

MARKETS THAT MATTER



DB Corp Ltd

ANNUAL REPORT 2016-17



Late Shri Ramesh Chandra Agarwal

(November 30, 1944 - April 12, 2017)

In Memoriam

“ You have to dream and work fervently to enshrine your dreams. The most important aspect is that you have to cultivate a deep trust within you to entrench your reveries in reality. ”

Shri Ramesh Chandra Agarwal –
Chairman (Until 12th April, 2017)

With a vision to transform the Indian language media landscape, Shri Ramesh Chandra Agarwal had typified the zeal and the resolve of an ever-growing India.

As a pioneer who envisioned the growth of the Indian language press and strived towards capturing the pulsating potential of the Tier II and Tier III cities of India, he was indeed a progressive media proprietor.

With a belief that risk taking is necessary for positive outcomes, he went on to set up a virtuous, profitable and professional Company. With a wide array of offerings that include print publications, radio channels and digital portals, D. B. Corp Ltd. is today India's Largest Newspaper Group.

His close-knit family was a reflection of his quality to build long-standing relationships. With a keen interest in innovative ideas and projects, he provided valuable help and direction to young entrepreneurs. Giving back to the communities and contributing wholeheartedly towards social responsibilities was at the centre of his business vision. We at D. B. Corp Ltd. will follow his path-breaking vision and his unbound kindness to give back to the society.

We will always continue to imbibe his determination, the zeal to refine oneself continuously and his result oriented conduct as deep-rooted virtues.

As Winston Churchill rightly said: “We make a living by what we get; we make a life by what we give.”



D. B. Corp Ltd. (DBCL) is India's Largest Newspaper Group.

It also enjoys a significant presence in the radio and digital space. The Group is expanding its presence across India's most attractive consumer markets, the Tier II and Tier III cities. With a vast presence in 13 states, D. B. Corp Ltd. holds a strong leadership position in most of the markets where it operates. The Company continues to create value for its stakeholders with a consistent track record of growth and value creation.

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Message from the Managing Director

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Markets That Matter



ON THE COVER

MARKETS THAT MATTER:

A new India is taking shape, driven by the dreams and aspirations of a dynamic workforce. This growth is remarkable because it is coming from hitherto unknown geographies - commonly known as the Tier II and Tier III cities of India. Fueled by consumption growth, infrastructure development and urban renewal, these are the cities that matter as markets. D. B. Corp Ltd. had envisioned this growth and has emerged as a leader in many of these cities, making it a perfect partner for those looking to leverage the potential of these new hubs of prosperity.



The Indian growth story is unfolding at a breathtaking pace in the Tier II and Tier III cities. The consumption patterns and household incomes in these markets are outpacing the traditional metro cities. As these cities are brimming with potential, renowned brands are vying for the consumer attention from these markets.

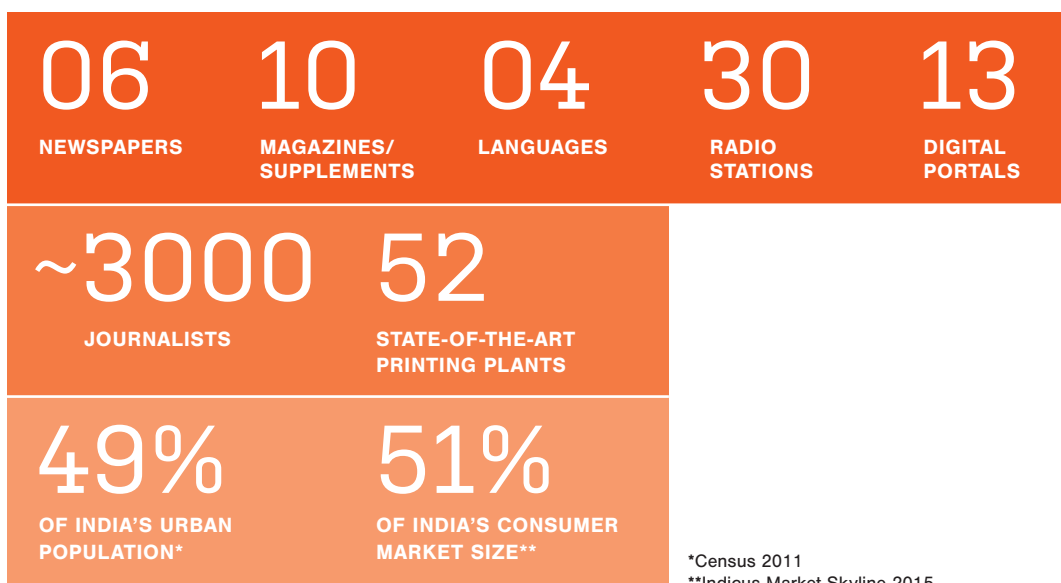
The growth of these cities validate the Groups' long-term business strategy of investing in these markets. As pioneers of acknowledging this untapped potential of the 'Tier II and Tier III' cities of India, our acumen and foresight has held true. With our bouquet of offerings, we are the leaders in most of these markets.

Today, D. B. Corp Ltd. is in sync with India's growth story and is present in the places that are driving this transformation. For us, it is a continuation of our long-standing resolve of being leaders in the 'Markets That Matter'.

D. B. Corp Ltd. at a Glance

D. B. Corp Ltd. is India's largest newspaper Group with 65 editions published in 4 languages and an average daily readership of ~44 mn readers across 13 states. With a diverse portfolio of newspapers, online offerings and a strong presence in the radio business, the Group reflects the pulse of the Tier II and Tier III cities of India.

The Group provides best-in-class products and offers advertisers immense opportunities to capture the untapped potential that these emerging cities offer.



Vision

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

Values

Trendsetter

We strive to differentiate in terms of format, content and policies that proactively incentivise risk-taking abilities and push the boundaries of our journalistic passion.

Result-oriented

We have a clear focus on goals. We are metrics driven in our reader connect, business operations and in our measurement of stakeholders' satisfaction. This result orientation is an important part of our everyday work ethos.

Brand Positioning

Deliver cutting-edge content and knowledge that gives you the confidence to succeed.

Analytical

The Group follows a logical and data-driven approach in all its endeavours.

Connected

We strive to establish a strong ground connect with national and international developments across sectors to capture the latest trends. Our finger is always on the pulse of our readers, customers, channel partners and employees. Establishing a culture of respect and recognition with internal and external stakeholders is of critical importance to us.

Product Portfolio

Print

NEWSPAPERS



PERIODICALS

AHA! ZINDAGI | BAL BHASKAR | YOUNG BHASKAR | MADHURIMA | RASRANG | NAVRANG
KALASH | DHARMDARSHAN | RASIK | LAKSHYA

Radio



94.3 MY FM is the largest radio network catering to the Tier II and Tier III cities of India. Established in the year 2006, the network has expanded rapidly to seven states and has a strong presence in 30 cities. 94.3 MY FM caters to the local flavour of the markets and aims at becoming the voice of its listeners.

PHASE III ROLL-OUT WAS
ACHIEVED WITHIN RECORD
TIME OF 6-8 MONTHS

94.3 MY FM PRESENCE

07 STATES 30 STATIONS

Digital



DB Digital has 13 portals which provide content across varied genres. It also offers tailored content relevant for the Tier II and Tier III cities of India in four languages.

dainikbhaskar.com | divyabhaskar.com | divyamarathi.com
dailybhaskar.com | moneybhaskar.com | fashion101.in
bollywoodbhaskar.com | jeevanmantra.in | dbcric.com
gadgets.bhaskar.com | food.bhaskar.com
homeonline.com | postpickle.com

DAINIKBHASKAR.COM IS INDIA'S
NO.1 HINDI NEWS WEBSITE*

90.1 Mn
UNIQUE VISITORS (UV)**

2.8 Bn
PAGE VIEW (PV)**

Smart Infotainment



Dainik Bhaskar and Divya Bhaskar mobile application provide users with a rich collection of information and entertainment.

9.2 Mn
APP DOWNLOADS
TILL MARCH 2017***

*Source: ComScore March 2017

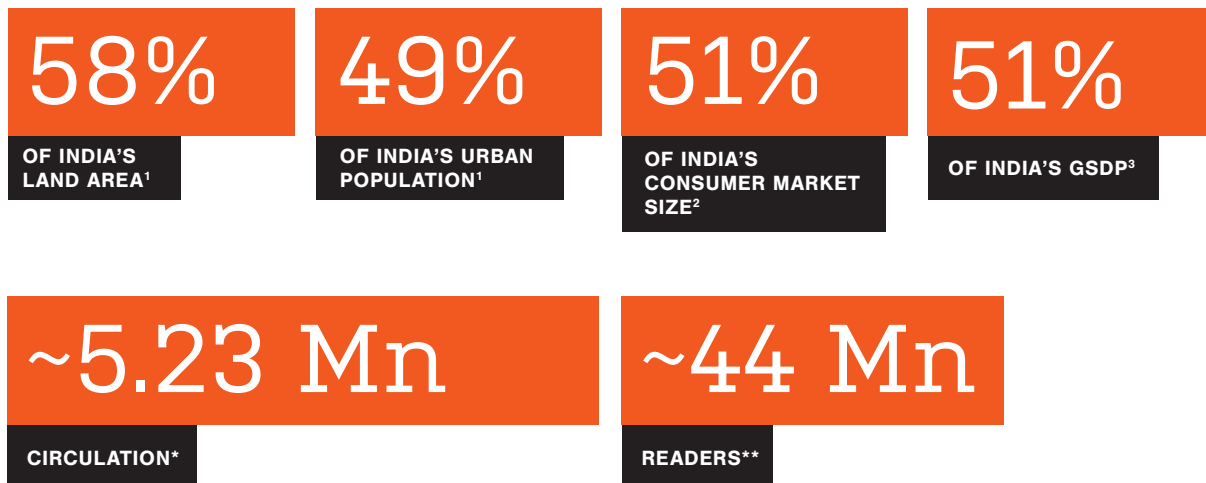
**Google Analytics March 2017

***Including Google Play Store, iPhone Store, iTunes, Windows Store & door to door internal system records.

Geographical Presence

The Tier II and Tier III cities are at the core of India’s growth story. The Group’s extensive product portfolio is a result of in-depth research, which has helped us comprehend the needs and aspirations of the consumers in these markets. D. B. Corp Ltd. is a leader/dominant player in the ‘Markets That Matter’.

