 was made to Capital Redemption Reserve out of the surplus in the statement of profit and loss.

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

- (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, 2014 Nos.	March 31, 2013 Nos.
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	238,396	126,739
Allotted as shares issued in pursuant to the scheme of arrangements	1,732,500	1,732,500
	1,970,896	1,861,078

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

Name of shareholders	March 31, 2014		March 31, 2013	
	Nos	% of hold	Nos	% of hold
(i) Equity shares of ₹ 10 each fully paid				
Pawan Agarwal	28,152,456	15.34	28,152,456	15.35
Sudhir Agarwal	26,681,449	14.54	26,681,449	14.55
Girish Agarwal	25,087,256	13.67	25,087,256	13.68
Peacock Trading and Investments Private Limited	18,548,647	10.11	10,127,247	5.52
Nalanda India Equity Fund Limited	14,582,902	7.95	12,233,041	6.67
Bhaskar Infrastructure Private Limited	12,112,420	6.60	12,112,420	6.61
(ii) Preference share of ₹ 10,000/- fully paid				
Sunderbabu Venugopal	-	-	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 36.

5 Reserves and surplus

	March 31, 2014 ₹	March 31, 2013 ₹
General reserve		
Balance as per the last financial statements	1,700,620,213	1,465,620,213
Add: Amount transferred from surplus balance in the statement of profit and loss	310,000,000	235,000,000
Less: Adjustment pursuant to the scheme [refer note 27 (A)]	355,957,875	-
	1,654,662,338	1,700,620,213
Capital redemption reserve account		
Balance as per the last financial statements	-	-
Add: Amount transferred from surplus balance in the statement of profit and loss [refer note 4 (b) (ii)]	10,000	-
	10,000	-
Capital reserve		
Balance as per the last financial statements	473,310	473,310
Less: Adjustment of loss on disposal of investment in subsidiary	473,310	-
	-	473,310
Securities premium account		
Balance as per the last financial statements	2,391,851,350	2,378,004,188
Add: Premium received on shares issued as per ESOS	23,997,386	13,847,162
	2,415,848,736	2,391,851,350

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

	March 31, 2014 ₹	March 31, 2013 ₹
Stock options outstanding (refer note 36)		
Gross employee stock options at the beginning of the year	69,893,679	62,308,309
Less: Value of employee compensation of option exercised	21,044,070	10,943,350
	48,849,609	51,364,959
Surplus in the statement of profit and loss		
Balance as per the last financial statements	4,313,532,864	3,544,396,963
Profit for the year	3,066,457,064	2,181,365,091
Less: Appropriations		
Transferred to general reserve	310,000,000	235,000,000
Transferred to capital redemption reserve [refer note 4 (b) (ii)]	10,000	-
Proposed final equity dividend [amount per share ₹ 4.25 (March 31, 2013: ₹ 3.50)]	780,319,788	641,913,454
Interim equity dividend [amount per share ₹ 3.00 (March 31, 2013: ₹ 2.00)]	550,360,098	366,729,802
Tax on dividend	226,149,047	168,585,934
	5,513,150,995	4,313,532,864
Total reserves and surplus	9,632,521,678	8,457,842,696

6 Long-term borrowings

	Non-current portion		Current maturities	
	March 31, 2014 ₹	March 31, 2013 ₹	March 31, 2014 ₹	March 31, 2013 ₹
Foreign currency loans from financial institution (secured) (refer note below)	726,808,430	878,017,103	242,269,538	219,504,329
The above amount includes				
Amount disclosed under the head "Current liabilities" (refer note 10)			(242,269,538)	(219,504,329)
	726,808,430	878,017,103	-	-

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.

7 Deferred tax liabilities (net)

	March 31, 2014 ₹	March 31, 2013 ₹
Deferred tax liability		
Depreciation	1,100,860,831	1,020,652,994
Gross deferred tax liability	1,100,860,831	1,020,652,994
Deferred tax assets		
Provision for doubtful trade receivables and advances	123,697,515	97,359,641
Provision for gratuity and leave encashment	45,428,413	35,703,886
Provision for other than temporary diminution in value of investments	30,000,000	36,256,000
Provision for deferred employee compensation on options exercisable under employee stock option schemes	16,603,981	17,458,949
Gross deferred tax assets	215,729,909	186,778,476
Deferred tax liabilities (net)	885,130,922	833,874,518

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

8 Other long-term liabilities

	Non-current portion		Current maturities	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	₹	₹	₹	₹
Security deposits from newspaper agencies	346,385,271	312,982,492	38,487,252	34,775,832
The above amount includes				
Amount disclosed under the head "Current liabilities" (refer note 10)	-	-	(38,487,252)	(34,775,832)
	346,385,271	312,982,492	-	-

9 Short-term borrowings

Secured

Buyers' credit from banks [refer note (a) below]

Total secured borrowings

Unsecured

Buyers' credit from banks [refer note (b) below]

Total unsecured borrowings

Total short-term borrowings

March 31, 2014	March 31, 2013
₹	₹
362,417,164	298,853,920
362,417,164	298,853,920
174,512,799	196,994,952
174,512,799	196,994,952
536,929,963	495,848,872

(a) Secured buyers' credit facilities are from various lenders. They are secured by first charge on the current assets of the Company. In some cases, the lenders also hold second charge over the plant and machinery or moveable fixed assets of the Company. Interest rates for buyers' credits are multiline rates ranging between 0.84% p.a. and 1.20% p.a. (March 31, 2013: Between 1.25% p.a. and 4.18% p.a.) (as mutually agreed).

(b) The unsecured buyers' credit facility is provided by various lenders. Interest rates for unsecured buyers' credits are multiline rates ranging between 1.18% p.a. and 1.21% p.a. (March 31, 2013: Between 1.25% p.a. and 4.18% p.a.) (as mutually agreed).

10 Current liabilities

Trade payables

Other current liabilities

Current maturities of long term borrowings (refer note 6)

Current maturities of other long term liabilities (refer note 8)

Payables for purchase of capital goods

Accrued expenses

Unclaimed dividend*

Advances from customers

Interest accrued but not due on borrowings

Statutory liabilities

Total current liabilities

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

March 31, 2014	March 31, 2013
₹	₹
1,114,282,981	961,200,245
242,269,538	219,504,329
38,487,252	34,775,832
11,737,780	14,450,047
534,482,423	547,347,543
530,021	406,941
668,390,453	708,668,702
17,525,187	16,587,052
55,534,628	55,131,872
1,568,957,282	1,596,872,318
2,683,240,263	2,558,072,563

11 Short-term provisions

Provision for employee benefits (refer note 35)

Provision for gratuity

Provision for leave encashment

Other provisions

Provision for tax (net of taxes paid)

Provision for loss on forward contracts

Proposed dividend

Tax on proposed dividend

March 31, 2014	March 31, 2013
₹	₹
66,286,080	39,924,331
67,366,212	65,117,993
133,652,292	105,042,324
1,152,390	90,016,302
1,762,677	-
780,319,788	641,913,454
132,615,348	109,093,192
915,850,203	841,022,948
1,049,502,495	946,065,272

D. B. Corp Limited
Notes to consolidated financial statements as at and for the year ended March 31, 2014

12 Fixed assets

Assets	Gross Block			Depreciation / amortisation			Net Block				
	As At April 1, 2013	Additions during the year	Deductions during the year	As At March 31, 2014	Up to April 1, 2013	For the Year	Deduction on disposal of investment in subsidiary [refer note 27 (C)]	On March 31, 2014	Up to March 31, 2014	As At March 31, 2014	As At March 31, 2013
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Tangible assets											
Land											
- Freehold	74,837,606	-	-	74,837,606	-	-	-	-	-	74,837,606	74,837,606
- Leasehold	28,905,498	2,277,212	-	31,182,710	1,959,993	612,192	-	2,572,185	-	28,610,525	26,945,505
Buildings											
- Freehold	740,853,564	125,758,428	3,444,847	863,167,145	94,525,000	26,980,129	-	527,684	120,977,445	742,189,700	646,328,564
- Leasehold	512,583,738	318,453,560	-	831,037,298	14,413,799	12,084,557	-	-	26,498,356	804,538,942	498,169,939
Leasehold improvements	178,338,215	59,353,459	-	237,299,938	41,170,185	18,585,796	-	3,738	58,752,243	177,547,695	137,168,030
Plant and machinery (refer note 2 and 3 below)	7,046,020,989	554,318,377	10,608,885	7,598,730,481	1,631,636,727	406,538,208	-	8,180,735	2,029,994,200	5,569,736,281	5,414,384,262
Office equipments	245,503,467	26,413,177	560,995	257,928,293	74,327,797	14,198,740	87,858	6,415,859	82,023,820	175,904,473	171,175,670
Vehicles	35,608,725	2,323,568	2,338,070	35,594,223	19,194,095	2,101,497	-	2,263,823	19,031,769	16,562,454	16,414,630
Furniture and fixtures	316,582,685	28,844,852	39,250	342,152,774	109,470,043	28,280,763	11,321	2,019,588	135,719,897	206,432,877	207,112,642
Electric fittings, fans and coolers	366,904,125	41,258,211	169,548	408,148,109	77,028,284	19,358,686	53,694	1,069,664	95,263,612	310,884,497	289,875,841
Computers	464,951,677	49,740,481	836,636	487,366,668	315,749,128	43,579,792	432,051	23,596,266	335,300,603	152,065,465	149,202,549
Total Tangible assets	10,011,090,289	1,208,741,325	1,606,629	11,156,444,645	2,379,475,051	572,321,360	584,924	44,077,357	2,907,134,130	8,249,310,515	7,631,615,238
Intangible assets											
One time license fees	512,201,000	-	-	512,201,000	299,960,465	51,220,100	-	-	351,180,565	161,020,435	212,240,535
Computer software - including ERP	131,153,397	7,551,992	-	138,705,389	47,520,359	17,294,875	-	-	64,815,234	73,890,155	83,633,038
Goodwill on consolidation [refer note 27 (A)]	376,698,134	-	355,957,875	20,740,259	1,606,190	747,945	-	-	1,606,190	19,134,070	375,091,944
Goodwill	40,609,517	-	15,000,000	25,609,517	30,232,468	-	5,370,896	-	25,609,517	-	10,377,049
Total Intangible assets	1,060,662,048	7,551,992	355,957,875	697,256,165	379,319,482	69,262,920	5,370,896	-	443,211,506	254,044,660	681,342,566
Grand Total	11,071,752,337	1,216,293,317	16,606,629	11,853,700,810	2,758,794,533	641,584,280	5,955,820	44,077,357	3,350,345,636	8,503,355,175	8,312,957,804
Capital work-in-progress (refer note 1 below)											
Previous year ended March 31, 2013	9,701,480,925	1,444,678,954	-	11,071,752,337	2,218,268,947	580,517,595	-	38,992,009	2,756,794,533	8,312,957,804	70,248,235

Notes

- Expenses relating to construction or acquisition of fixed assets capitalised during the year ₹ 10,100,384 (March 31, 2013: ₹ 4,590,835) and included in capital work-in-progress as at the year end ₹ Nil (March 31, 2013: ₹ 611,193).
- Plant and machinery above includes common transmitters infrastructure which are jointly held assets as at March 31, 2014:
Gross block - ₹ 122,386,729 (March 31, 2013: ₹ 122,386,729)
Net block - ₹ 39,167,393 (March 31, 2013: ₹ 49,469,079)
% of Ownership -30.26% (March 31, 2013: 30.26%)
- Additions to plant and machinery during the year includes exchange differences net loss capitalised ₹ 131,750,219 (March 31, 2013 ₹ 86,097,461).