Dainik Bhaskar Group Coverage



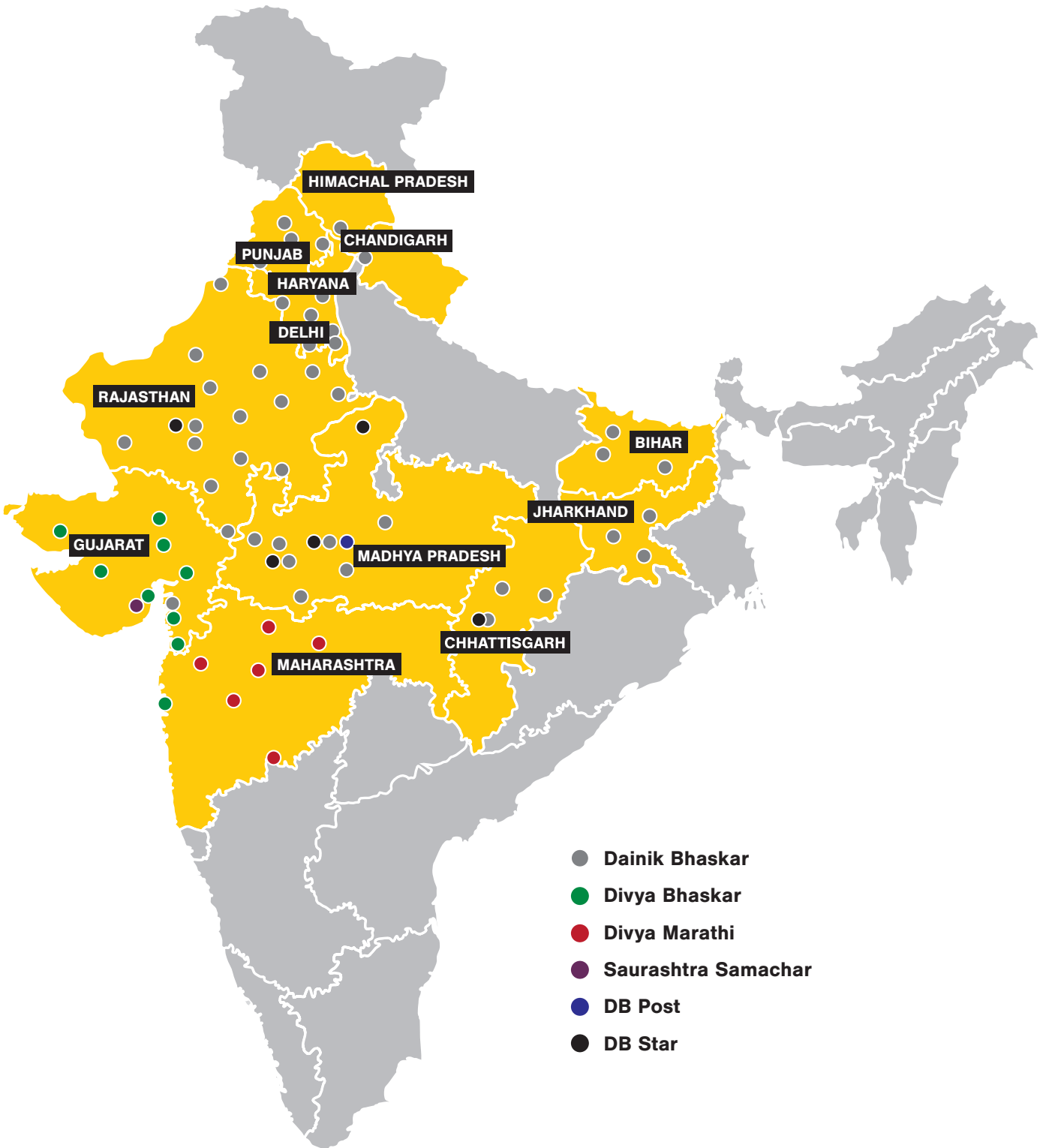
¹Census 2011

²Indicus Market Skyline 2015

³Indiastat

*Source: Internal estimates

**Source: IRS 2012, Q4, TR



Map not to scale

Message from the Managing Director

Dear Shareholders,

On 12th April, 2017, my father and our Company's Chairman left for his heavenly abode. He will remain with us forever as a formidable force guiding us to greater achievements. He was a visionary, philanthropist and a leader par excellence. He believed that D. B. Corp Ltd. could be one of the catalysts to drive consumption and growth of India's Tier II and Tier III cities.

Shri Ramesh Chandra Agarwal will continue to be a source of inspiration for many of us. He believed in dreaming big and had the capability to transform aspirations into reality. Inspired by his philosophy, we are India's largest newspaper Group. We remain committed to his vision with greater focus and fortitude.

It was under his leadership that we had launched our 'UNMETRO' strategy. Our objective was to change the perception of advertisers and the marketing community to seek growth opportunities beyond the traditional eight metros.

A key aspect of our business philosophy has always been rooted in the rise of the Tier II and Tier III consumer. Our strong market share across many of these cities reflect our business acumen. Today, as these 'Unmetros' drive India's transformation into one of the world's fastest-growing economies, our insight stands validated.

The Group's consistent growth has been the outcome of several steps taken in the direction of providing differentiated offerings across Tier II and Tier III cities. These markets have gradually developed into pockets of opportunities, with an upsurge in consumption and rising household incomes. The Government's impetus to improve infrastructure across these emerging cities is giving them the much-needed thrust, so that they can be 'Metros' of the future. These cities are now the focal point of India's growth story and are truly the 'Markets That Matter'.



Message from the Managing Director

The EY report, 'India's Growth Paradigm' (March 2017), has identified 42 emerging cities with millions of aspirational consumers. The share of these 'New Wave' cities towards India's total household income is expected to rise to 61% by 2020. It further emphasises that these markets witness a steady rise in population and per capita income. The GDP growth of these cities will outpace that of the metros'. There are large gaps between demand and supply across a range of sectors in these emerging cities. These gaps suggest a significant scope for the India Inc. to reach consumers who remain untapped.

In FY 2016-17, our total revenue rose to ₹ 22,750 mn as compared to ₹ 20,353 mn in FY 2015-16. Our business strategy was focused on hyper-local offerings to our advertisers in line with market dynamics, which was further leveraged through an integrated approach of in-print, on-air, online and on-ground activities. Despite demonetisation, our advertising revenues grew by 8% to ₹ 15,973 mn in FY 2016-17 as against ₹ 14,812 mn during FY 2015-16. Similarly, our circulation revenue grew by 10.5% to ₹ 4,814 mn for FY 2016-17, compared to ₹ 4,356 mn in the previous fiscal. The business saw a staggering growth as our PAT rose by 28.3% to ₹ 3,748 mn vis-à-vis ₹ 2,921 mn in FY 2015-16.

I am happy to share that 'Dainik Bhaskar', our flagship newspaper brand had many wins this year. Our Jaipur edition celebrated its 20th anniversary. Following the Group's philosophy to consistently launch relevant offerings, we launched Dainik Bhaskar's Surat edition in early 2017. This was a natural extension of our leadership in the region and a strategy to leverage an untapped segment.

We have further amplified our promise to the emerging cities by rolling out 13 newly acquired stations of 94.3 MY FM. This expands our radio presence across 30 cities in seven states.

Around 127 mn Indian internet users are consuming content in regional languages. 'dainikbhaskar.com' continues to retain the No. 1 position among Hindi News websites. With the launch of our real estate portal homeonline.com, our digital business now has 13 portals and provides content across varied genres. As per Google Data, there has been 94% development rate for Hindi content utilisation. Today, Google underpins languages, for example - Hindi, Gujarati, Marathi, Bengali and Tamil among others.

We launched digital tools like Matrix workflow in mobile using Google Speech API. This has enabled our reporting personnel to file stories using their speech instead of typing.

Our thought leadership is well established. We continued to innovate for readers. We launched 'Swatantra Vichaar' campaign in Maharashtra and 'Azaad Soch' campaign in Punjab, which further strengthened our promise of being an independent newspaper. We also fortified our presence in legacy market of Madhya Pradesh. We partnered many engagement activities during Simhastha; world's largest congregation held once in 12 years.

94.3 MY FM sustained strong listenership base through active audience engagement and brand promotion activities. Similarly, DB Digital is the second-largest Digital Group in Indian infotainment genre (ComScore November 2016), with a landmark reach of 90.1 mn Unique Visitors and 2.8 bn page views (as per Google analytics March 2017).

Going forward, we believe that India's M&E industry is poised for strong growth, mirroring the overall economy. As per FICCI KPMG M&E Industry Report 2017, the industry is projected to grow at 14% from 2016 to 2021, with advertising revenue expected to increase at 15.3% CAGR during the same period.

Our skilled team is our formidable strength. This fiscal we continued to focus our energies on building employee engagement initiatives to attract and retain talent. We also focused on creating a strong leadership succession plan for our top managerial talent.

The Group strives to meet the needs, positively impact and protect the rights of our diverse stakeholder fraternity. This includes our employees and the local communities where we operate, among many others.

To conclude, I would like to thank our Board, teams and other stakeholders, who empower us to deliver engaging content for our audiences. This, in turn, drives our Company towards long-term growth and success in today's dynamic markets.

We promise to continue to uphold the value system that binds our D. B. Corp Ltd. family together. We are committed to lead with relevant and innovative products for India's growing cities, while providing healthy returns to our shareholders and advertisers.

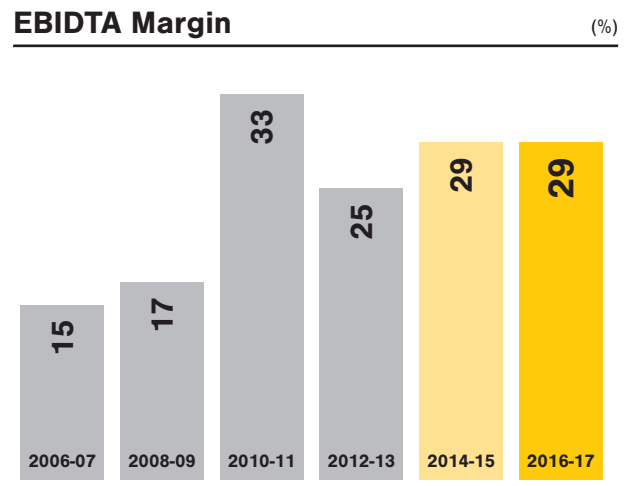
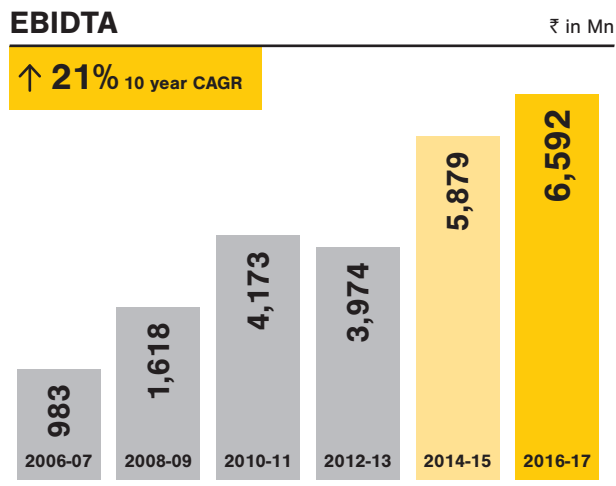
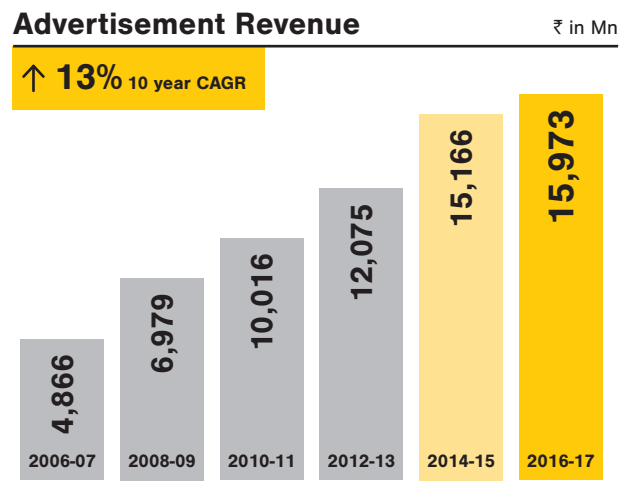
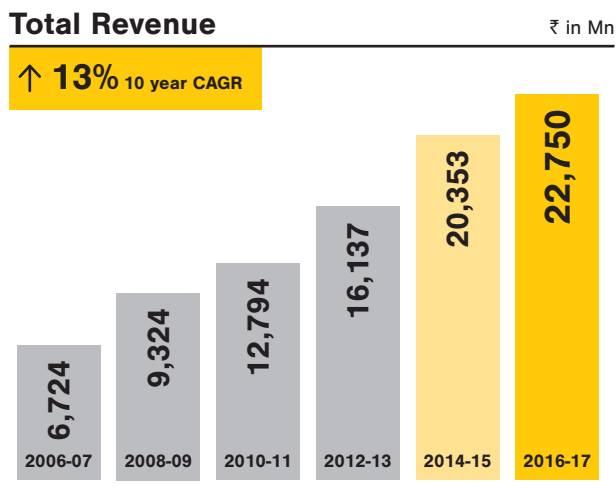
Warm Regards,

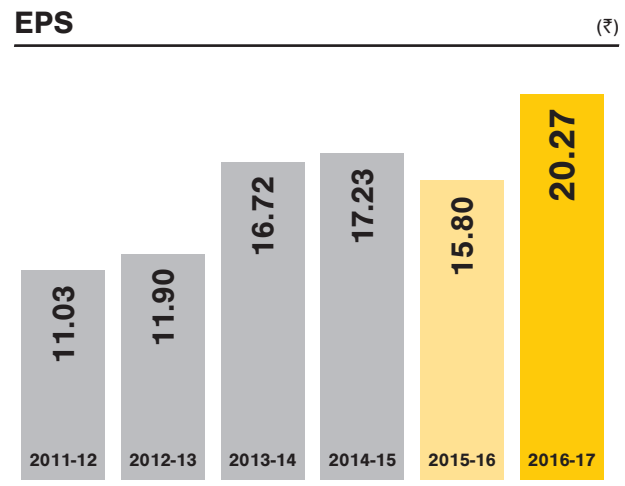
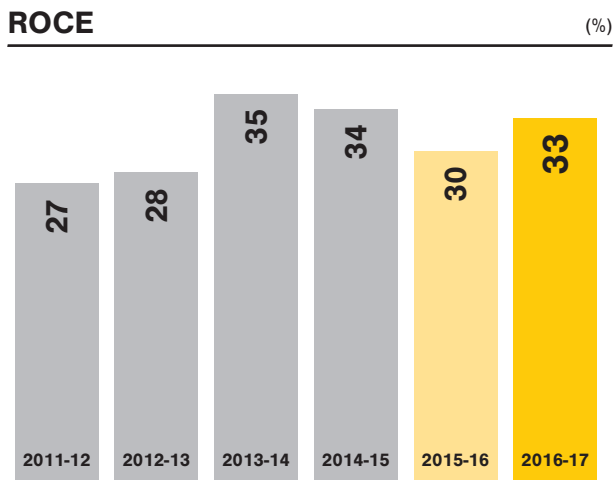
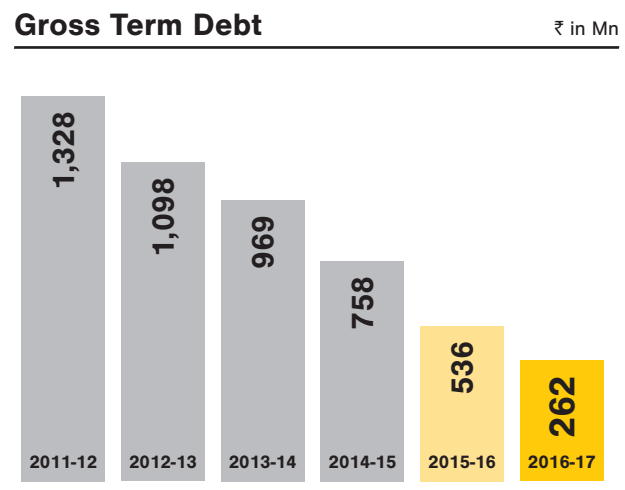
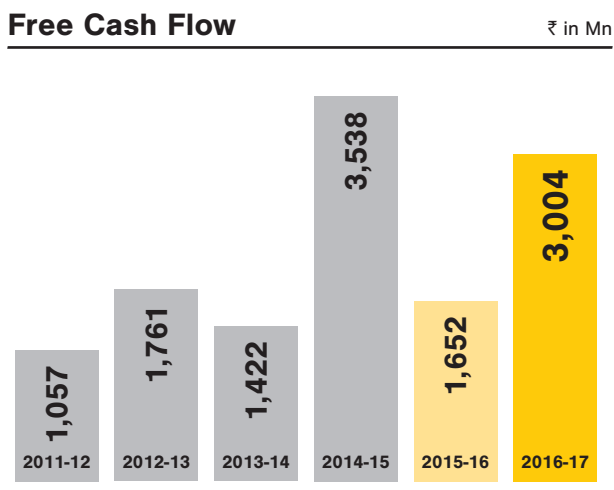
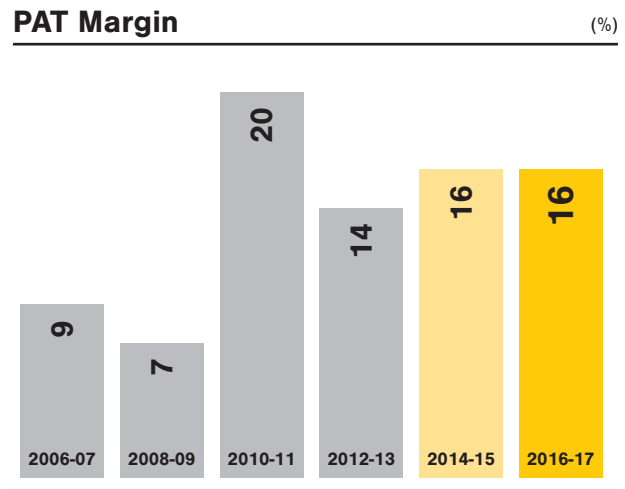
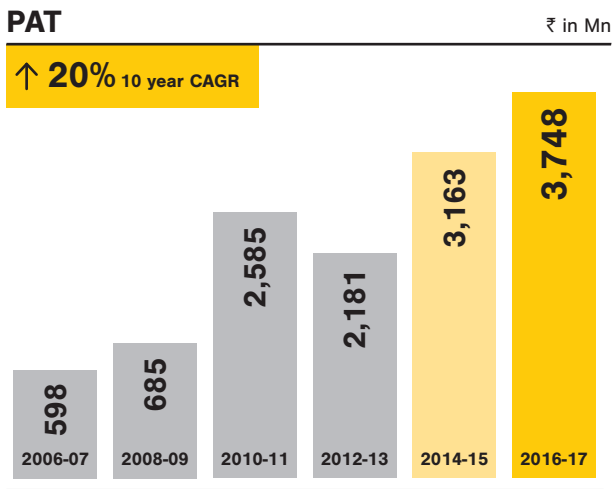


Sudhir Agarwal
Managing Director

Performance That Matters

D. B. Corp Ltd. reported the highest-ever turnover and a rise in operating profit. Despite temporary setbacks like demonetisation, our ad revenue improved substantially. The growth trajectory is a reflection of our ability to transform challenges into opportunities and create sustained value for our stakeholders.





Board of Directors



Sudhir Agarwal – Managing Director

Mr. Sudhir Agarwal has close to 24 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 its long-term vision, business planning and performance monitoring.

His dynamic leadership and clear vision led the Company to encompass multiple states, three new languages and a Pan-India presence. Under his supervision, the Company's door-to-door contact launch process has helped its newspapers become No.1 from day one. His aggressive management qualities have led analysts and investors to consider the Company as one of the fastest growing media Group of India.



Girish Agarwal – Non-Executive Director

Mr. Girish Agarwal has been on the board since October '95 and has approximately 21 years of experience. He heads the marketing and related operations of the Group. He is also an active member of the INS and holds the distinction of being its youngest Chairman in Madhya Pradesh. He has been awarded 'Entrepreneur of the Year' by Ernst & Young in 2006 and 'Outstanding Entrepreneur' at the Asia Pacific Entrepreneur Awards (AEPA).

Under his leadership, Divya Bhaskar, the Group's Gujarati daily has won the 'Best in Print' (Bronze) award at the IFRA Asia Pacific Awards. Divya Bhaskar is the only Indian Language newspaper in India to have won this award.



Pawan Agarwal – Deputy Managing Director

Mr. Pawan Agarwal has been on the Board since December 2005. He holds a B.A. degree in Industrial Engineering from Purdue University, USA and has also attended a programme on Leadership's Best Practices at Harvard University. He heads production and the information technology department along with the radio and 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.