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

13 Non-current investments

	March 31, 2014 ₹	March 31, 2013 ₹
A Non trade investments (fully paid up, valued at cost unless stated otherwise) (net of provision, wherever applicable) (refer note 37):		
(a) Quoted investment in equity shares:		
(1) 300,000 (March 31, 2013: 300,000) equity shares of ₹ 10 each of Ajcon Global Services Limited [Gross value ₹ 22,500,000 (March 31, 2013: ₹ 22,500,000), provision* ₹ 17,500,000 (March 31, 2013: ₹ 17,500,000)]	5,000,000	5,000,000
(2) 52,136 (March 31, 2013: 52,136) equity shares of ₹ 10 each of Everonn Education Limited [Gross value ₹ 22,800,000 (March 31, 2013: ₹ 22,800,000), provision* ₹ 20,000,000 (March 31, 2013: ₹ 20,000,000)]	2,800,000	2,800,000
(3) 5,340,000 (March 31, 2013: 5,340,000) equity shares of ₹ 5 each of DMC Education Limited [Gross value ₹ 26,700,000 (March 31, 2013: ₹ 26,700,000), provision* ₹ 20,000,000 (March 31, 2013: ₹ 10,000,000)]	6,700,000	16,700,000
(b) Unquoted investments:		
(i) Investment in equity shares:		
(1) 100,000 (March 31, 2013: 100,000) equity shares of ₹ 10 each of Dwarkas Gems Limited [Gross value ₹ 15,000,000 (March 31, 2013: ₹ 15,000,000), provision* ₹ 15,000,000 (March 31, 2013: ₹ 15,000,000)]	-	-
(2) 375,000 (March 31, 2013: 375,000) equity shares of ₹ 10 each of Arvind Coirfoam Private Limited [Gross value ₹ 15,000,000 (March 31, 2013: ₹ 15,000,000), provision* ₹ 15,000,000 (March 31, 2013: ₹ 15,000,000)]	-	-
(3) 325,000 (March 31, 2013: 325,000) equity shares of ₹ 10 each of Micro Secure Solution Limited [Gross value ₹ 141,250,000 (March 31, 2013: ₹ 141,250,000), provision* ₹ 56,775,000 (March 31, 2013: ₹ Nil)]	84,475,000	141,250,000
(4) 81,085 (March 31, 2013: 81,085) equity shares of ₹ 10 each of Naaptol Online Shopping Private Limited	30,000,000	30,000,000
(5) 486,825 (March 31, 2013: 486,825) equity shares of ₹ 10 each of Neesa Leisure Limited [Gross value ₹ 100,000,000 (March 31, 2013: ₹ 100,000,000), provision* ₹ 21,600,000 (March 31, 2013: ₹ Nil)]	78,400,000	100,000,000
(6) 140,000 (March 31, 2013: 140,000) equity share of ₹ 10 each of Trophic Wellness Private Limited [Gross value ₹ 39,900,000 (March 31, 2013: ₹ 39,900,000), provision* ₹ 29,900,000 (March 31, 2013: ₹ Nil)]	10,000,000	39,900,000
(7) 1,100,917 (March 31, 2013: 1,100,917) equity shares of ₹ 1 each of Abbee Consumables and Peripherals Sshope Limited [Gross value ₹ 30,000,000 (March 31, 2013: ₹ 30,000,000), provision* ₹ 30,000,000 (March 31, 2013: ₹ 30,000,000)]	-	-
(8) 2,434 (March 31, 2013: 2,434) equity share of ₹ 10 each of Koochie Play Systems Private Limited	20,000,000	20,000,000
(9) 100 (March 31, 2013: 100) equity shares of ₹ 100 each of United News of India	10,000	10,000
(10) 10 (March 31, 2013: 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, 2013: 200,000), Zero % fully convertible debentures of ₹ 100 each of Cubit Computers Private Limited [Gross value ₹ 20,000,000 (March 31, 2013: ₹ 20,000,000), provision* ₹ 20,000,000 (March 31, 2013: ₹ 20,000,000)]	-	-
(2) 700,935 (March 31, 2013: 700,935) convertible warrants of ₹ 53.50 of Edserv Softsystems Limited [Gross value ₹ 37,500,000 (March 31, 2013: ₹ 37,500,000), provision* ₹ 37,500,000 (March 31, 2013: ₹ 32,500,000)]	-	5,000,000
(3) 1 (March 31, 2013: 1), Zero % fully convertible debenture of ₹ 8,500,000 each of Roxton (Italy) Clothing Private Limited	8,500,000	8,500,000
(4) 1 (March 31, 2013: 1), Zero % fully convertible debenture of ₹ 25,500,000 each of Timbor Home Limited	25,500,000	25,500,000
(5) 1 (March 31, 2013: 1), Zero % fully convertible debenture of ₹ 390,000,000 each of Gitanjali Gems Limited	390,000,000	390,000,000
B Investment property (at cost less accumulated depreciation)**		
Buildings	62,806,956	22,774,304
[Cost of property: ₹ 63,803,526 (March 31, 2013: ₹ 22,898,300) less accumulated depreciation: ₹ 996,570 (March 31, 2013: ₹ 123,996)]		
	724,192,956	807,435,304
Aggregate amount of quoted investments (net of other than temporary diminution in value of investments)	14,500,000	24,500,000
Aggregate market value of quoted investments	11,868,527	18,553,528
Aggregate amount of unquoted investments (net of other than temporary diminution in value of investments)	646,886,000	760,161,000
Aggregate provision for other than temporary diminution in value of investments	283,275,000	160,000,000

* Provision represents provision for other than temporary diminution in value of investment

** Includes property of ₹ 40,800,060 (March 31, 2013: ₹ Nil) pending to be registered in the Company's name

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

14 Loans and advances

(Unsecured, considered good unless stated otherwise)

	Non-current		Current	
	March 31, 2014 ₹	March 31, 2013 ₹	March 31, 2014 ₹	March 31, 2013 ₹
a Capital advances				
Advances for capital goods	38,013,312	54,362,695	-	-
b Advances for properties				
Considered good	321,198,883	210,717,545	-	-
Unsecured considered doubtful	71,000,000	71,000,000	-	-
	392,198,883	281,717,545	-	-
Less: Provision for doubtful advances	(71,000,000)	(71,000,000)	-	-
	321,198,883	210,717,545	-	-
c Security deposits				
Deposit with government authorities	54,842,577	55,251,151	-	-
Security deposit against lease of properties [refer note 28(b)]	1,353,320,200	453,320,200	-	-
Deposit with others	79,258,306	74,553,735	-	-
	1,487,421,083	583,125,086	-	-
d Loans and advances to related parties [refer note 28(b)]				
Advances recoverable in cash or kind or for value to be received	-	-	19,761,734	307,518,078
	-	-	19,761,734	307,518,078
e Other loans and advances				
Taxes paid (net of provision for taxation)	8,558,861	1,913,482	-	-
Advances recoverable in cash or kind or for value to be received	-	-	338,119,291	217,191,578
Advances to employees	-	-	23,037,174	22,244,522
Unsecured considered doubtful				
Advances recoverable in cash or kind or for value to be received	-	-	19,979,338	679,338
	8,558,861	1,913,482	381,135,803	240,115,438
Less: Provision for doubtful advances	-	-	19,979,338	679,338
	8,558,861	1,913,482	361,156,465	239,436,100
Total loans and advances	1,855,192,139	850,118,808	380,918,199	546,954,178

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

	Non-current		Current	
	March 31, 2014 ₹	March 31, 2013 ₹	March 31, 2014 ₹	March 31, 2013 ₹
Firm in which directors are partner				
R.C. Printer	16,870,200	16,870,200	-	-
Private companies in which directors are member				
Writers and Publishers Private Limited	1,323,233,800	423,233,800	3,080,980	140,000,000
Bhaskar Publication and Allied Industries Private Limited	-	-	15,378,774	166,666,635
DB Malls Private Limited	-	-	950,968	818,720
Bhaskar Industries Private Limited	1,619,435	1,619,435	-	-
Decore Exxoil Private Limited	-	-	22,180	-
DB Infrastructure Private Limited	-	-	218,637	-
Bhaskar Infrastructure Private Limited	11,596,765	-	1,440	-

15 Other asset

(Unsecured, considered good unless stated otherwise)

	Non-current		Current	
	March 31, 2014 ₹	March 31, 2013 ₹	March 31, 2014 ₹	March 31, 2013 ₹
Non-current bank balance (refer note 18)	2,200,000	2,254,978	-	-
Unamortised term loan processing fees (ancillary borrowing costs)	46,304,705	62,174,383	15,869,678	15,869,678
	48,504,705	64,429,361	15,869,678	15,869,678

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

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

	March 31, 2014	March 31, 2013
	₹	₹
Raw materials		
News print	1,349,006,780	844,072,342
News print in transit	112,108,830	236,302,171
	1,461,115,610	1,080,374,513
Finished goods - Magazines	7,443,078	1,090,143
Stores and spares	263,781,408	217,691,234
	1,732,340,096	1,299,155,890

**17 Trade receivables
(Unsecured, considered good unless stated otherwise)**

	March 31, 2014	March 31, 2013
	₹	₹
Outstanding for a period less than six months from the date they are due for payment	3,027,941,713	2,837,633,186
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	251,856,957	245,642,370
Considered doubtful	270,376,991	211,376,513
	522,233,948	457,018,883
Less: Provision for doubtful trade receivables	270,376,991	211,376,513
	251,856,957	245,642,370
	3,279,798,670	3,083,275,556

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).

18 Cash and bank balances

	Non-current		Current	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	₹	₹	₹	₹
Cash and cash equivalents:				
Balances with banks				
On current account	-	-	528,945,849	473,671,047
Deposits with original maturity of less than 3 months	-	-	230,000,000	450,003,000
Cheques on hand / transit	-	-	313,308,723	240,521,916
Cash on hand	-	-	21,052,384	25,377,163
	-	-	1,093,306,956	1,189,573,126
Other bank balances:				
Unclaimed dividend accounts	-	-	530,021	406,941
Deposits with original maturity of more than 3 months but less than 12 months	-	-	38,278,085	84,626,084
Deposits with original maturity of more than 12 months	2,200,000	2,254,978	844,900	2,028,276
	2,200,000	2,254,978	1,132,959,962	1,276,634,427
The above includes				
Amount disclosed under the head "Other non-current assets" (refer note 15)	(2,200,000)	(2,254,978)	-	-
	-	-	1,132,959,962	1,276,634,427