Piyush Pandey – Non-Executive Independent Director

Mr. Piyush Pandey (61 years) is the Non-Executive Independent Director of our Company. He has been on the board since November 2007. He has over 34 years of experience in advertising, all with Ogilvy and Mather India. He is the only Indian to have won three Grand Prizes at the London International Advertising Awards. He was awarded the Lifetime Achievement Award in 2010 by the Advertising Agencies Association of India, the Clío Lifetime Achievement Award in 2012 and the Padmashri in 2016 in recognition of his distinguished service in the field of advertising and communication – the first Indian to be awarded in this field. He published his first book ‘Pandeymonium’ in 2015.



Harish Bijoor – Non-Executive Independent Director

Mr. Harish Bijoor has been on the board of the Company since November 2007. He started his career with Hindustan Lever Limited (formerly known as Brooke Bond Lipton India Ltd.). Currently, he is a brand-thinker and practitioner operating out of Bengaluru, India. He runs a unique boutique-consulting outfit branded ‘Harish Bijoor Consults Inc.’ Harish has spent his career across the aggressive realms of FMCG, Telecom and Consumer Durables. He has also served at Zip Telecom Ltd. and Tata Coffee Limited in varied roles in the senior management.

He is an active member of different coffee forums including the Coffee Board of India. Besides, he was an active member of the sub-committee on plantations of the Planning Commission.



Ashwani Singhal – Non-Executive Independent Director

Mr. Ashwani Singhal has been on the board of the Company since November 2007. He has over 30 years of experience in non-ferrous metallurgical industry. He is currently handling the global sourcing of raw materials for his business of manufacturing Aluminium Deox and Ferro Aluminium for the steel industry.

He is the founder-director of The Metal Recycling Association of India and currently is serving as the District Chairperson - Sight First Co-ordinator of ‘The International Association of Lions Clubs District 323 A3’ Mumbai, India, 2015-16.



Naveen Kshatriya – Non-Executive Independent Director

Mr. Naveen Kumar Kshatriya has been included on the board of the Company in June 2016. A B.Tech Graduate, he is now an Early Stage Investor and Business Promoter by profession. He has 40 years of international experience with Unilever and BP Castrol. He was the CEO and MD of Castrol India Ltd. In his last role based out of Singapore, he was the Regional Vice President for Asia and Pacific, BP-Castrol Automotive business.



Anupriya Acharya – Non-Executive Independent Director

Anupriya Acharya, CEO, Publicis Media India is an eminent media professional with 22+ years of experience in media agencies across India and Singapore. She has been on the board since June 2016. She is an alumni of IIT Roorkee (post-graduation in Chemistry). She has also held positions of Group CEO of Zenith Optimedia, CEO – Aegis Media Singapore, Leader-Team Unilever, South Asia at Mindshare and President – The Media Edge, India in the past.

Anupriya is also the Jury member on key media industry awards in India and APAC and speaks frequently at key industry events. She has consistently featured in Brand Equity’s list of top professionals in Indian Media and Impact’s list of ‘50 most influential women’.

Operations Review

Editorial



Delivered products which are a reflection of our **'Kendra Mein Pathak'** (reader at the core) philosophy via various training programmes. Reporters across all our editions were trained by **Subject Matter Experts** in order to deliver strong and insightful stories.

Strengthened late night coverage and added more printing facilities in order to deliver the latest news updates to our readers.

With a view to provide our team with greater efficiency, we introduced **Matrix workflow in mobile using Google Speech API**. With a 97% accuracy in Hindi, this has resulted in 1,250 journalists using their speech instead of typing to file stories.

Considering the growing smartphone penetration across India, **ePapers of all editions of D. B. Corp Ltd.** are now available on the Google Play Store. This enables easy and wider access, thereby improving readership across and beyond our markets.



Print Production



With a view to incorporate Business Intelligence in our day-to-day operations and imbibe ease of sharing insights, we adopted **QlikView (QV)**. The tool aids in developing dashboards for sales, finance and production verticals using data from a single source.

In FY 2016-17, majority of the processes across **SAP modules were automated** in compliance with IFC requirements.

Increased colour capacity across Raipur, Bhilwara, Alwar, Sikar, Bikaner, Nagour, Udaipur, Mehsana, Bhavnagar and Surat.

Keeping in with our mission to run sustainable operations, we **saved ~1 lakh litres of water** with the use of Green Technology in Plate Making.



Digital



DB Digital is the **second largest Digital Group** across India's news and infotainment sector (ComScore, November 2016), with a landmark reach of 90.1 mn Unique Visitors and 2.8 bn page views (as per Google Analytics March 2017).

dainikbhaskar.com is the No.1 Hindi News website (as per ComScore March 2017).

Dainik Bhaskar and Divya Bhaskar's **total app downloads reached 9.2 mn** (as on March 2017 – Source: Google Play Store, iPhone Store, iTunes, Windows Store and door to door system records).

Lunched 'WisdomNxt', the upgraded version of our proprietary editorial intelligence tool 'Wisdom'.

In Uttar Pradesh we ran an extensive campaign titled **'Ab Khabre Na Dabegi Na Rukegi'**. The second leg of the campaign **'Ab Sach Chalega'** was launched during the state elections.

Radio



94.3 MY FM has been outperforming the industry in its operational markets consistently for five to six years and enjoys **highest EBIDTA margin in the radio industry**. Our radio business maintained its leadership position across Madhya Pradesh, Chhattisgarh and Rajasthan. It is the largest network in Chandigarh, Punjab and Haryana.

In FY 2016-17, despite demonetisation and its short-term impact, the radio business achieved a **healthy topline growth of 18%**.

94.3 MY FM **celebrated its 10 year anniversary in Chandigarh and Ahmedabad** with mega-events 'Dus da Jashana' and 'Jalsavad' respectively.

Phase III roll-out was achieved within a record time of six to eight months. 94.3 MY FM launched 13 stations in the cities of Hisar, Karnal, Rajkot, Aurangabad, Ahmednagar, Nanded, Sangli, Jalgaon, Nashik, Solapur, Dhule, Bikaner and Akola.

Keeping in with the brand's customer-centric content strategy, **94.3 MY FM introduced several new programmes as part of its 'Ab Har Kaan Sunega' campaign**. The content was distilled from 'Aap Ki Marzi' survey undertaken during the pre-launch stage.



Marketing & Sales



Achieved success in driving the **Right Price strategy**, which helped us command a premium on the back of our core strengths. The full impact of this strategy will be visible in the medium to long-term. Going forward, we will continue to drive this and focus on reaching our set benchmarks for every market.

Demonetisation impacted advertising revenues from categories like lifestyle, retail and two-wheelers. However, this was partly off-set by improved spends from sectors such as banking, e-wallets, public sector undertakings and passenger cars.

Celebrated the 20th anniversary of Dainik Bhaskar's Jaipur edition with much fanfare. Spread over ten days, the festivities included events such as talk shows with celebrities (Aamir Khan, Piyush Pandey, Sanjeev Kapoor and Sunidhi Chauhan), a Kavi Sammelan and a musical evening with Kailash Kher.

In December 2016, we launched an **innovative initiative targeted at advertisers during the wedding season**. This special initiative allowed advertisers to leverage the demand during the wedding season, despite constrained advertising budgets post-demonetisation.

Received ISO 9001:2015 certification for Quality Management Systems in newspaper distribution function. This distinction has been achieved for the Quality Policy of our Sales and Market Development (SMD) function.



KEY MARKETING INITIATIVES

Divya Marathi launched 'Swatantra Vichaar' campaign with an objective to reinforce its position as Maharashtra's only independent newspaper.

Dainik Bhaskar was the most visible brand at Simhastha – the world's largest congregation held once in 12 years. Our partnership with the event held in Ujjain last year allowed the brand extensive engagement and on-ground visibility during ceremonies such as Maha Arti (prayer ceremony) and Maha Yatra (mass procession).

The 'Azaad Soch' campaign, launched in Punjab, empowered citizens to make an informed and independent choice during elections. The campaign was aimed at reinforcing Dainik Bhaskar's reputation as Punjab's only truly independent newspaper.

Purchase



We changed to a **lower GSM Newsprint** and adopted **modern and improved printing technology**. In the long-term, we expect this to generate mileage advantage of about 4.76%.

In FY 2016-17, cost of Newsprint increased by 6.8% to ₹ 6,609 mn, due to annualisation of new editions launched last year; namely Bhagalpur, Muzaffarpur, Gaya and English Daily in Bhopal, DB Post.

Generated savings by successfully testing and using imported newsprint with a lower GSM. Further, owing to consistent research and persistent negotiations on key production consumables, the **print operations reported a savings of around 14% for ink and 3% for plate** as compared to last fiscal.

Entered into **long-term rate and volume contracts** with our global newsprint partners ensuring uninterrupted supplies on imported newsprint.



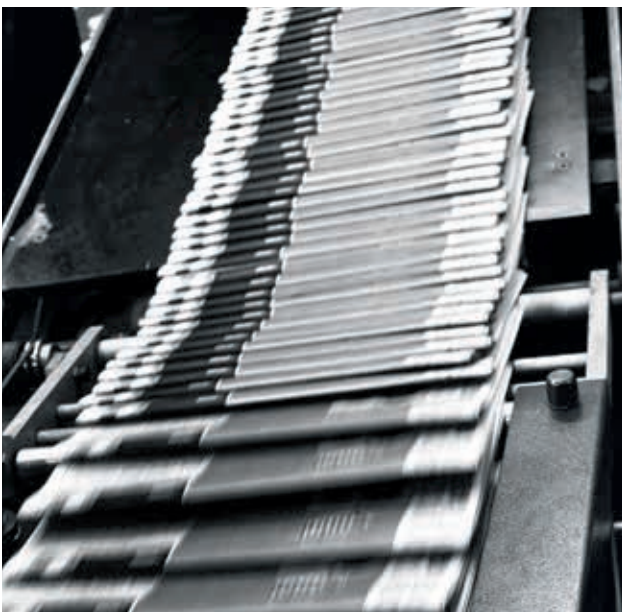
People



In FY 2016-17, we initiated our **cloud-based Human Capital Management (HCM) tool**.

With a view to provide latest cross industry exposure, employees were nominated to external forums like **Management Convention by AIMA**, Young Managers competition by AIMA and Retail Summit by RAI.


With ~11,000 people, D. B. Corp Ltd. is **one of the largest employers in the media sector** in India.



MARKETS THAT MATTER

The Tier II and Tier III cities are playing a huge role in determining the growth trajectory of India. These cities are flourishing and transforming the consumption landscape of the country.

The burgeoning potential of these cities has led the Government to focus on policies to fillip the growth of the 'Markets That Matter'.

 imagesbaza

The Growth Story

According to the 2011 census, the urban population in the country has risen to 377.16 mn and number of towns has gone up to 7,935. In fact, the number of million plus cities or urban agglomeration (UA) has increased to 53 in Census 2011. The new entrants included towns like Aurangabad, Chandigarh, Ghaziabad, Gwalior, Durg-Bhilainagar, Jodhpur, Kota, Kozhikode, Ranchi, Raipur, Srinagar and Thrissur.