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

	March 31, 2014 ₹	March 31, 2013 ₹
19 Revenue from operations		
Sale of products		
Sale of newspapers	3,181,948,631	2,763,243,006
Sale of magazines	52,389,962	59,493,811
	3,234,338,593	2,822,736,817
Sale of services		
Advertisement revenue	14,178,025,366	12,075,350,142
Printing job charges	892,642,890	694,398,630
Portal and wireless revenue	605,140	1,830,139
	15,071,273,396	12,771,578,911
Other operating revenue		
Income from event management	53,415,654	125,772,871
Sale of power	7,706,749	5,133,235
Sale of wastage arising during printing activity	230,850,316	197,942,449
	291,972,719	328,848,555
Total revenue from operations	18,597,584,708	15,923,164,283
20 Other income		
Interest income from:		
Bank deposits	72,565,249	88,898,414
Inter-corporate deposits	-	5,264,381
Others	11,804,559	2,163,056
Provision for doubtful trade receivables written back	-	2,068,436
Excess liabilities / provisions written back (refer note 41)	119,775,023	59,525,423
Miscellaneous income	34,472,217	55,503,280
	238,617,048	213,422,990
21 Cost of raw material consumed		
Newsprint		
Opening inventories	1,080,374,513	996,218,176
Add: Purchased during the year	6,710,277,380	5,529,589,133
	7,790,651,893	6,525,807,309
Less: Closing inventories	1,461,115,610	1,080,374,513
	6,329,536,283	5,445,432,796
22 Employee benefit expenses		
Salaries, wages and bonus	2,703,583,274	2,480,082,647
Contribution to provident fund and employee's state insurance corporation (refer note 35)	154,937,951	141,845,422
Employee stock option scheme	7,585,370	8,491,086
Gratuity expenses (refer note 35)	42,282,219	39,757,544
Workmen and staff welfare expenses	116,805,428	124,847,777
	3,025,194,242	2,795,024,476

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

		March 31, 2014	March 31, 2013
		₹	₹
23	Other expenses		
	Consumption of stores and spares	1,034,090,276	948,117,147
	Electricity and water charges	355,574,409	335,168,457
	Distribution expenses	280,422,234	280,064,753
	Repair and maintenance:-		
	Plant and machinery	206,445,802	150,038,182
	Building	13,211,092	17,639,487
	Others	52,421,375	59,676,498
	Rent (refer note 30)	230,643,501	217,489,391
	Business promotion expenses	197,296,895	211,425,016
	Survey expenses	176,356,189	172,621,953
	Advertisement and publicity	206,835,478	172,141,421
	News collection charges	152,963,027	151,441,781
	Traveling and conveyance	183,925,591	147,324,406
	Legal and professional charges (refer note 38 and 40)	163,496,653	132,069,899
	Royalty (refer note 29)	55,065,770	64,125,562
	Communication expenses	67,141,560	60,423,148
	Printing job work charges	46,776,550	47,639,458
	Event expenses	47,992,714	120,800,040
	License fees	38,076,770	32,596,223
	Insurance	14,377,007	12,844,186
	Rates and taxes	8,069,802	7,208,983
	Loss on disposal of investment in subsidiary [refer note 27 (C)]	415,971	-
	Loss on sale / disposal of fixed assets (net)	11,890,642	13,822,674
	Bad trade receivables written off	20,195,576	
	Less: Already provided	<u>(19,356,865)</u>	
	Provision for doubtful trade receivables	78,357,343	68,731,157
	Provision for other than temporary diminution in value of investments	123,275,000	62,500,000
	Provision for doubtful advances	19,300,000	-
	Miscellaneous expenses	448,109,445	374,217,324
		4,213,369,807	3,861,803,356
24	Finance costs		
	Interest expense:		
	On term loans	13,554,600	18,410,859
	On banks	5,981,154	22,395,006
	On others	18,126,637	23,216,693
	Amortisation of term loan processing fees	15,869,678	15,869,678
	Foreign exchange difference considered as borrowing cost	21,813,098	24,616,524
		75,345,167	104,508,760

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

25. Earnings per share (EPS)

Particulars	March 31, 2014	March 31, 2013
i) Profit for the year (₹)	3,066,457,064	2,181,365,091
ii) Weighted average number of equity shares outstanding for Basic EPS	183,412,718	183,340,073
iii) On account of shares to be issued under ESOS	183,070	230,447
iv) Weighted average number of Equity Shares outstanding for Diluted EPS	183,595,788	183,570,520
v) Nominal value of share (₹)	10.00	10.00
vi) Basic Earnings per share (₹)	16.72	11.90
vii) Diluted Earnings per share (₹)	16.70	11.88

26. Utilisation of initial public offer proceeds

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, 2014 and March 31, 2013.

Particulars	Amount to be utilised as per Prospectus	Actual utilisation till March 31, 2014	Balance to be utilised/ (excess utilised) as on March 31, 2014
	₹	₹	₹
Setting up publishing units	600,000,000	818,515,123	(218,515,123)
Upgrading existing plant and machinery	305,000,000	614,685,911	(309,685,911)
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	111,599,896	31,005,104
Total	2,690,065,000	2,690,065,000	-

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

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 and accordingly, the management has reallocated the proposed utilisation as explained in the table above with the approval of the Audit Committee and the Board of Directors of the Company.

As at March 31, 2014 there are no unutilised proceeds. As at March 31, 2013, pending utilisation, proceeds of ₹ 115,221 were temporarily held in current accounts with banks.

27. Schemes of arrangement:

A) Demerger of Integrated Internet and Mobile Interactive Services business of I Media Corp Limited (IMCL) and merger with the Company:

The Company along with its subsidiary IMCL had filed a Scheme for demerger of Integrated Internet and Mobile Interactive Services business of IMCL and merger with the Company.

The Scheme of Arrangement was approved by the Honorable High Court of Madhya Pradesh, Principal seat at Jabalpur, vide their order dated March 27, 2014 which was filed with the Registrar of Companies on April 08, 2014. Accordingly the Scheme became effective on April 08, 2014 with appointed date April 01, 2013.

As prescribed in the Scheme, all the assets and liabilities of Integrated Internet and Mobile Interactive Services business of IMCL as at March 31, 2013 were transferred to the Company at their respective book value. As IMCL is a wholly owned subsidiary of the Company, the above transaction does not have any effect on the consolidated financial statements of the Company.

Post this Demerger, Goodwill of ₹ 355,957,875 recognised on acquisition of additional stake in IMCL has been derecognised and charged against the general reserve in the Consolidated Financial Statements.

As per Clause 4.6 of the Scheme, the unabsorbed depreciation and brought forward losses related to IMCL (against which IMCL had not recognised deferred tax assets) till March 31, 2013 aggregating to ₹ 439,544,502 has been transferred to the Company which has been set off by the Company while computing the Current Tax provision for the year ended March 31, 2014. This has resulted in a net reduction of ₹ 149,401,176 in the current tax expense.

B) Scheme of Amalgamation between Synergy Media Entertainment Limited (SMEL) and I Media Corp Limited (IMCL)

On December 11, 2012, the Company acquired additional

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

stake in its two subsidiaries i.e. 45% in IMCL and 43.18% in 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, whereby with effect from December 11, 2012, IMCL and SMEL became 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.

Post this acquisition, with an objective of consolidation of event management business in one single entity, the management of the Company decided to merge SMEL with IMCL and pursuant to approval of the Honorable High Court of Madhya Pradesh dated April 30, 2013, SMEL was merged with IMCL with effect 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 from the appointed date. The purchase consideration was 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.

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

- C)** On June 30, 2013, the Group sold its stake in a subsidiary Divya Prabhat Publications Private Limited ('DPPPL') for a consideration of ₹10,000,000. The resultant loss of ₹ 415,971 has been recognised as a loss on disposal of investment in subsidiary and included under the head 'Other expenses' (refer note 23).

28. (a) Related party's disclosure

Related party disclosures, as required by Accounting Standard 18 - "Related Party Disclosures" are given below:

Particulars	Related Party
Related parties with whom transaction have taken place during the year	
Key Management Personnel	<ul style="list-style-type: none"> - Shri Sudhir Agarwal, Managing Director - Shri Pawan Agarwal, Deputy Managing Director (with effect from July 31, 2013)
Relatives of Key Management Personnel	<ul style="list-style-type: none"> - Shri Ramesh Chandra Agarwal (Father of Shri Sudhir Agarwal and Shri Pawan Agarwal) - Shri Girish Agarwal, Director (Brother of Shri Sudhir Agarwal and Shri Pawan Agarwal) - Smt Kasturi Devi Agarwal (Grand Mother of Shri Sudhir Agarwal and Shri Pawan 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	<ul style="list-style-type: none"> - Abhivyakti Kala Kendra - Bhaskar Printing Press- MPCG - Bhaskar Printing Press- CPH2 - Bhaskar Samachar Seva - Bhaskar Publication and Allied Industries Private Limited - Bhaskar Infrastructure Private Limited (Formerly known as Bhaskar Infrastructure Limited) - Bhaskar Industries Private Limited - Decore Exxoil Private Limited - Bhaskar Venkatesh Products Private Limited - DB Malls Private Limited - DB Power Limited - DB Infrastructure Private Limited - R.C. Printer - Writers and Publishers Private Limited - Diligent Media Corporation Limited (up to October 09, 2012) - Diligent 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 - Prabhat Kiran Private Limited (up to June 30, 2013)

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

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

Particulars	Transactions for the Year ended		Amount receivable / (Payable) as at	
	March 31, 2014 ₹	March 31, 2013 ₹	March 31, 2014 ₹	March 31, 2013 ₹
Advertisement revenue				
Abhiviyakti Kala Kendra	54,000	-	-	-
Bhaskar Industries Private Limited	1,676,053	216,571	-	61,742
Bhaskar Venkatesh Products Private Limited	3,047,438	1,848,627	1,670,170	2,522,247
D B Malls Private Limited	8,709,544	275,470	-	-
DB Power Limited	241,576	252,900	-	-
Diligent Hotels Corporation Private Limited	44,614	288,602	1,526,194	1,583,468
Writers and Publishers Private Limited	-	3,541,444	-	-
Sale of magazines				
Bhaskar Publication and Allied Industries Private Limited	224,221	312,920	125,459	590,984
Printing job charges (Revenue)				
Bhaskar Publication and Allied Industries Private Limited	3,839,516	4,276,693	-	-
Salaries, wages and bonus				
Shri Sudhir Agarwal	6,000,000	6,000,000	-	-
Shri Pawan Agarwal	3,500,000	1,200,000	-	(3,893,600)
Rent Income				
Bhaskar Publication and Allied Industries Private Limited	1,000,000	1,000,000	-	-
Rent Paid				
Bhaskar Industries Private Limited	156,000	156,000	-	-
Bhaskar Infrastructure Private Limited	3,951,312	3,951,312	-	(146,510)
D B Malls Private Limited	-	125,000	-	-
R.C. Printer	12,275,136	12,275,136	-	-
Writers and Publishers Private Limited	65,339,568	65,639,568	-	(1,080,500)
Decore Exxoil Private Limited	13,714,310	9,711,459	-	-
Prabhat Kiran Private Limited	-	-	-	(1,350,000)
News collection charges				
Bhaskar Samachar Seva	-	426,699	(1,997,869)	(2,010,760)
Diligent Media Corporation Limited	-	1,128,558	-	-
Printing job work charges				
Bhaskar Printing Press- CPH2	-	-	(271,975)	(271,975)
Bhaskar Printing Press- MPCG	-	-	(442,220)	(442,220)
Diligent Media Corporation Limited	-	4,174,030	-	-
Prabhat Kiran Private Limited	-	8,003,947	-	(679,022)
Royalty paid				
Diligent Media Corporation Limited	-	4,629,676	-	-
Advertisement and publicity expenses				
Abhiviyakti Kala Kendra	2,606,990	-	(184,000)	-
D B Malls Private Limited	199,106	173,760	-	(8,820)
Diligent Hotels Corporation Private Limited	1,424,582	-	-	-
Traveling and conveyance				
Diligent Hotels Corporation Private Limited	2,706,428	87,346	(85,320)	(87,346)
Interest income from inter-corporate deposits				
Writers and Publishers Private Limited	-	5,264,381	-	-
Sale of Fixed Assets				
Diligent Media Corporation Limited	-	4,506,913	-	-
Purchase of Fixed Assets				
Bhaskar Publication and Allied Industries Private Limited	-	13,332	-	-