POPULATION GROWTH RATE
IN URBAN AREAS HAS BEEN

31.8%¹

URBAN POPULATION TO THE
TOTAL POPULATION STANDS AT

31.6%¹

Earlier, the Central Pay Commission's classification of metros on the basis of population included four cities - Delhi, Mumbai, Kolkata and Chennai. This list further expanded to include Bengaluru, Pune, Ahmedabad and Hyderabad. And as the Indian GDP grows to US\$ 2.454 trillion, more and more cities are slowly vying for this 'metro' status. To add to this, the Government has set a goal to create 100 new smart cities across the country. According to a report by the Smart City Council, 18 new cities with hefty foreign investments have emerged as popular business hubs³. Notably, ten Indian states, including Gujarat, Maharashtra, Rajasthan and Madhya Pradesh, account for more than 75% of India's aggregate GDP, and Tier II cities such as Surat, Jaipur, Indore and Patna have economic growth rate of more than 40%⁴.

The Government has set a goal to create 100 new smart cities across the country.



1 Ministry of Urban Development

2 'Assembling the Building Blocks', Barclays EM Research, 2014

3 <http://tech.economicstimes.indiatimes.com/news/startups/slow-and-steady-startups-in-tier-ii-and-tier-iii-cities-are-moving-ahead/54774535>

4 Ambit Capital's 'The relentless rise of India's States', May 2015 & <http://tech.economicstimes.indiatimes.com/news/startups/slow-and-steady-startups-in-tier-ii-and-tier-iii-cities-are-moving-ahead/54774535>

The Top 50 Markets of India

The EY Report titled - ‘India’s Growth Paradigm’ (March 2017), reflects this trend of a new emerging class of cities with millions of aspirational consumers who are vying for attention on the national stage. The report acknowledges them as the 42 ‘new wave cities’ based on four parameters:

Addressable Market Size

How large is the potential audience

Growth Prospects

Will consumption grow in the short to medium-term

Untapped Potential

How saturated is the market today

Media Depth

How easily can messaging reach targeted audiences

Metros and new wave cities are expected to exceed national-level growth projections till 2020 for population and GDP. This growth can be attributed to the demographics being youth-dominated, the growing penetration of technology and increased literacy levels. Further, the Report states that the media consumption has matured in these markets and penetration of medium like print, DTH and radio can even be higher than in the metros.

08 Traditional Metros

- | | |
|-----------|-----------|
| Ahmedabad | Hyderabad |
| Bengaluru | Kolkata |
| Chennai | Mumbai |
| Delhi | Pune |



42 New Wave Cities

2 Fresh Metros

- Jaipur
- Surat

10 Next High-Potential Cities

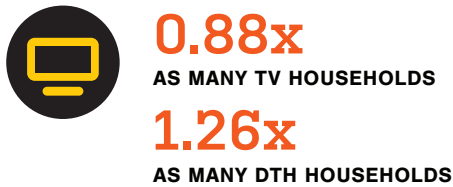
- | | |
|------------|----------|
| Bhopal | Lucknow |
| Chandigarh | Nagpur |
| Indore | Patna |
| Jabalpur | Vadodara |
| Kanpur | Vizag |

30 Emerging Cities

- | | | |
|---------------|------------|------------|
| Agra | Jalandhar | Raipur |
| Allahabad | Jamshedpur | Rajkot |
| Amritsar | Jodhpur | Ranchi |
| Aurangabad | Kochi | Trichy |
| Bhubaneswar | Kota | Trivandrum |
| Coimbatore | Kozhikode | Varanasi |
| Dehradun | Ludhiana | Vijayawada |
| Dhanbad | Madurai | Warangal |
| Guwahati | Meerut | |
| Gwalior | Mysore | |
| Hubli-Dharwad | Nashik | |

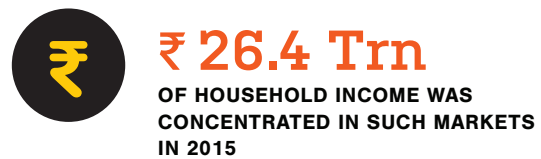
Media penetration in these new wave markets is rising and has even passed that of metros in certain mediums

42 new wave markets' total population is similar to that of 8 metros today, but they have...



*Adjusted from urban area-level to city-level

The 50 largest cities have transformed into major consumption hubs**




** Largest 50 cities as per cumulative household income, excluding cities bordering metros and in Jammu & Kashmir

***A further 41mn lived in surrounding areas as part of the wider urban agglomeration-areas that do not fall under the definition of a 'city' per the government Census



D. B. Corp Ltd. Edge

D. B. Corp Ltd. has been a pioneer in identifying the potential of these cities and attracting audiences through our customised offerings. We have also been successful by expanding our business consistently and reinvesting proceeds from mature markets. In fact, of the 42 new wave cities which reflect untapped potential across various sectors, 23 are from D. B. Corp Ltd. markets, where the Company already has well-established product offerings in 18 of them.



The change across India's urban landscape has been dynamic, with boundless momentum gained by a few Tier II and Tier III cities within a short period of time. Jaipur and Surat have positioned themselves as centres of economic growth and are prospering as attractive destinations for trade and commerce. Identified as fresh 'Metro' these two cities have transformed exponentially and have outdone the metros in parameters such as consumption pattern and investment scenario.

**ENTRANTS
THAT
MATTER**



The Growth Story

According to the EY report 'India's Growth Paradigm' (March 2017), owing to robust population growth, investment activity and various Government initiatives, Jaipur and Surat are projected to record real GDP growth of 8.7% and 10.3% respectively from 2015-20, relative to metros' 8.3%. Moreover, Jaipur and Surat have both been selected to be developed under the Central Government's Smart Cities Mission with an investment of ₹ 25 bn planned for each city.

As per a state-by-state report issued by DIPP which ranks the states on their implementation of business reforms; Gujarat, Jharkhand, Rajasthan and Madhya Pradesh are among those taking the lead.

Jaipur and Surat have both been selected to be developed under the Central Government's Smart Cities Mission with an investment of ₹ 25 bn planned for each city.



TOTAL CONSUMPTION OF JAIPUR AND SURAT TO REACH 75% - 80% OF METROS LIKE PUNE AND AHMEDABAD

Source: EY Analysis

METROS POSSESS HOUSEHOLD INCOME OF AT LEAST ₹ 800 BN JAIPUR AND SURAT ARE EXPECTED TO CROSS THIS THRESHOLD.

Source: EY Analysis



22%

OF JAIPUR AND SURAT'S POPULATION IS BETWEEN 15-24 YEARS



6th Metro rail

IN INDIA, OPENED IN JAIPUR IN 2015



₹ 0.20 Mn

JAIPUR'S 2015 ANNUAL PER CAPITA INCOME WAS AMONGST THE HIGHEST IN THE COUNTRY



~300,000

JAIPUR'S AIRPORT REGISTERS MONTHLY PASSENGER TRAFFIC WHICH IS ROUGHLY HALF OF PUNE

₹ 0.13 Mn

SURAT'S 2015 PER CAPITAL INCOME IS COMPARABLE TO AHMEDABAD



21% Y-o-Y

SURAT REGISTERED NOMINAL BANK CREDIT GROWTH FROM 2012-2016

Jaipur and Surat are untapped markets for sectors like retail, fashion & lifestyle, telecom & DTH, auto and education.

Jaipur and Surat were ranked by global investors as the first and fifth most attractive investment destinations after the metros.





JAIPUR AND SURAT BASED PUBLICATIONS HAVE CONTINUED TO GROW BOTH CIRCULATION AND AD VOLUME SINCE 2012 - A FEAT NOT ACHIEVED BY ANY METRO PRINT MARKET.

Source: EY Analysis



No.1
IN JAIPUR

10%

CIRCULATION LEAD IN JAIPUR

IDENTIFIED NEED-GAP IN SURAT AND LAUNCHED DAINIK BHASKAR IN THE CITY FOR THE LARGE HINDI SPEAKING AUDIENCE

The improved media penetration across Jaipur and Surat fortifies our business commitment of being a leader in these 'Markets That Matter'.

D. B. Corp Ltd. Edge

20 years back when the newspaper landscape in Rajasthan was predominantly ruled by a single media entity, we questioned the status quo. Guided by our extensive consumer survey and a well-focused launch campaign, Dainik Bhaskar became the No.1 newspaper in Jaipur on the day of launch itself. This fiscal we hosted 'Bhaskar Utsav' to celebrate the 20th anniversary of Dainik Bhaskar's Jaipur edition. The celebration marked our position as the undisputed leader in the 'pink city' and asserted our pioneering attitude to capture the growth potential across Markets That Matter.

Further, in April 2017, we successfully launched Dainik Bhaskar's Surat edition. This launch targeted the huge Hindi speaking population, an untapped segment in Surat. An aggressive marketing campaign marked our entry in the Hindi newspaper space into the city.

The EY report further asserts our belief that there is a lot of potential for marketer to explore in these two markets. It states that Jaipur and Surat are untapped markets for sectors like retail, fashion & lifestyle, telecom & DTH, auto and education.

POTENTIAL THAT MATTERS

As India Inc. deepens its reach into a new set of urban markets, it becomes crucial to understand which undersaturated hotspots can drive future growth. To identify these untapped markets, EY evaluated whether each city's supply-side market penetration (eg: per capita penetration of retail outlets, malls, banks, telecom centres etc.) is proportional to its level of demand-side consumption (eg: per capita spend on FMCG, clothing, education etc.). The analysis has found that the greatest gaps between consumption and supply-side penetration lie in new wave cities and these disparities highlight the opportunities for businesses to expand in these markets. We believe that we have the edge as we are the only media Group which has consistently explored these greenfield markets and created customised product offerings for them.