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

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

Particulars	Transactions for the Year ended		Amount receivable / (Payable) as at	
	March 31, 2014 ₹	March 31, 2013 ₹	March 31, 2014 ₹	March 31, 2013 ₹
Loan and advances repaid				
Writers and Publishers Private Limited	-	(87,499,992)	-	-
Advance repaid for publication of advertisement				
Writers and Publishers Private Limited	-	(3,725,464)	(18,427,431)	(18,433,431)
Sale of investments				
Writers and Publishers Private Limited	-	-	-	60,000,000
Security Deposit given against lease of properties				
Writers and Publishers Private Limited	900,000,000	-	1,323,233,800	423,233,800
R.C. Printer	-	-	16,870,200	16,870,200
Bhaskar Infrastructure Private Limited	-	-	11,596,765	11,596,765
Bhaskar Industries Private Limited	-	-	1,619,435	1,619,435
Security Deposit Received				
Bhaskar Publication and Allied Industries Private Limited	-	-	(10,000,000)	(10,000,000)
Purchase of investments in subsidiaries made from minority shareholders (refer note 27 (B))				
Bhaskar Infrastructure Private Limited	-	23,621,405	-	-
Shri Girish Agarwal	-	19,006	-	-
Shri Pawan Agarwal	-	19,006	-	-
Shri Sudhir Agarwal	-	19,006	-	-
Smt Jyoti Agarwal	-	14,443	-	-
Smt Namita Agarwal	-	13,690	-	-
Smt Nitika Agarwal	-	13,690	-	-
Writers and Publishers Private Limited	-	355,954,108	-	-
News print given				
Bhaskar Publication and Allied Industries Private Limited	30,244,364	34,148,338	15,378,774	54,740,706
Dividend Paid				
Bhaskar Infrastructure Private Limited	78,730,730	63,590,205	-	-
Bhaskar Publication and Allied Industries Private Limited	19,615,700	15,843,450	-	-
Bhopal Financial Services Private Limited	36,771,735	29,700,248	-	-
Chambal Tradings Private Limited	54,739,100	44,212,350	-	-
Dev Fiscal Service Private Limited	10,783,500	8,709,750	-	-
Peacock Trading and Investments Private Limited	65,827,106	53,168,047	-	-
Shri Girish Agarwal	163,067,164	85,890,977	-	-
Smt Jyoti Agarwal	32,162,046	45,239,787	-	-
Shri Pawan Agarwal	182,990,964	97,428,492	-	-
Shri Ramesh Chandra Agarwal	5,991,434	160,367,055	-	-
Shri Sudhir Agarwal	173,429,419	100,480,832	-	-
Smt Kasturi Devi Agarwal	648,668	281,899	-	-
Smt Namita Agarwal	42,524,300	34,346,550	-	-
Smt Nitika Agarwal	22,600,500	18,254,250	-	-
Stitex Global Limited	3,900,000	3,150,000	-	-
Balance outstanding at the year end				
Bhaskar Industries Private Limited	-	-	(2,100)	-
Bhaskar Infrastructure Private Limited	-	-	1,440	-
Bhaskar Publication and Allied Industries Private Limited	-	-	-	111,925,929
D B Malls Private Limited	-	-	950,968	818,720
Decore Exxoil Private Limited	-	-	22,180	-
DB Infrastructure Private Limited	-	-	218,637	-
DB Power Limited	-	-	108,755	32,723
R.C. Printer	-	-	(812,393)	-
Writers and Publishers Private Limited	-	-	3,080,980	80,000,000
Prabhat Kiran Private Limited	-	-	-	(12,920)



D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

(c) Corporate guarantee given

The Company has given a Corporate Guarantee of ₹ 450,000,000 (March 31, 2013: ₹ 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.

29. Royalty:

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 Honorable Supreme Court. This appeal is pending before the Honorable 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 is 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 for the period before August 25, 2010 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 is expected to prejudice seriously the position of the Company with regards to the litigation.

30. Leases

Operating Lease (for assets taken on Lease):

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.

- 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 ₹ 230,643,501 (March 31, 2013: ₹ 217,489,391)
- 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-cancellable leases.

Operating lease (for assets given on Lease):

- a) The Group has given printing machine on operating lease arrangement for a period of 6 years. The lease arrangement is cancellable with mutual consent.

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

- b) Lease income recognised for the year is ₹ 1,000,000 (March 31, 2013 ₹ 1,000,000).
- c) There are no restrictions imposed in the lease agreements and there is no escalation clause in the agreement.
- d) The details of fixed assets given on operating lease are as follows:

Particulars	March 31, 2014	March 31, 2013
	₹	₹
Gross carrying amount	30,483,936	30,483,936
Accumulated depreciation	11,162,393	9,714,407
Depreciation recognised in the statement of profit and loss	1,447,986	1,447,986

31. Contingent liabilities not provided for:

- a) For details of corporate guarantee given refer note 28 (c).
- 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 ₹ 1,593,215 (March 31, 2013: ₹ 4,189,036). 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.

32. Commitments

Capital commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 100,533,742 (March 31, 2013: ₹ 112,205,232).

33. Derivative Instruments

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

Nature of derivative contract	Nature underlying exposures	March 31, 2014		March 31, 2013	
		Amount in USD	Amount in Indian currency ₹	Amount in USD	Amount in Indian currency ₹
Foreign exchange forward contracts	Buyers credit from banks	-	-	509,857	27,689,204
Foreign exchange forward contracts	Trade payables	1,450,000	88,266,750	-	-

- b) As of balance sheet date, the Group's net foreign currency exposure (payable) that is not hedged is ₹ 1,720,195,716 (March 31, 2013 ₹ 1,717,739,662).

34. Minority Interest

The details of changes in minority interest are as follows:

Particulars	Amount ₹
Balance as at April 01, 2013	10,627,285
Less: Share of losses for the period April 01, 2013 till the date sale of stake	165,039
Less: Effect on minority interest due to sale of stake in DPPPL [refer note 27 (C)]	10,462,246
Balance as at March 31, 2014	-

35. Employee benefits

Defined contribution plan

During the year ended March 31, 2014 and March 31, 2013; the Group contributed the following amounts to defined contribution plans:

Particulars	March 31, 2014	March 31, 2013
	₹	₹
Provident fund	125,796,081	114,134,731
Employees' State Insurance Corporation	29,141,870	27,710,691
Total	154,937,951	141,845,422

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 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.

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

Statement of profit and loss:

Net Employee benefits expense (recognised in employee cost)

Particulars - Gratuity	March 31, 2014	March 31, 2013
	₹	₹
Current service cost	18,125,193	20,163,476
Interest cost on benefit obligation	10,238,630	7,988,588
Expected return on plan assets	(7,842,116)	(7,177,552)
Net actuarial loss recognised in the year	21,760,512	18,707,129
Past service cost	-	-
Net benefit expense	42,282,219	39,681,641
Actual return on plan assets	8,266,472	6,856,013

Balance Sheet

Details of Provision and fair value of plan assets

Particulars - Gratuity	March 31, 2014	March 31, 2013
	₹	₹
Present value of defined benefit obligation	164,452,366	129,538,828
Fair value of plan assets	(98,166,286)	(90,139,269)
Net liability	66,286,080	39,399,559

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

Particulars - Gratuity	March 31, 2014	March 31, 2013
	₹	₹
Opening defined benefit obligation	127,982,879	93,983,382
Interest cost	10,238,630	7,988,588
Current service cost	18,125,193	20,163,474
Benefits paid	(14,079,204)	(10,982,208)
Actuarial losses on obligation	22,184,868	18,385,590
Closing benefit obligation	164,452,366	129,538,828

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

Particulars - Gratuity	March 31, 2014	March 31, 2013
	₹	₹
Opening fair value of plan assets	90,139,269	84,441,788
Expected return	7,842,116	7,177,552
Contributions by employer	13,839,749	9,823,676
Benefits paid	(14,079,204)	(10,982,208)
Actuarial losses on plan assets	424,356	(321,539)
Closing fair value of plan assets	98,166,286	90,139,269
Actuarial losses recognised in the year	21,760,512	18,164,677

The Group expects to contribute ₹ 20,000,000 (March 31, 2013 ₹ 10,000,000) to gratuity fund during the annual period beginning after balance sheet date.

As at March 31, 2014 and March 31, 2013, the entire plan assets are held in the form of investments with insurer.

The principal assumptions used in determining gratuity obligations for the plans of the plans of the Companies are shown below:

Particulars - Gratuity	March 31, 2014	March 31, 2013
Discount rate	9.14%	8.00%
Expected rate of return on assets	9.14%	8.70%
Employee turnover	0-5 years of service- 28% 5-10 years of service- 14% and for service thereafter- 7%	0-5 years of service- 28% and for service thereafter- 14%
Estimated future salary increase	6%	6%

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.

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

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, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
	₹	₹	₹	₹	₹
Defined benefit obligation	164,452,366	127,982,879	93,350,785	81,867,707	67,922,829
Plan assets	98,166,286	90,139,269	84,441,788	74,060,336	60,785,240
Asset / (Liability)	(66,286,080)	(37,843,610)	(8,908,997)	(7,807,371)	(7,137,589)
Experience adjustments on plan liabilities (Gain) / Loss	41,006,466	15,433,065	(706,745)	4,523,864	3,633,997
Experience adjustments on plan assets Gain / (Loss)	424,356	(321,539)	(3,773,443)	(1,209,129)	4,780,173

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.

36. Employee Stock Option Schemes 2008, 2010 and 2011

The Group has granted Stock Options to its employees through its equity settled schemes referred to as "DBCL – ESOS 2008", "DBCL- ESOS 2010" and "DBCL-ESOS 2011". During the year ended March 31, 2014 the following schemes were in operation:

	DBCL – ESOS 2008	DBCL – ESOS 2010	DBCL – ESOS 2011
Number of options under the scheme	700,000	600,000	3,000,000
Number of option granted under the scheme	413,427	491,203	234,300 (T-1) 203,170 (T-2)
Vesting Period	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	For T-1: Within five years from the date of vesting For T-2: Within three 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.	For T-1: 61.95% discount to the market price on date of grant. For T-2: 50.00% 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		

The details of activity under DBCL ESOS 2008, ESOS 2010, ESOS 2011 (T-1) and ESOS 2011 (T-2) are as summarised below:

Particulars	March 31, 2014 (no of options)			
	DBCL – ESOS 2008	DBCL - ESOS 2010	DBCL – ESOS 2011 (T-1)	DBCL – ESOS 2011 (T-2)
Outstanding at the beginning of the year	155,609	357,666	175,410	-
Granted during the year	-	-	-	203,170
Forfeited / cancelled during the year	12,854	50,461	22,100	16,560
Exercised during the year	47,555	41,462	22,640	-
Expired during the year	7,020	-	-	-
Outstanding at the end of the year	88,180	265,743	130,670	186,610
Exercisable at the end of the year	88,180	134,664	29,540	-
Weighted average remaining contractual life (no of years)	2.76	2.85	5.59	7.22
Weighted average fair value of options granted (₹)	101.31	124.97	177.57	122.86
*Weighted average exercise price (₹)	124	168	95	113

Particulars	March 31, 2013 (no of options)			
	DBCL – ESOS 2008	DBCL - ESOS 2010	DBCL – ESOS 2011 (T-1)	DBCL – ESOS 2011 (T-2)
Outstanding at the beginning of the year	231,831	411,944	203,850	-
Granted during the year	-	-	-	-
Forfeited / cancelled during the year	20,915	41,370	10,560	-
Exercised during the year	34,702	12,908	17,880	-
Expired during the year	20,605	-	-	-
Outstanding at the end of the year	155,609	357,666	175,410	-
Exercisable at the end of the year	107,016	128,888	22,890	-
Weighted average remaining contractual life (no of years)	3.76	5.11	8.05	-
Weighted average fair value of options granted (₹)	101.31	124.97	177.57	-
*Weighted average exercise price (₹)	124	168	95	-

* Weighted average exercise price for every scheme represents the weighted average exercise price for options outstanding at the beginning of the year, options granted, forfeited, exercised, expired during the year and options exercisable, outstanding at the end of the year, under respective schemes.

For options exercised during the year, the weighted average share price during the year was ₹ 263.45 per share (March 31, 2013: ₹ 212.24 per share).

The details of exercise price for stock options outstanding at the end of the year as at March 31, 2014 is as under :

ESOP Schemes	Exercise prices (₹)	Number of Options outstanding	Weighted average remaining contractual life of options (in years)
ESOP 2008	124	88,180	2.76
ESOP 2010	168	265,743	2.85
ESOP 2011(T-1)	95	130,670	5.59
ESOP 2011(T-2)	113	186,610	7.22

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

Stock options granted

203,170 options have been granted during the year ended March 31, 2014. The weighted average fair value of stock options granted during the year ₹ 122.86 (March 31, 2013 ₹ Nil). The Black and Scholes Options Pricing model has been used for computing the weighted average fair value considering the following inputs:

	March 31, 2014	March 31, 2013
Weighted average share price (₹)	226.05	
Exercise Price (₹)	50.00% discount to the market price on date of grant i.e ₹ 113.00	
Expected Volatility	26.71%	No options were granted during the year
Life of the options granted (Vesting and exercise period) in years	4.50	
Average risk-free interest rate	7.41%	
Expected dividend yield	2.43%	

The expected life of the options 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 option is indicative of future trends, which may also not necessarily be the actual outcome. The Company expects the volatility of its share price to reduce as it matures.

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, 2014	March 31, 2013
	₹	₹
Profit after tax as reported	3,066,457,064	2,181,365,091
Add: Employee stock compensation cost under intrinsic value method	7,585,370	8,491,087
Less: Employee stock compensation cost under fair value method	7,681,986	10,880,440
Proforma profit after tax	3,066,360,447	2,178,975,738
Earnings Per Share		
Basic		
- As reported	16.72	11.90
- As adjusted	16.72	11.88
Diluted		
- As reported	16.70	11.88
- As adjusted	16.70	11.87

37. 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, 2014, the Group has made provision of ₹ 283,275,000 (March 31, 2013: ₹ 160,000,000) in respect of other than temporary diminution, in the value of these investments.

38. Legal and professional charges include sitting fees paid to Directors ₹ 620,000 (March 31, 2013: ₹ 615,000).

39. The current tax expense includes a net reversal of ₹ Nil (March 31, 2013: ₹ 28,787,773) relating to earlier years.

40. **Auditors' remuneration** (included in legal and professional charges under note 23):

Particulars	March 31, 2014	March 31, 2013
	₹	₹
As Auditor		
Audit fees	10,568,580	10,548,934
Tax audit fees	449,440	449,440
Reimbursement of out of pocket expenses	1,123,600	561,800
Total	12,141,620	11,560,174

41. The excess liabilities / provisions written back mainly represent excess provisions made for sales incentives and other expenses during the previous year which has been reversed in the current year.

42. 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, 2014

42. (b) Segment Information

Particulars	Printing / Publishing		Radio		Event		Internet		Power		Inter segment elimination		Consolidation	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Revenue														
External revenue	17,583,226,606	15,025,684,079	792,581,701	665,635,593	53,415,654	125,772,871	160,653,998	100,739,505	7,706,749	5,133,235	-	-	18,597,584,708	15,923,164,283
Inter segmental revenue	38,355,756	32,949,057	1,892,067	660,363	-	-	679,832	4,363,038	-	-	(40,927,755)	(37,972,458)	-	-
Total	17,621,582,362	15,058,633,136	794,473,768	666,495,956	53,415,654	125,772,871	161,333,830	105,101,543	7,706,749	5,133,235	(40,927,755)	(37,972,458)	18,597,584,708	15,923,164,283
Segment results	4,588,942,133	3,459,855,048	205,598,821	108,676,217	(7,237,019)	(17,306,578)	(73,876,139)	(88,278,438)	(45,185,412)	(33,633,290)	-	-	4,668,242,384	3,429,312,861
Less : Unallocated corporate expenses													153,612,975	108,143,484
Operating profit													4,514,629,409	3,321,169,477
Less : Finance costs													75,345,167	104,508,760
Other income													84,389,808	96,325,851
Less : Tax expenses													1,457,362,025	1,131,818,628
Profit for the year													3,066,292,025	2,181,167,942
Other Information														
Depreciation and amortisation	481,503,262	439,114,209	106,207,175	107,464,561	139,580	141,630	6,300,504	4,262,321	48,306,333	29,658,870	-	-	642,456,854	580,641,591
Non - cash expenses other than depreciation	97,574,471	66,538,248	-	1,350,807	921,563	122,708	273,281	2,395,604	-	-	-	-	98,789,335	70,407,367
Particulars	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Segment assets	15,235,851,692	13,370,499,266	652,635,067	717,639,251	27,067,951	16,671,193	84,027,254	93,290,946	69,009,949	116,923,912	-	-	16,068,791,893	14,314,964,568
Unallocated corporate assets													1,626,582,139	2,012,114,674
Segmental liabilities	2,215,096,829	2,112,213,177	258,483,205	237,300,559	12,010,514	11,776,720	31,797,038	29,479,445	562,966	940,832	-	-	2,517,950,552	2,391,710,733
Unallocated corporate liabilities													3,710,046,792	3,633,150,088
Minority interest													-	10,627,285
Capital expenditure	1,154,785,969	1,033,862,769	7,731,567	7,426,576	-	-	5,769,999	23,998,797	-	-	-	-	1,168,287,635	1,065,288,142

D. B. Corp Limited

Notes to consolidated financial statements as at and for the year ended March 31, 2014

43. Previous year comparatives

Previous years' figures have been regrouped / reclassified where necessary to conform to this years' classification.

As per our report of even date

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

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

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

per Kalpesh Jain
Partner
Membership No. 106406

per Navin K. Gupta
Partner
Membership No. 75030

Managing Director **Director**

Place : Mumbai
Date : May 12, 2014

Place : Mumbai
Date : May 12, 2014

Company Secretary
Place : Mumbai
Date : May 12, 2014

**Statement pursuant to Section 212 of the Companies Act, 1956
relating to Subsidiary Company**

Name of the Subsidiary Company	I Media Corp Limited
(A) The "Financial Year" of the Subsidiary Company	31 st March, 2014
(B) Shares of the Subsidiary held by D. B. Corp Limited on the above dates: (I) Number and face value (II) Extent of holding	1,122,914 Equity shares of ₹ 10/- each 100%
(C) The Net aggregate of profits/(Loss) of the Subsidiary Company 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 31 st March, 2014.	
(i) For the Subsidiary financial year as in (A) above	₹ 0.42 Crore (Note A)
(ii) For the previous financial years of the Subsidiary since it became the Holding Company's Subsidiary.	₹ (9.59) Crore
b) Dealt with in the accounts of D. B. Corp Limited for the year ended 31 st March, 2014 amounted to -	
(i) For the Subsidiary financial year as in (A) above	NIL
(ii) For the previous financial years of the Subsidiary since it became the Holding Company's Subsidiary.	NIL

NOTE A:	I Media Corp Limited		
	Net Profit/(Loss) for the year ended on 31/03/2014		₹ 4,209,646
	D. B. Corp Limited extent of holding	100.00%	
	Therefore, the net aggregate of Profit/(Loss) of the Subsidiary Company so far as it concerns the members of D. B. Corp Limited not dealt with in the accounts of D. B. Corp Limited		₹ 4,209,646 i.e. ₹ 0.42 Crore

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

Managing Director

Director

I Media Corp Limited

DIRECTORS' REPORT

To The Members

Your Directors have pleasure in presenting the 8th Annual Report together with the Balance Sheet and the Statement of Profit and Loss of the Company for the year ended 31st March, 2014.

Financial Highlights:

The financial results of the Company for the year ended 31st March, 2014 are as under:

Particulars	(in ₹)	
	2013-14*	2012-13
Income	27,358,221	122,081,104
Expenditure	21,310,398	218,082,609
Profit/(Loss) for the year before tax	6,047,823	(96,001,505)
Less: Tax (including deferred tax)	1,838,177	(59,758)
Profit/(Loss) after tax	4,209,646	(95,941,747)

* Current year's figures are not comparable to the previous year due to demerger of Integrated Internet and Mobile Interactive Services business under the scheme of arrangement.

The comparative net results of continuing operations are as below:

Particulars	(in ₹)	
	2013-14	2012-13
Continuing operations (Event business)	4,209,646	(695,637)
Discontinued operations (Internet business)	-	(95,246,110)

Review of Performance:

The year 2013-14 has been a phenomenal year for your Company. This year, your Company registered an unprecedented number of 12 million unique visitors per month. (Dainikbhaskar.com - 7.5 million, Divyabhaskar.com - 2.05 million, Dailybhaskar.com - 2.26 million and Divyamarathi.com - 0.26 million). Penetrative page depth (12.06 pages per visit) and prolonged time spent (9.43 minutes) enabled these portals to become the most sticky sites. International sales galloped to an all time high revenue yield.

The internet business mentioned above has been demerged into the holding company viz. D. B. Corp Ltd. w.e.f. April 1, 2013, being the "Appointed Date" as per the Scheme of Demerger.

Event Business grew with turnover increasing by 89% from ₹ 14 million to ₹ 27 million during the year. It also turned around from a loss of ₹ 0.7 million to Profit After Tax (PAT) of ₹ 4.2 million.

Future Prospects:

In financial year 2013-14, the Company has done tremendous improvement in event business and in view of the increasing business potential, your Company proposes to strengthen its operations at all levels.

Financial year 2014-15 will be of paramount importance for your Company. While the prime focus will be to increase the ground connect with the audience, the major efforts will be undertaken to make the events much more encompassing and quintessential. Your Company will envisage developing a number of key content partnerships to provide cutting edge options to its discerning clients and audience too. This effort has already been initiated and will witness maximum thrust in the days to come. The core area of your 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.

Demerger of Internet Business to D. B. Corp Ltd.:

Your Company has received all the statutory approvals and sanctions from the Hon'ble High Court of Madhya Pradesh, Principal Seat at Jabalpur to the Scheme of Arrangement in the nature of demerger of Integrated Internet and Mobile Interactive Services business of your Company and merging the same in D. B. Corp Ltd., the holding Company vide its order dated 27th March, 2014. The said Scheme has become operative from the "Appointed Date" (viz. April 1, 2013) and has become effective from "Effective Date" (viz. April 8, 2014).

Pursuant to the demerger, your Company continues to carry on the "Events Business".

Dividend:

In view of inadequate profit for the year under review, the Directors do not recommend any dividend for the financial year 2013-14.

Directors:

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Sudhir 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 a Director pursuant to Section 164 of the Companies Act, 2013.