D. B. Corp Ltd. Markets & their Untapped Sectors

Kota

FMCG | EDUCATION | RETAIL
FASHION | DURABLES | AUTO

Chandigarh

FMCG | TELECOM | DTH

Dehradun

FMCG | TELECOM | DTH

Jamshedpur

FMCG | TELECOM | DTH

Jaipur

RETAIL | FASHION | DURABLES
TELECOM | DTH | EDUCATION

Raipur

RETAIL | FASHION | DURABLES
AUTO | EDUCATION

Vadodara

RETAIL | FASHION | DURABLES

Indore

EDUCATION | E-COMMERCE | AUTO

Jodhpur

AUTO | EDUCATION | TELECOM | DTH

Patna

TELECOM | DTH | E-COMMERCE

Ranchi

TELECOM | DTH | BFSI
REAL ESTATE | EDUCATION

Bhopal

EDUCATION | E-COMMERCE

Jalandhar

E-COMMERCE

Dhanbad

EDUCATION

Rajkot

BFSI | REAL ESTATE

Ahmedabad

BFSI | REAL ESTATE

Surat

BFSI | REAL ESTATE

Nashik

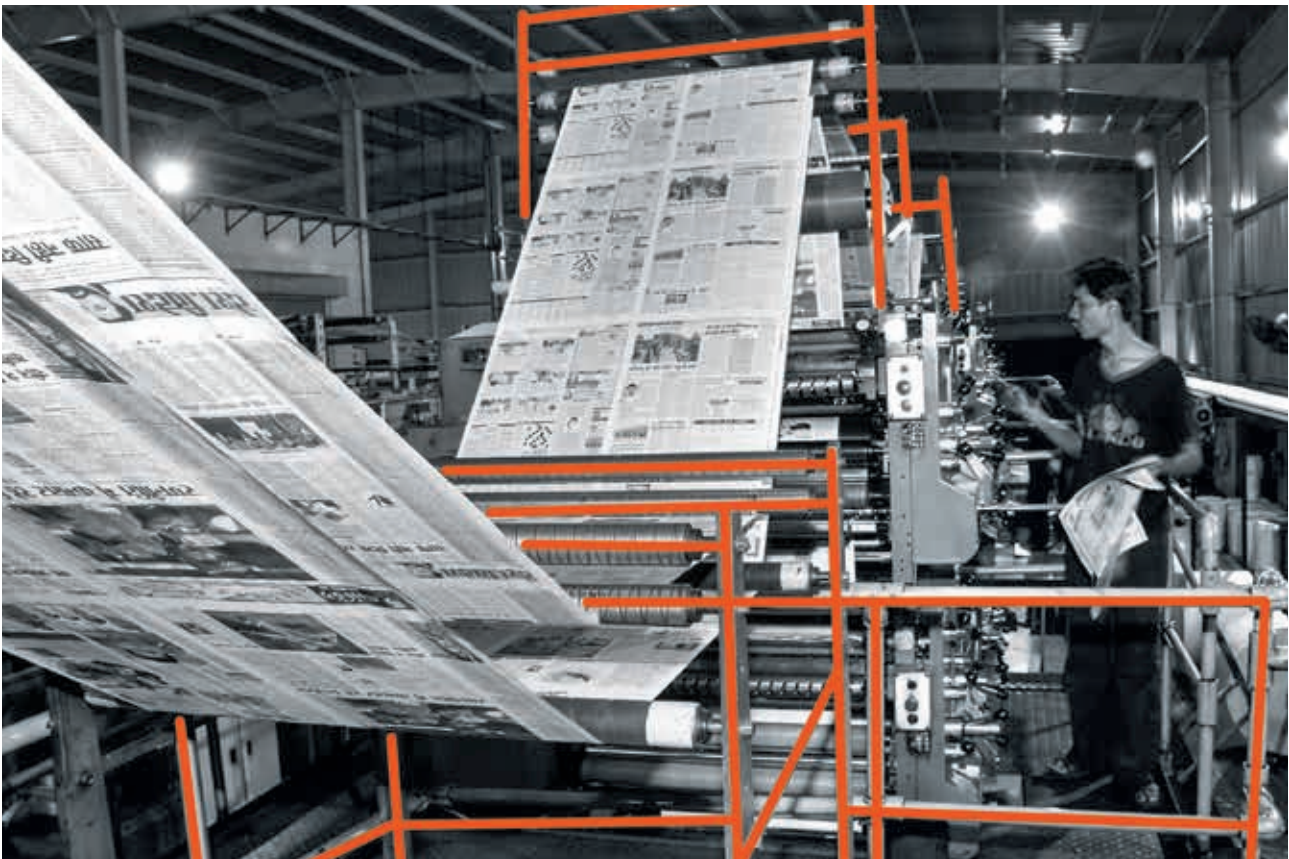
BFSI | REAL ESTATE

Print Pioneers

The Growth Story

The EY report states that in the recent years the new wave cities have recorded higher rates of readership and circulation growth as compared to the traditional metros.

Even though Tier II and Tier III based publications have continued to grow in terms of circulation, ad volumes have been low for markets like Jaipur, Lucknow and Patna when compared to metros like Pune and Kolkata. Given the higher circulation growth, economic growth prospects and untapped potential in these markets that matter, there is scope for media plans to re-calibrate towards such cities.





D. B. Corp Ltd. Edge

At D. B. Corp Ltd., our flagship offering - the print dailies - have been the harbinger of optimism for the Markets That Matter and for our business. With our strong data and research centric approach coupled with far-sightedness to assess the impending prospects of these steadily growing markets, we have been able to reach out to most of the new wave cities. D.B. Corp Ltd. publishes 6 newspapers with 65 editions across 13 states in India, reinforcing its position as India's largest newspaper Group with an expansive reach across the country. In terms of circulation revenue, we are the only newspaper with a five-year CAGR growth of 15%, majority of which has come from the yield growth.

Dainik Bhaskar's overall circulation in Jaipur, Indore and Ahmedabad is close to 5.08 lakh copies, 3.2 lakh copies and 4.7 lakh copies respectively (Source: ABC JD '16). To add to this, the Group's key markets like Kota, Bhopal, Vadodara and Surat have immense potential for sectors like FMCG, retail, fashion & durables, auto, education, E-commerce and BFSI.

Dainik Bhaskar is the only newspaper with a five-year CAGR growth of 15%, majority of which has come from the yield growth

Over the years, we have retained our leadership position by offering stellar products to the consumers which in turn ensures high ROI to the advertisers. It has been our constant endeavour to engage with the readers and marketers. This was visible when we launched our innovative wedding season scheme. Following demonetisation, the marketers witnessed constrained advertising budgets. We invited the marketers to capture the potential of the wedding season through an online platform.

At D. B. Corp Ltd., we follow an integrated approach to engage with our readers. In FY 2016-17, the Group strengthened its visibility during Simhastha – world's largest congregation held once in 12 years. Dainik Bhaskar's partnership ensured extensive engagement and on-ground visibility during ceremonies such as Maha Arti (prayer ceremony) and Maha Yatra (mass procession). This included two month long comprehensive engagement through 120 branded changing rooms, a 4 lakh square feet wall painting, 100 hoardings, 1 mn special information brochures and 50 T-Gates.

On Air Excellence



The Growth Story

Radio continues to be the most influential medium when it comes to reaching a wide target group with a spectrum of hyper-local and region-specific content. With the conclusion of the Phase III frequency auctions, more than 140 frequencies were sold beyond the top 10 cities. The medium's reach is poised to expand significantly across the new wave cities and other towns.

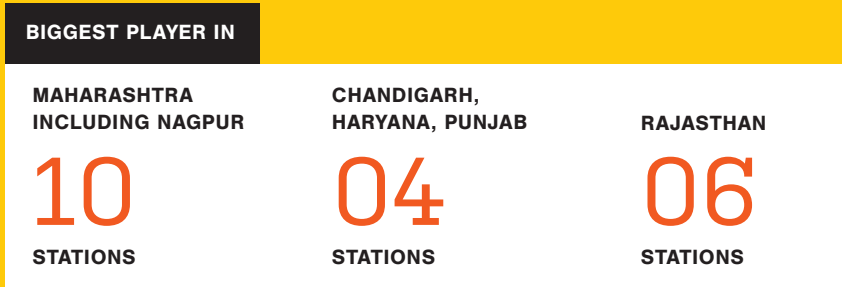
D. B. Corp Ltd. Edge

On the back of its hyper-local content, 94.3 MY FM has been outperforming the industry in its operational markets consistently for five-six years and enjoys highest EBIDTA margin in the entire radio industry. 94.3 MY FM is fully equipped to offer productions to clients in Hindi, English, Marathi, Punjabi and Gujarati.

As a pioneering brand in the radio space, ever since its launch, 94.3 MY FM has set up its network across 30 Tier II and Tier III cities. With a distinct customer-centric content strategy, we have consistently focused on diverse genres, in order to attract a wide set of listeners. Some of our unique content formats include: Sabse Badi Patangbaaz, Jiyo Dil Se Awards, Entrepreneur Awards, Ek Pyala Khushi, Paison Ka Ped and Dawat-e-music.

In February and April 2017, 94.3 MY FM celebrated its 10th anniversary in Chandigarh and Ahmedabad respectively. The celebrations exemplified the brand's strong local understanding and vision to create offerings to suit local flavour. Our unique content approach, innovative marketing campaigns and on-ground initiatives have led to the stellar growth of our radio business. In 2016, our listenership base in Chandigarh and Ahmedabad was ~58% and ~53% respectively*.

*Source: Karvy Insights; Period: Nov '16; TG: 16-45 years, SEC AB; Yesterday Listenership



In the last fiscal, 94.3 MY FM launched 13 new stations in cities of Hisar, Karnal, Rajkot, Aurangabad, Ahmednagar, Nanded, Sangli, Jalgaon, Nashik, Solapur, Dhule, Bikaner and Akola. 94.3 MY FM is a leader in many of the cities which have been identified by the EY report as core consumption markets for sectors like FMCG, telecom, DTH, BFSI and real estate.

Future On-line

The Growth Story

According to EY, the easy availability of sub-US\$150 smartphones and rapidly improving 3G/4G infrastructure has allowed India's internet user base to balloon to nearly 500 mn today. The share of users consuming Indian languages content is expected to rise to 70% in 2020, up from 45% in 2013.

As per Google Data, there has been 94% development rate for Hindi content utilisation. Today, Google underpins languages, for example, Hindi, Gujarati, Marathi, Bengali and Tamil among others. Around 127 mn Indian Internet users are consuming content in their regional language.

NUMBER OF INDIAN LANGUAGE INTERNET USERS GREW FROM 42 MN IN 2011 TO 234 MN IN 2016*.

* Source: Indian Languages - Defining India's Internet (A study by KPMG India and Google, April 2017)





D. B. Corp Ltd. Edge

As the Indian consumer today is looking at hyper-local and Indian language content on digital platforms, we are optimistic about driving better ROI for our advertisers.

Our flagship digital offering, dainikbhaskar.com, continues to retain the No. 1 position among Hindi News websites and divyabhaskar.com retains its position of No.1 Gujarati news website.

With a strong focus on technology and innovation, we have developed 'WisdomNxt'; a tool which tracks realtime data of WEB, WAP and APP platforms. We use 'Big Data' to improve the accuracy and speed in terms of addressing load time issue.

In FY 2016-17, we strengthened our hyper-local digital offerings further by launching homeonline.com for Bhopal, Raipur, Indore and Jaipur. This is in sync with the growth potential asserted by EY across these markets for sectors like retail, fashion & durables, telecom, DTH, education and E-commerce.

From an operational perspective, our dedicated headcount of digital business stood at 550+ with 26-27 years being the average age of diverse talent pool.

KEY HIGHLIGHTS

DB Digital: 2nd Largest Digital Group in the Country

(ComScore November 2016)

dainikbhaskar.com: No.1 Hindi News website

(ComScore March 2017)

DB Digital: 90.1 mn unique visitors and 2.8 bn page views

(As per Google analytics March 2017)

For the year ended March 2017, app downloads reached 9.2 mn

24% y-o-y growth in digital business revenue

Actions That Matter

Our CSR activities are guided by the philosophy to drive social change. We have an integrated CSR strategy that focusses on environment, education and Joy of Giving initiatives, ensuring diversity of beneficiaries.



Computer Education

The 'Computer Education' initiative, undertaken by D. B. Corp Ltd., is perhaps, the first-of-its-kind knowledge initiative in the country that offers free basic computer training to senior citizens and housewives. The initiative provides digital literacy and helps them keep pace with the technological advancement affecting their daily lives.

RECEIVED 1,25,000 REGISTRATIONS
TILL DATE ACROSS 37 CENTRES.

MORE THAN 32,000 HOUSEWIVES AND
SENIOR CITIZENS HAVE BEEN TRAINED.

PARTNERED WITH GOVERNMENT OF INDIA'S
NATIONAL DIGITAL LITERACY MISSION.



Tilak Holi

This initiative aims to drive behavioural change encouraging people to play dry Holi and use water responsibly. People are encouraged to play Holi with Abir and Gulal thereby celebrating in an eco-friendly manner.

MORE THAN 1,25,000 READERS CELEBRATED HOLI
WITH DRY COLOURS IN THE YEAR 2016.

ENSURED SUBSTANTIAL SAVINGS OF WATER



Ek Ped Ek Zindagi

'Ek Ped Ek Zindagi' campaign aims to motivate people to plant at least one sapling in their name and nurture it till it becomes a fully-grown tree.

MORE THAN 1.3 MN SAPLINGS WERE PLANTED
IN 34 CITIES ACROSS 10 STATES IN 2016.

OVER 7,500 ORGANISATIONS PARTICIPATED DURING
THIS CAMPAIGN.

Jal Satyagrah

Through this campaign we aimed to sensitise people towards judicious use of water resources. As an extension of this campaign, we ran an initiative in partnership with Federation of Hotels and Restaurant Association of India (FHRAI), which saw 500 Indian restaurants serve half-filled glass of water.

70,000 BROCHURES ON USEFUL WATER SAVING TIPS.

DIGITAL VIDEOS MADE ON TIPS TO SAVE WATER.



Mitti Ke Ganesh

'Mitti ke Ganesh' campaign aimed to drive behavioural change amongst the citizens to bring home Lord Ganesh idols made of clay, instead of the ones made out of 'Plaster of Paris' to avoid contamination of natural water bodies. The readers were then asked to immerse the idols at their homes in a water container and re-use the same for gardening purpose.



Sarthak Deepawali

Our 'Sarthak Deepawali' campaign appealed to people to share Diwali gifts and confectionaries with the underprivileged, thereby making Diwali truly special for them. In 2016, a video was released to motivate people to celebrate Diwali with the less fortunate ones.



नो निमोहित न्यूज के साथ करें
सप्ताह की पॉजिटिव शुरुआत

Live Positive

Dainik Bhaskar launched 'Live Positive' initiative in Kota to drive behavioural change towards instilling positivity by sensitising students, their parents and teachers. Tata Institute of Social Sciences (TISS) was taken on board as a knowledge partner.

A HELP LINE CALL CENTRE WAS SET UP.

THE COLLABORATIVE EFFORTS OF THE LAST ONE YEAR RESULTED IN HELPING PREVENT 8 POTENTIAL SUICIDE ATTEMPTS BY STUDENTS IN KOTA.

A TABLOID WAS PUBLISHED TO SENSITISE STUDENTS AND TEACHERS.

A TOTAL OF 10,000 BUDDIES WERE TRAINED AS PART OF 'STUDENT BUDDY'.

Awards and Accolades

124 National and International Awards

16 Platinum

47 Gold

7 Platinum, 5 Gold & Honourable Mention
HERMES CREATIVE AWARDS 2017

2 Platinum
LACP SPOTLIGHT AWARDS 2016-17

2 Gold
PUBLISHERS' ABBY AWARDS 2017

Platinum
GRAPHIS ADVERTISING ANNUAL 2017

5 Platinum & 2 Gold
MARCOM AWARDS 2016

Platinum
SUMMIT MARKETING EFFECTIVENESS AWARD

5 Bronze
46TH CREATIVITY PRINT & PACKAGING DESIGN AWARDS 2016

Gold
INDIAN MARKETING AWARDS 2016

Gold
GOLDEN AWARD OF MONTREUX 2016

1 Gold, 1 Silver & 1 Jury Choice Award
INDIAN CONTENT MARKETING AWARDS 2016

Gold
INDIA DIGITAL CREST AWARDS 2016

1 Gold & 1 Silver
APAC CUSTOMER ENGAGEMENT AWARDS' 2016

Silver
MADDYS

2 CSR Excellence Awards
BUREAUCRACY TODAY

Silver
WOW AWARD

2 Responsible Business Awards & 2 Global CSR Excellence Awards
WORLD CSR DAY

Silver
IN-HOUSE COMMUNICATION EXCELLENCE (ICE) AWARD

2 Awards
ASIA'S BEST CSR

28 Silver

17 Bronze

16 Honorary Awards

2 Awards

DMA ECHO ASIA AWARDS

2 Gold & 1 Silver

INK AWARDS

2 Silver & 1 Bronze

ASSOCIATION OF BUSINESS COMMUNICATORS OF INDIA (ABCI) AWARDS

2 Gold

INDIA PR & CORPORATE COMMUNICATION AWARD (IPRCCA) AWARDS

1 Award

WORLD ASSOCIATION OF NEWSPAPERS AND NEWS PUBLISHERS (WAN-IFRA)

1 Gold, 3 Silver & 1 Bronze

PUBLIC RELATIONS SOCIETY OF INDIA

1 Gold, 2 Silver & 1 Bronze

NIB AWARDS

2 Silver & 3 Bronze

BIG BANG AWARDS

12 Gold, 3 Silver & 4 Bronze

ASIAN CUSTOMER ENGAGEMENT FORUM AWARDS

1 Gold, 3 Silver, 1 Bronze &

2 Certificates of Appreciation

PUBLIC RELATIONS COUNCIL OF INDIA (PRCI)

COLLATERAL AWARDS

12 Gold & 6 Silver

ACEF AWARDS – MARKETING CAPABILITIES, CSR & RURAL MARKETING AWARDS

1 Silver & 1 Bronze

GOLDEN MIKE AWARDS

2 Gold

INDIA RADIO FORUM AWARDS

1 Award

LONDON AIB AWARD

Corporate Information

Board of Directors

Chairman

Late Mr. Ramesh Chandra Agarwal
(until 12th April, 2017)

Managing Director

Mr. Sudhir Agarwal

Deputy Managing Director

Mr. Pawan Agarwal

Non-Executive Director

Mr. Girish Agarwal

Non-Executive Independent Directors

Mr. Piyush Pandey

Mr. Harish Bijoor

Mr. Ashwani Kumar Singhal

Mr. Naveen Kumar Kshatriya

Ms. Anupriya Acharya

Company Secretary

Ms. Anita Gokhale

Auditors

S. R. Batliboi & Associates LLP,
Chartered Accountants, Mumbai

Gupta Navin K. & Co.,
Chartered Accountants, Gwalior

Registrar and Transfer Agents

Karvy Computershare Pvt. Ltd.

Karvy Selenium Tower B,
Plot 31-32, Gachibowli Financial District,
Nanakramguda, Hyderabad – 500 032

Tel No.: 040 6716 2222

Fax No.: 040 2300 1153

Registered Office

Plot No. 280, Sarkhej – Gandhinagar Highway,
Near YMCA Club, Markaba,
Ahmedabad – 380 051,
Gujarat

Tel No.: 079 3988 8850

Fax No.: 079 3981 4001

Head Office

Dwarka Sadan,
6, Press Complex, M P Nagar,
Bhopal – 462 011,
Madhya Pradesh

Tel No.: 0755 3988 884

Fax No.: 0755 2675 190

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 3988 8840

Fax No.: 022 2659 7217/ 3980 4793

CIN

L22210GJ1995PLC047208

Website

www.bhaskarnet.com

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Management Discussion and Analysis

COMPANY OVERVIEW:

D. B. Corp Ltd. (DBCL) is India's largest print media company that publishes 6 newspapers. Dainik Bhaskar (Hindi) with 44 editions is its flagship newspaper brand. DBCL also publishes Divya Bhaskar (Gujarati Newspaper) with nine editions and Divya Marathi (Marathi Newspaper) with six editions. The Company's print business spans 208 sub-editions across 13 states - Madhya Pradesh, Chhattisgarh, Rajasthan, Haryana, Punjab, Chandigarh, Uttarakhand, Himachal Pradesh, Delhi, Gujarat, Maharashtra, Jharkhand and Bihar.

As per the 2015-16 Press in India Report prepared by the Registrar of Newspapers of India (RNI), Dainik Bhaskar is the nation's largest circulated multi-edition daily newspaper. DBCL's other newspaper brands include Saurashtra Samachar, DB Star and DB Post.

Nation's largest circulated multi-edition newspaper group

4	65
LANGUAGES	EDITIONS

208

SUB-EDITIONS

The Company's other businesses span the FM radio segment with the brand, '94.3 MY FM', which achieved fastest rollout of all the 13 newly acquired stations under batch I of Phase III auctions. It also expanded its reach in seven states across 30 Tier II and Tier III cities where DBCL already has a strong presence in print business.