During the year under review, Mrs. Jyoti Agarwal, Director of the Company, resigned w.e.f. 19th June, 2013 due to her pre-occupation. The Board places on record its sincere appreciation for the advice and support received from Mrs. Agarwal during her tenure on the Board.

Mr. Ramesh Chandra Agarwal was appointed as an 'Additional – Non Executive Director' of the Company w.e.f. 19th June, 2013. Pursuant to provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, he holds office up to the date of the ensuing Annual General Meeting. The Company has received a notice from a member of the Company along with the requisite deposit as per Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, liable to retire by rotation.

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, 2014, 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, 2014 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, 2014, 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, 2014, 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.

There were no foreign exchange earnings nor any foreign exchange outgo during the year under consideration as only Event business continued in the Company, while in the previous year Company had earned foreign exchange of ₹ 6,70,71,745 and had incurred foreign exchange out go of ₹ 8,50,161.

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, suppliers and shareholders 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

Director

Director

Place: Mumbai

Date: May 21, 2014

I Media Corp Limited

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, MP 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 and as per notified sections of the Companies Act, 2013, (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, 2014. 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 Section 2(68) of the Companies Act, 2013 are not applicable.
4. The Board of Directors duly met 6 times on 1st April, 2013, 16th May, 2013, 19th June, 2013, 18th July, 2013, 16th October, 2013 and 14th January, 2014 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, 2013 was held on 22nd July, 2013 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. One Extra-ordinary General Meeting was held during the financial year under scrutiny 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.
8. The Company has not advanced any loans to its Directors or persons or firms or companies, referred to under Section 185 of the Companies Act, 2013.
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 Companies Act, 1956.
11. No approval was required from Board of Directors, members or previous approval of the Central Government, pursuant to Section 314 of the Companies Act, 1956 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 for allotment of shares and there is no lodgment for split of shares and transfer/transmission of shares and for allotment 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 Companies Act, 1956.
14. The Board of Directors of the Company is duly constituted Mr. Ramesh Chandra Agarwal was appointed as Additional Director with effect from 19th June, 2013. There was no appointment of 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 an order from the said Court has been received as on 30th April, 2013 and for approval of High Court of Madhya Pradesh for demerger of the Integrated Internet and Mobile Interactive Service Business of I Media Corp Limited into D. B. Corp Limited, for which an order from the said Court has received as on 4th April, 2014.
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 issued 72,914 Equity Shares of face value of ₹ 10/- each required to be allotted to D. B. Corp Limited, the only shareholder of Synergy Media Entertainment Ltd. at a premium of ₹ 743.35 per share pursuant to merger of Synergy Media Entertainment Limited 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 Company has not made any borrowings from financial institutions, banks and others during the financial under scrutiny and hence the provisions of Section 180 of the Companies Act, 2013 are not applicable.
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 Hon'ble High Court of Madhya Pradesh, Principal Seat at Jabalpur has approved the Scheme of Arrangement and Amalgamation of Synergy Media Entertainment Limited (SMEL) with the Company. Accordingly, in order to run the "Events Management Business" of SMEL, 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 not altered its articles of association during the year under review.
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 hence 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 19, 2014

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, 2014

Sr. No.	Form no. / Return	Filed u/s	Date of filing / registration	Filed within Time	If delay whether additional fee paid
1.	Form 21 for filing of order for approving Scheme of Arrangement and Amalgamation of Synergy Media Entertainment Limited with the Company	394	8 th May, 2013	Yes	N.A.
2.	Form 23 for alteration of object clause of the Company	17	24 th May, 2014	Yes	N.A.
3.	Form 2 for allotment of shares in terms of the Scheme of Arrangement and Amalgamation of Synergy Media Entertainment Limited with the Company	75	6 th June, 2013	Yes	N.A.
4.	Form 21 for filing of revised order for approving Scheme of Arrangement and Amalgamation of Synergy Media Entertainment Limited with the Company	394	26 th June, 2013	Yes	N.A.
5.	Form 32 filed for appointment of Mr. Ramesh Chandra Agarwal as Additional Director w.e.f. 19 th June, 2013 and resignation of Mrs. Jyoti Agarwal w.e.f. 19 th June, 2013	303	11 th July, 2013	Yes	N.A.
6.	Form 66 for filing Compliance Certificate for the year ended 31 st March, 2013	383A	30 th July, 2013	Yes	N.A.
7.	Form 23AC-XBRL for filing Balance Sheet and Form 23ACA-XBRL for filing Profit & Loss for the year ended 31 st March, 2013	220	16 th August, 2013	Yes	N.A.
8.	Form 20B for filing annual return as at the Annual General Meeting held on 22 nd July, 2013	159	10 th September, 2013	Yes	N.A.

I Media Corp Limited

INDEPENDENT AUDITOR'S 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, 2014, 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 notified under the Companies Act, 1956 (the 'Act') read with General Circular 8/2014 dated April 04, 2014 issued by the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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, 2014;
- (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, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards notified under the Act read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs;
 - (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, 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
ICAI Firm registration number: 101049W
Chartered Accountants

per Kalpesh Jain
Partner
Membership No. :106406

Place : Mumbai
Date : May 21, 2014

**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) During the year, the Company has disposed off a substantial part of its fixed assets in accordance with the scheme of demerger of the Integrated Internet and Mobile Interactive business of the Company as referred in note 2 (a). Based on the information and explanations given by the management and on the basis of audit procedures performed by us, we are of the opinion that such disposal has not affected the going concern status of the Company.
- (ii) (a) 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, the provisions of clause 4(iii)(b) to (d) of the Order are not applicable to the Company and hence not commented upon.
- (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 fixed assets and for rendering of the 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 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) 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 Act for the products of the Company.
- (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, service tax, cess and other material statutory dues applicable to it. The provisions relating to wealth-tax, sales-tax, customs duty 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, investor education and protection fund, employees' state insurance, income-tax, service tax, 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 wealth-tax, sales-tax, customs duty 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 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, customs duty and excise duty are not applicable to the Company.
- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current year. In the immediately preceding financial year, the Company had incurred cash loss.
- (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 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 did not have any outstanding debentures during the year.
- (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
ICAI Firm registration number: 101049W
Chartered Accountants

per Kalpesh Jain
 Partner
 Membership No. 106406

Place : Mumbai
 Date : May 21, 2014

I Media Corp Limited

Balance sheet as at March 31, 2014

Notes	March 31, 2014 ₹	March 31, 2013 ₹
Equity and liabilities		
Shareholders' funds		
Share capital	11,229,140	10,500,000
Share suspense	-	729,140
Reserves and surplus	3,948,419	(422,982,418)
	<u>15,177,559</u>	<u>(411,753,278)</u>
Non-current liabilities		
Long-term borrowings	-	350,000,000
Long-term provisions	-	1,545,474
	<u>-</u>	<u>351,545,474</u>
Current liabilities		
Short-term borrowings	-	137,198,720
Trade payables	1,511,440	7,601,765
Other current liabilities	7,338,876	26,049,281
Short-term provisions	1,482,466	2,522,015
	<u>10,332,782</u>	<u>173,371,781</u>
Total	<u>25,510,341</u>	<u>113,163,977</u>
Assets		
Non-current assets		
Fixed assets	-	-
Tangible assets	582,584	34,929,812
Intangible assets	-	1,723,048
Deferred tax assets (net)	330,076	-
Long-term loans and advances	-	11,108,125
	<u>912,660</u>	<u>47,760,985</u>
Current assets		
Trade receivables	6,689,844	29,983,101
Cash and bank balances	12,515,731	21,544,224
Short-term loans and advances	5,392,106	13,875,667
	<u>24,597,681</u>	<u>65,402,992</u>
Total	<u>25,510,341</u>	<u>113,163,977</u>
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 Kalpesh Jain
Partner
Membership No. 106406

Director

Director

Place : Mumbai
Date : May 21, 2014

Place : Mumbai
Date : May 21, 2014

I Media Corp Limited

Statement of profit and loss for the year ended March 31, 2014

	Notes	March 31, 2014 ₹	March 31, 2013 ₹
Income			
Revenue from operations	15	27,358,221	119,583,551
Other income	16	-	2,497,553
	(I)	<u>27,358,221</u>	<u>122,081,104</u>
Expenditure			
Employee benefit expenses	17	-	87,310,191
Other expenses	18	21,176,250	119,548,758
	(II)	<u>21,176,250</u>	<u>206,858,949</u>
Earnings before interest, tax, depreciation and amortisation (EBITDA)	(I-II)	6,181,971	(84,777,845)
Finance costs	19	609	6,827,800
Depreciation and amortisation expenses	10	133,539	4,395,860
Total		<u>134,148</u>	<u>11,223,660</u>
Profit / (loss) before tax		6,047,823	(96,001,505)
Continuing operations			
Profit / (loss) before tax		6,047,823	(755,395)
Tax expense			
Current Tax		2,168,253	-
Deferred tax		(330,076)	(59,758)
		<u>1,838,177</u>	<u>(59,758)</u>
Profit / (loss) for the year from continuing operations (A)		4,209,646	(695,637)
Discontinuing operations			
Loss before tax		-	(95,246,110)
Tax expense		-	-
Loss for the year from discontinuing operations (B)		-	(95,246,110)
Profit / (loss) for the year [A + B]		4,209,646	(95,941,747)
Earning per equity share [nominal value of share ₹10 (March 31, 2013: ₹ 10)]	23		
Basic and Diluted		3.75	(85.44)
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 Kalpesh Jain
Partner
Membership No. 106406

Place : Mumbai
Date : May 21, 2014

For and on behalf of the Board of Directors of
I Media Corp Limited

Director

Director

Place : Mumbai
Date : May 21, 2014

I Media Corp Limited

Cash flow statement for the year ended March 31, 2014

	March 31, 2014 ₹	March 31, 2013 ₹
A. Cash flow from operating activities		
Profit / (loss) before tax	6,047,823	(96,001,505)
Depreciation and amortisation expenses	133,539	4,395,860
Finance costs	609	6,827,800
Excess provision for doubtful trade receivables written back	-	(2,068,458)
Bad trade receivables written off	-	1,201,453
Excess liabilities / provisions written back	-	(379,507)
Interest income on fixed deposits	-	(1,383)
Provision for doubtful trade receivables	918,650	1,316,859
Operating profit / (loss) before working capital changes	7,100,621	(84,708,881)
Movement in working capital		
Increase in trade receivables	(3,763,813)	(7,125,657)
Decrease / (increase) in loans and advances	7,624,812	(13,908,126)
Increase / (decrease) in current liabilities and provisions	1,088,051	(4,017,844)
Cash generated from operations	12,049,670	(109,760,508)
Direct taxes paid	(1,295,690)	(1,081,046)
Net cash from operating activities (A)	10,753,981	(110,841,554)
B. Cash flow from investing activities		
Purchases of fixed assets	-	(13,264,611)
Sale of fixed assets	-	4,506,913
Fixed deposits having maturity of more than 3 months matured	39,978	-
Net cash from / (used in) investing activities (B)	39,978	(8,757,698)
C. Net cash from financing activities		
Unsecured loan taken from holding company	-	137,198,720
Interest paid	(609)	(6,827,800)
Net cash from / (used in) financing activities (C)	(609)	130,370,920
Net increase in cash and cash equivalents (A+B+C)	10,793,350	10,771,668
Cash and cash equivalents at the beginning of the year	21,504,246	6,289,269
Add: Cash and cash equivalents taken over in scheme of arrangement [refer note 2 (c)]	-	4,443,309
Less: Transfer pursuant to the scheme of arrangement [refer note 2 (a)]	(19,781,865)	-
Cash and cash equivalents at the end of the year	12,515,731	21,504,246
Net increase in cash and cash equivalents	10,793,350	10,771,668

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 Kalpesh Jain
Partner
Membership No. 106406

Director Director

Place : Mumbai
Date : May 21, 2014

Place : Mumbai
Date : May 21, 2014

I Media Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

1. Corporate Information:

I Media Corp Limited (the 'Company' or 'IMCL') is a company registered under the Companies Act, 1956 (the 'Act') with effect from June 01, 2006. The Company is engaged in the business of organising events.

2. Schemes of arrangement:

a) Demerger of Integrated Internet and Mobile Interactive business of I Media Corp Ltd (IMCL) and merger with the D. B. Corp Limited (holding company):

The Company along with its holding company D. B. Corp Limited had filed a Scheme of demerger ('the Scheme') for demerger of Integrated Internet and Mobile Interactive business of IMCL and merger with D. B. Corp Limited.

The Scheme of Arrangement was approved by Honorable High Court of Madhya Pradesh, principal seat Jabalpur vide their order dated March 27, 2014 which was filed with the Registrar of Companies on April 08, 2014. Accordingly, the Scheme became effective on April 08, 2014 with appointed date April 01, 2013.

As prescribed in the Scheme, all assets and liabilities of Internet and Mobile Interactive business of IMCL as at March 31, 2013 were transferred at their respective book value to D. B. Corp Limited and the surplus is credited to Capital Reserve as under:-

Particulars	Amount ₹
Fixed assets (net of accumulated depreciation)	35,936,739
Current Assets (net of provision for doubtful trade receivables ₹ 1,302,435)	58,497,060
Total assets	94,433,799
Current liabilities and provisions	29,956,270
Long Term Borrowing from holding Company	350,000,000
Unsecured loans from holding Company	137,198,720
Total liabilities	517,154,990
Surplus credited to capital reserve	422,721,191

Further, as prescribed in the Scheme, the capital reserve arising as a result of the transfer of assets and liabilities has been adjusted against the accumulated deficit in the statement of profit and loss in the Balance sheet.

b) Disclosure required under Accounting Standard 24 - "Discontinuing operations"

The demerger of Internet and Mobile Interactive business of IMCL is a discontinuing operation for the Company. The disclosures required under Accounting Standard 24 are as follows:

i) Revenue and expenses of discontinuing operations:

Particulars	March 31, 2014 ₹	March 31, 2013 ₹
Revenue from operations	-	105,101,543
Other income	-	2,497,553
Total revenue	-	107,599,096
Employee benefit expenses	-	87,310,191
Other expenses	-	104,444,894
Finance costs	-	6,827,800
Depreciation and amortisation expenses	-	4,262,321
Total expenses	-	202,845,206
Loss before tax from discontinuing operations	-	(95,246,110)

ii) Refer note 2 (a) above for details of assets and liabilities transferred on the date of demerger.

iii) The net cash flows attributable to the Internet and Mobile Interactive business of IMCL are as below:

Particulars	March 31, 2014 ₹	March 31, 2013 ₹
Net cash from operating activities	-	(108,160,605)
Net cash used in investing activities	-	(8,757,698)
Net cash from financing activities	-	130,370,920
Net cash inflows	-	13,452,617

c) Scheme of Amalgamation between Synergy Media Entertainment Limited ('SMEL') with the Company:

During the previous year ended March 31, 2013, with an objective of consolidation of event management business in one single entity, the management of the Company and SMEL i.e. fellow subsidiary of the Company (which was engaged in the business of organising 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

I Media Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

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	Amount ₹
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
Surplus in the statement of profit and loss	8,882,250
Equity Shares issued	
Equity Share Capital (72,914 fully paid equity shares of ₹ 10 per share)	729,140
Securities Premium	54,200,622
Excess of liabilities and reserves over assets taken over	
– debited to surplus in the statement of profit and loss	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 were disclosed as shares suspense as at March 31, 2013.

3. 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

under the Companies Act, 1956 (the 'Act') read with General Circular 08/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The financial statements have been prepared on an accrual basis and under the historical cost convention. 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 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 Equipment's	4.75%
Vehicles	9.50%

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

Depreciation on assets acquired or disposed during the year is provided on a pro-rata basis from / up to the month of acquisition / disposal. Leasehold Improvement is amortised over the shorter of estimated useful life of the asset or the lease term.

I Media Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

(e) Intangible assets

Computer software

Computer Software, being the cost of VMware Server Software License, is amortised 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 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 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.

(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 displayed on website 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 recognised 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 fully 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.

I Media Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

(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 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.

(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 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.

(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.

I Media Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

4 Share Capital

Authorised share capital

5,000,000 (March 31, 2013: 5,000,000) equity shares of ₹ 10 each

March 31, 2014 ₹	March 31, 2013 ₹
50,000,000	50,000,000
50,000,000	50,000,000
Issued, subscribed and paid-up capital	
1,122,914 (March 31, 2013: 1,050,000) equity shares of ₹ 10 each fully paid up	
11,229,140	10,500,000
11,229,140	10,500,000

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

Equity shares

At the beginning of the year

Issued during the year [refer note 2 (c)]

Outstanding at the end of the year

March 31, 2014		March 31, 2013	
Nos.	₹	Nos.	₹
1,050,000	10,500,000	1,050,000	10,500,000
72,914	729,140	-	-
1,122,914	11,229,140	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 Details of shares held by the holding Company and shareholders holding more than 5% shares in the Company

Name of Shareholder

D.B. Corp Limited, the holding Company and its nominees

March 31, 2014		March 31, 2013	
Nos.	% of Holding	Nos.	% of Holding
1,122,914	100.00%	1,050,000	100.00%

d 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:

Equity shares :

Allotted as fully paid shares pursuant to the scheme of arrangement [refer note 2 (c)]

March 31, 2014 Nos.	March 31, 2013 Nos.
72,914	-
72,914	-

I Media Corp Limited
Notes to financial statements as at and for the year ended March 31, 2014

5 Reserves and surplus

	March 31, 2014 ₹	March 31, 2013 ₹
Securities premium account [refer note 2 (c)]		
Opening balance as per last financial statements	-	-
Add: Securities premium transferred pursuant to the scheme of amalgamation	-	373,800
Add: Premium on issue of shares pursuant to the scheme of amalgamation	-	54,200,622
Less: Adjusted against deficit in the statement of profit and loss pursuant to the scheme of amalgamation	-	(54,574,422)
	-	-
Capital reserve [refer note 2 (a)]		
Opening balance as per last financial statements	-	-
Add: Additions pursuant to the scheme of arrangement	422,721,191	-
Less: Adjusted against deficit in the statement of profit and loss pursuant to the scheme of arrangement	(422,721,191)	-
	-	-
Surplus / (deficit) in the statement of profit and loss		
Opening balance as per last financial statement	(422,982,418)	(337,975,081)
Less: Balance in capital reserve account adjusted pursuant to the scheme of arrangement [refer note 2 (a)]	422,721,191	-
Less: Balance transferred pursuant to the scheme of arrangement [refer note 2 (c)]	-	8,882,250
Add: Net deficit adjusted pursuant to the scheme of amalgamation [refer note 2 (c)]	-	(52,522,262)
Less: Balance in securities premium account adjusted pursuant to the scheme of amalgamation [refer note 2 (c)]	-	54,574,422
Add:- Profit / (loss) for the year	4,209,646	(95,941,747)
	3,948,419	(422,982,418)
Total	3,948,419	(422,982,418)

6 Long-term borrowings

	March 31, 2014 ₹	March 31, 2013 ₹
Unsecured		
0% Compulsorily Convertible Debentures		
Nil (March 31, 2013: 350,000, 0% Compulsorily Convertible Debentures of ₹ 1,000 each) [refer note 2 (a)]	-	350,000,000
Total	-	350,000,000

Terms of debentures

350,000 0% Compulsorily Convertible Debentures of ₹ 1,000 (at par) each convertible at any time between 3 to 5 years from the date of allotment i.e. February 06, 2011

The equity shares on conversion of the debentures would be issued at a price calculated after applying an appropriate rate of discount to the fair value determined at the time of conversion

I Media Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

7 Provisions

	Long - term		Short-term	
	March 21, 2014 ₹	March 21, 2013 ₹	March 21, 2014 ₹	March 21, 2013 ₹
Provision for employee benefits				
Provision for gratuity	-	1,545,474	-	10,475
Provision for leave encashment	-	-	-	2,511,540
	-	1,545,474	-	2,522,015
Other provisions				
Provision for tax (net of taxes paid)	-	-	1,482,466	-
Total	-	1,545,474	1,482,466	2,522,015

8 Short term borrowings

	March 31, 2014 ₹	March 31, 2013 ₹
Unsecured		
Borrowings from holding Company [refer note 2 (a)]	-	137,198,720
Total	-	137,198,720

Above borrowings are short-term advances received from holding Company which are repayable on demand. The loan carries interest @ zero % p.a. (March 31, 2013 : 12%)

9 Current liabilities

	March 31, 2014 ₹	March 31, 2013 ₹
Trade payables (refer note 28)	1,511,440	7,601,765
Other current liabilities		
Creditors for capital goods	-	10,734,188
Advances from Customers	568,185	816,725
Accrued expenses	6,641,065	12,133,617
Statutory liabilities	129,626	2,364,751
	7,338,876	26,049,281
Total current liabilities	8,850,316	33,651,046

I Media Corp Limited
Notes to financial statements as at and for the year ended March 31, 2014

Note 10

Fixed assets

Assets	Gross block				Depreciation				Net block			
	As at April 1, 2013	Transfer in accordance with scheme of arrangement [refer note 2(a)]	Additions during the year	Deductions during the year	As at March 31, 2014	Up to April 1, 2013	Transfer in accordance with scheme of arrangement [refer note 2(a)]	For the year	Deductions during the year	Up to March 31, 2014	As at March 31, 2014	As at March 31, 2013
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Tangible assets												
Leasehold improvements	2,566,018	2,566,018	-	-	-	2,566,018	2,566,018	-	-	-	-	-
Computers	36,389,662	36,389,662	-	-	-	13,527,944	13,527,944	-	-	-	-	22,861,718
Furniture and fixtures	7,763,839	7,763,839	-	-	-	2,704,723	2,704,723	-	-	-	-	5,059,116
Office equipment	8,082,507	8,082,507	-	-	-	1,789,652	1,789,652	-	-	-	-	6,292,855
Vehicles	1,405,666	-	-	-	-	689,543	1,405,666	133,539	-	823,082	582,584	716,123
Total Tangible assets	56,207,692	54,802,026	-	-	-	21,277,880	20,588,337	133,539	-	823,082	582,584	34,929,812
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	58,003,516	56,597,850	-	-	-	21,350,656	20,661,113	133,539	-	823,082	582,584	36,652,860
Previous year	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	

I Media Corp Limited
Notes to financial statements as at and for the year ended March 31, 2014

11 Deferred tax assets (net)	March 31, 2014 ₹	March 31, 2013 ₹
Deferred tax liability		
Depreciation	(28,394)	(1,589,884)
Gross deferred tax liability	(28,394)	(1,589,884)
Deferred tax assets		
Provision for doubtful trade receivables	358,470	406,909
Provision for gratuity and leave encashment	-	1,182,975
Gross deferred tax assets	358,470	1,589,884
Total deferred tax assets (net)	330,076	-

12 Loans and advances (Unsecured, considered good unless stated otherwise)	Non-Current		Current	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	₹	₹	₹	₹
a Security deposits				
Security deposit against lease of properties	-	1,531,662	-	-
Deposit with others	-	-	-	63,140
	-	1,531,662	-	63,140
b Loans and advances to related parties [refer note 20 (b)]				
Advances recoverable in cash or kind or for value to be received	-	-	3,934,413	-
	-	-	3,934,413	-
c Other loans and advances				
Loans and advances to employees	-	-	-	2,731,360
Prepaid expenses	-	-	-	59,965
Direct taxes paid (net of provision for tax)	-	1,913,482	-	-
Service tax input receivable	-	7,662,981	878,652	-
Advances recoverable in cash or kind or for value to be received	-	-	579,041	11,021,202
	-	9,576,463	1,457,693	13,812,527
Total loans and advances	-	11,108,125	5,392,106	13,875,667

13 Trade receivables (Unsecured considered good unless stated otherwise)	March 31, 2014 ₹	March 31, 2013 ₹
Outstanding for a period less than six months from the date they are due for payment	6,689,844	27,512,736
Outstanding for a period exceeding six months from the date they are due for payment	-	-
Considered good	-	2,470,365
Considered doubtful	933,074	1,316,859
	933,074	3,787,224
Less: Provision for doubtful trade receivables	933,074	1,316,859
	-	2,470,365
Total	6,689,844	29,983,101

14 Cash and bank balances	Current	
	March 31, 2014 ₹	March 31, 2013 ₹
Cash and cash equivalents		
Balances with banks:		
- Current account	12,515,731	21,483,482
Cash on hand	-	20,764
	12,515,731	21,504,246
Other bank balances		
- Deposits with original maturity for more than 3 months but less than 12 months	-	39,978
	-	39,978
Total	12,515,731	21,544,224

I Media Corp Limited
Notes to financial statements as at and for the year ended March 31, 2014

	March 31, 2014 ₹	March 31, 2013 ₹
15 Revenue from operations		
Sale of services		
Advertisement revenue (refer note 25)	-	103,271,404
Income from event management	27,358,221	14,482,008
Portal revenue	-	1,815,420
SMS revenue	-	14,719
Total	27,358,221	119,583,551
16 Other income		
Excess liabilities / provisions written back	-	379,507
Excess provision for doubtful trade receivables written back	-	2,068,458
Interest income on fixed deposits	-	1,383
Miscellaneous income	-	48,205
Total	-	2,497,553
17 Employee benefit expenses		
Salaries, wages and bonus	-	80,175,371
Contribution to provident and other funds	-	3,700,952
Workmen and staff welfare expenses	-	2,510,516
Gratuity expenses	-	923,352
Total	-	87,310,191
18 Other expenses		
Data management charges	-	38,728,909
Sales and marketing expenses	2,637,957	38,376,736
Subcontractors charges	-	10,155,151
Event expenses	12,586,860	8,134,221
Traveling and conveyance	-	7,154,573
Legal and professional fees (refer note 29)	4,028,968	5,047,888
Rent (refer note 21)	-	2,083,369
Repairs and maintenance		
- Office equipment's	-	387,098
- Others	-	1,134,420
Sundry office expenses	692,420	1,108,071
Provision for doubtful trade receivables	918,650	1,316,859
Gas, water and electricity	260,450	1,265,167
Bad trade receivables written off	-	1,201,453
Communication expenses	-	729,385
Recruitment charges	-	564,693
Exchange difference (net)	-	550,415
Commission expenses	-	540,020
Security charges	-	318,219
Printing and stationery	24,613	239,754
Postage and courier	-	130,359
Insurance charges	21,902	21,000
Bank charges	4,430	41,254
Miscellaneous expenses	-	319,744
Total	21,176,250	119,548,758
19 Finance costs		
Interest expense:		
On loan from holding company	-	6,827,800
On others	609	-
Total	609	6,827,800

I Media Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

20. (a) Related party disclosure

Related party disclosures, as required by Accounting Standard 18 (AS-18) 'Related Party Disclosures' 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	
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 31,2014 ₹	March 31,2013 ₹	March 31,2014 ₹	March 31,2013 ₹
Advertisement income				
D. B. Corp Limited	-	4,363,048	-	1,438,417
Advertisement and publicity expenses				
D. B. Corp Limited	3,984,856	31,764,222	(1,057,196)	(2,633,230)
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 from holding company				
D. B. Corp Limited [refer note 2 (a)]	-	137,198,720	-	(137,198,720)
Balance outstanding at the year end				
D. B. Corp Limited - 0% Compulsorily Convertible Debentures [refer note 2 (a)]			-	(350,000,000)
D. B. Corp Limited			3,934,413	10,088,634
Writers & Publishers Private Limited			-	(6,000)

21. Operating lease

- Up to last year the Company had taken certain office premises under operating lease agreements. These agreements were generally renewable by mutual consent. Some of the lease agreements had a price escalation clause. There were no restrictions imposed in these lease agreements.
- Lease payments recognised for the year ended March 31, 2014 aggregated to ₹ Nil (March 31, 2013 ₹ 2,083,369).
- There were no non-cancelable leases.

I Media Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

22. Employee benefits

Defined contribution plan

During the year ended March 31, 2014 and March 31, 2013, the Company contributed the following amounts to defined contribution plans:

Particulars	March 31, 2014 ₹	March 31, 2013 ₹
Provident Fund	-	3,424,421
Employees State Insurance Corporation	-	276,531
Total	-	3,700,952

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, 2014 are as follows:

Particulars	March 31, 2014 ₹	March 31, 2013 ₹
Current service cost	-	327,129
Interest cost	-	53,771
Recognised net actuarial loss	-	542,452
Total included in 'employee benefit expense'	-	923,352

The amounts recognised in the balance sheet are as follows:

Particulars	March 31, 2014 ₹	March 31, 2013 ₹
Present value of defined benefit obligations	-	1,555,949

Details of Experience Adjustments on plan assets and plan liabilities:

Particulars - Gratuity	March 31, 2014 ₹	March 31, 2013 ₹
Experience adjustments on plan liabilities loss	-	505,932

Changes in present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	March 31, 2014 ₹	March 31, 2013 ₹
Defined benefit obligation at beginning of the year	-	632,597
Current service cost	-	327,129
Interest cost	-	53,771
Actuarial loss	-	542,452
Defined benefit obligation at end of the year	-	1,555,949

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

Particulars	March 31, 2014	March 31, 2013
Discount rate	-	8.00%
Employee turnover	-	For 0-5 Year 24.00% p.a, 6 year Above 2.00% p.a.
Future Salary Rise	-	8.00%

B- Leave encashment

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

23. Earnings per share

Particulars	March 31, 2014 ₹	March 31, 2013 ₹
Net profit / (loss) after tax for equity shareholders	4,209,646	(95,941,747)
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	1,122,914
Basic and diluted earnings per share (₹)	3.75	(85.44)
Face value per share (₹)	10	10

24. Segment Information

a) The Company is engaged only in event business in the current year. During the current year, Internet and Mobile Interactive business (Internet) business has been demerged from the Company and merged with D. B. Corp Limited [refer note 2 (a)].

I Media Corp Limited
Notes to financial statements as at and for the year ended March 31, 2014

24. (b) Segment information as at and for the year ended March 31, 2014:

Particulars	Internet			Event			Total	
	March 31, 2014 ₹	March 31, 2013 ₹	March 31, 2014 ₹	March 31, 2014 ₹	March 31, 2013 ₹	March 31, 2014 ₹	March 31, 2013 ₹	
Revenue								
External revenue	-	105,101,543	27,358,221	14,482,008		27,358,221	119,583,551	
Inter segmental revenue	-	-	-	-	-	-	-	
Total	-	105,101,543	27,358,221	14,482,008		27,358,221	119,583,551	
Segment results	-	(88,418,310)	6,048,432	(755,395)		6,048,432	(89,173,705)	
Operating profit								
Add : Finance costs						6,048,432	(89,173,705)	
Less : Tax (expenses) / credit						(609)	(6,827,800)	
Profit / (Loss) for the year						(1,838,177)	59,758	
						4,209,646	(95,941,747)	
Other information								
Depreciation	-	4,262,321	133,539	133,539		133,539	4,395,860	
Non - cash expenses other than depreciation	-	2,395,604	918,650	122,708		918,650	2,518,312	
Particulars								
Segment assets	-	92,739,079	25,180,265	18,511,416		25,180,265	111,250,495	
Unallocated corporate assets	-					330,076	1,913,482	
Segmental liabilities	-	25,888,781	8,850,316	7,762,265		8,850,316	33,651,046	
Unallocated corporate liabilities	-					1,482,466	491,266,209	
Capital expenditure	-	23,998,799	-	-		-	23,998,799	

I Media Corp Limited

Notes to financial statements as at and for the year ended March 31, 2014

25. Earnings in foreign currency (on accrual basis)

Particulars	March 31, 2014 ₹	March 31, 2013 ₹
Advertisement income	-	67,071,745

26. Expenditure in foreign currency (on accrual basis)

Particulars	March 31, 2014 ₹	March 31, 2013 ₹
Service provider charges	-	741,591
Marketing expenses	-	108,570
Total	-	850,161

27. Unhedged foreign currency exposure

As of balance sheet date, the Company's net foreign currency exposure that is not hedged is receivable ₹ Nil (March 31, 2013: ₹ 12,603,422).

As per our report of even date

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

per Kalpesh Jain
Partner
Membership No. 106406

Place : Mumbai
Date : May 21, 2014

28. Dues to micro and small enterprises

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.

29. Auditors' remuneration (included in legal and professional fees (under note 18):

Particulars	March 31, 2014 ₹	March 31, 2013 ₹
As Auditor		
Audit fees	50,000	150,000

30. Previous year comparatives

Current year's figures are not comparable to the previous year due to scheme of arrangement [refer note 2 (a)].

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

For and on behalf of the Board of Directors of
I Media Corp Limited

Director

Director

Place : Mumbai
Date : May 21, 2014

Milestones

1958

Launched Dainik Bhaskar newspaper from Bhopal in MP

1977

First company to install web offset machine against uniform prevalent practice of rotary machine

1983

Indore edition launch: First Company to launch a newspaper edition in a different city within the same state

1996

Jaipur launch: The Company became the first Hindi newspaper to launch an edition in another state

2003

Gujarat launch: The Company launched Divya Bhaskar (the Gujarati daily of the group), its first language newspaper other than Hindi

2005

Warbug Pincus invested in the Company (DB Corp was an unlisted company at that time)

2006

First regional newspaper brand to set up SAP system in India

2008

Initiated massive investment in upgrading printing infrastructure across all markets

2009

The Company introduced ESOPs

2010

Company got listed with a huge subscription of 39.5 times

2011

Launched Divya Marathi in the state of Maharashtra; the 4th language newspaper of the group

2013

Launched 6th and 7th edition of Divya Marathi from Akola and from Amravati respectively

2014

Expanded into 14th state through the launch of Dainik Bhaskar's 37th edition in Patna, Bihar



DB Corp Ltd

Registered Office

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Ahmedabad (Gujarat) - 380 051

Head Office

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Bhopal (Madhya Pradesh) - 462 011

Corporate Office

501, 5th Floor, Naman Corporate Link,
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Mumbai (Maharashtra) - 400 051



दैनिक भास्कर



दिव्य भास्कर



दिव्य मराठी



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