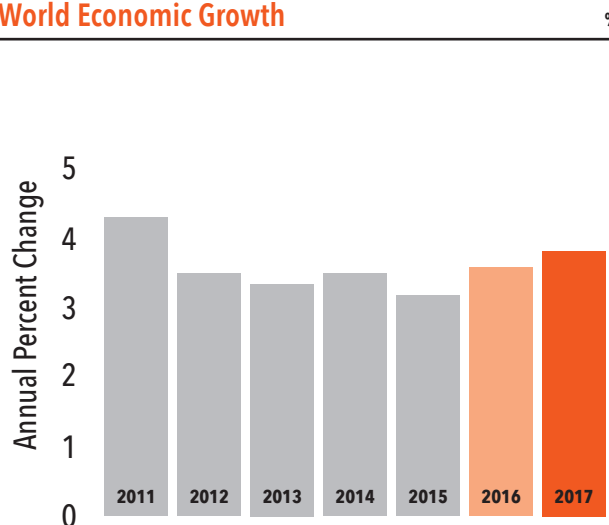
The Company also has a strong online presence through its digital arm - DB Digital. It has 13 internet portals and two Apps in four languages across categories of news, finance, spirituality, entertainment, fashion, sports, food, gadgets and real estate. These portals registered a traffic of 90.1 million Unique Visitors (UV) and 2.8 billion Page Views in March 2017. (Source: Google Analytics, March 2017)

ECONOMY OVERVIEW

Global Economy

Global economic activity is picking up with a long-awaited cyclical recovery in investment, manufacturing, and trade. World growth is expected to rise from 3.1% in 2016 to 3.5% in 2017 and 3.6% in 2018.

World Economic Growth



Source: IMF Forecast

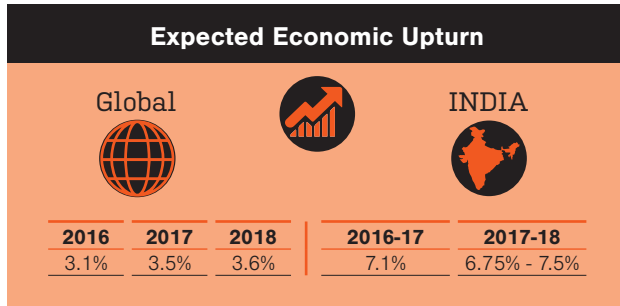
However, the primary trigger for strong global growth outlook in 2017-18 is the projected acceleration of the Emerging Markets and Developing Economies (EMDE). The IMF in its latest World Economic Outlook has revised its projected growth upwards for the United States, reflecting the assumed fiscal policy easing and an uptick in business and consumer confidence, especially after the November elections. If this positivity persists, it will reinforce the cyclical momentum. The outlook has also improved for Europe and Japan, based on a cyclical recovery in global manufacturing and trade that commenced in the second half of 2016.

The expected pick-up in global growth as discussed in the October World Economic Outlook (WEO) 2016, reflects the gradual normalisation of a number of large economies that are currently experiencing macroeconomic strains. EMDE growth has been estimated at 4.1% in 2016, and is projected to reach 4.5% for 2017, which is around 0.1% weaker than the October 2016 forecast. A further acceleration in EMDE growth to 4.8% is projected for 2018.

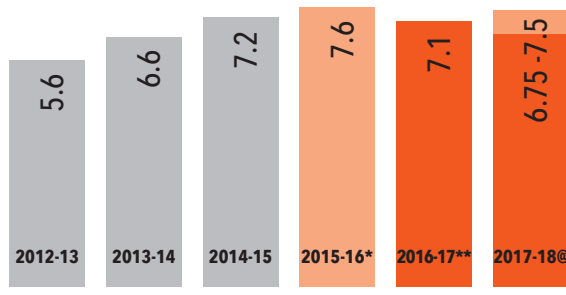
Indian Economy

As per the advance estimates released by the Central Statistics Office, GDP growth at constant market prices for FY 2016-17 is placed at 7.1% , as against 7.6% in FY 2015-16. It is expected to return to normal in FY 2017-18, as adequate

new currency notes fill the demand-supply gap in the markets, and follow-up actions to demonetisation take effect. It is likely that the Indian economy will register 6.75%-7.5% growth in FY 2017-18.



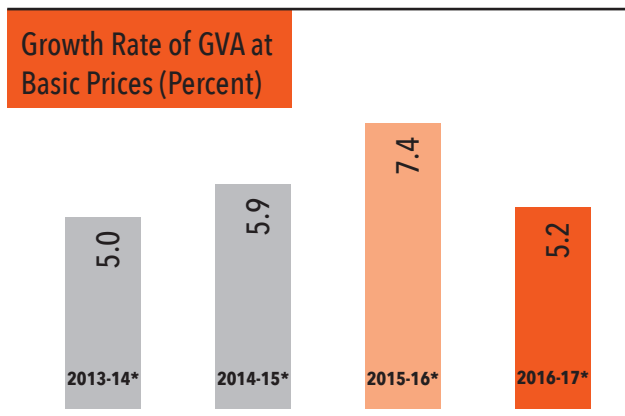
GDP Growth at Constant Prices



Source: PIB/KBK, Economic Survey 2016-17.
Note: *Provisional, **1st Advance Estimates, @Expected Range

Growth rate of the industrial sector is estimated to moderate to 5.2% in FY 2016-17 from 7.4% in the last fiscal.

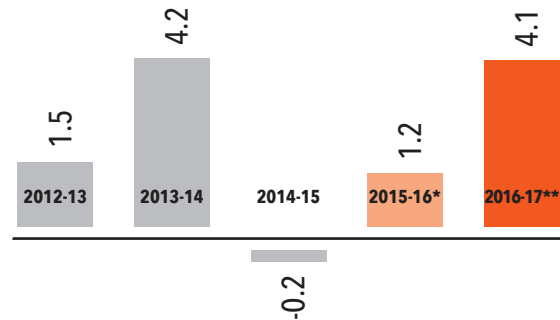
Industrial Growth



Source: CSO,
Note: (a) Second revised estimate. (b) First revised estimate. (c) Provisional estimate. (d) First advance estimate.

Growth of agriculture and allied sectors is estimated to be 4.1% for FY 2016-17.

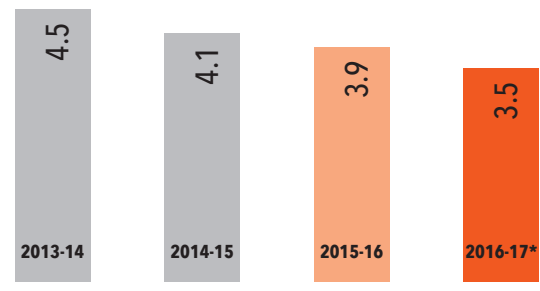
Agriculture, Forestry & Fishing



Source: PIB, Economic Survey 2016-17,
Note: Growth rate of GVA at Basic Price, *Provisional, **1st Advance Estimates

Finance Minister Arun Jaitley had set the fiscal deficit target for 2016-17 at 3.5% of GDP, after achieving the 3.9% of GDP target in 2015-16.

Fiscal Deficit Percent of GDP



Source: PIB/KBK, Budget Estimates

It is likely that the Indian economy will register 6.75%-7.5% growth in FY 2017-18.

MEDIA AND ENTERTAINMENT INDUSTRY*

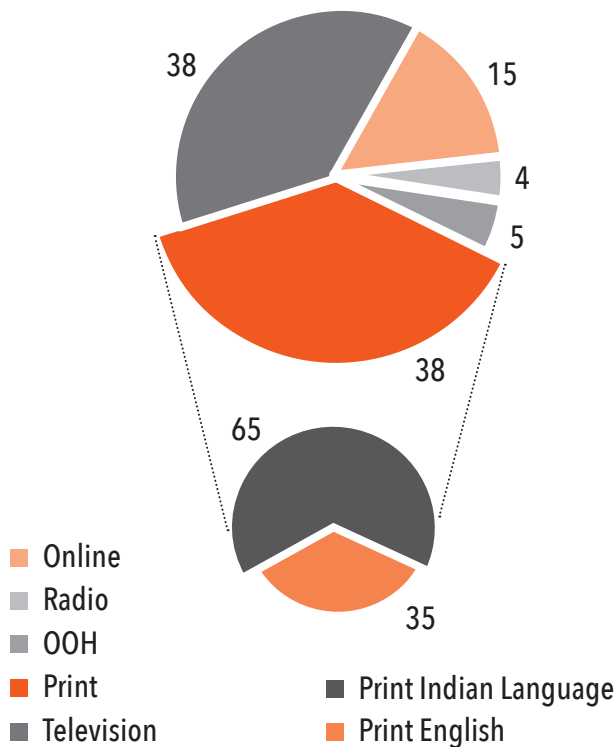
Overview

2016 was a mixed year for the Indian Media and Entertainment (M&E) Industry. It grew 9.1% from ₹1,157 billion in CY 2015 to ₹1,262 billion in CY 2016. This was on the back of the advertising revenue growth of 11.2%, from ₹475 billion in CY 2015 to ₹528 billion in CY 2016. Both these growth patterns were aided by strong fundamentals and steady growth in consumption, although demonetisation shaved off the 150 to 250 basis points' growth across all sub-segments at the end of the year.

The five-year CAGR of the Indian M&E industry and its advertising revenues stand at 11.6% and 12.0% respectively. This sustained growth is due to incremental domestic consumption resulting from strong fundamentals of the Indian economy.

Print media continued to attract significant ad revenues in 2016 – 38% of the total spend. In terms of ad spend, print and broadcast registered highest spend among the media spectrum. Of this, the Indian languages' print segment took away the highest slice of 65% spend, which is almost two-third of the total print ad spend.

Media-wise share of advertising revenue %



*Source: KPMG-FICCI Indian Media and Entertainment Industry Report 2017
Note: Years mentioned are Calendar Years

Advertising Revenues: Size for 2016	2016 % share in total	2016 In value terms (₹ In billion)
Print:		
Indian Language	25%	130.3
English Language	13%	71.0
Print total	38%	201.3
Television	38%	201.2
Online	15%	76.9
Radio	4%	22.7
OOH	5%	26.1
Overall size	100%	528.2

While growing strongly and steadily, the Indian M&E industry is on the cusp of rapid transformation with digital media taking center-stage across all the sub-sectors. Earlier perceived as a complimentary platform to other media, digital today is integral to a media plan and is rapidly emerging as a core revenue generator. While M&E organisations are looking to build digital strategies, the economic and business models required to succeed in the digital landscape are challenging and necessitate a significant shift in mind-set and approach. Further, dramatic change in the regulatory environment is also impacting business models. In these changing dynamics, M&E organisations would need to operate with a long-term integrated strategy to build sustainable businesses.

Print Media

India's print media industry witnessed many ups and downs in 2016. On the positive side, while steady revival of the consumption cycle driven by good monsoons, the Seventh Pay Commission pay-out, and productive festive season boosted the industry, the currency reform of demonetisation countered this growth in the end of the year. As per the M&E Industry Report 2017 prepared by KPMG and FICCI, the Indian print media industry grew at a robust rate of 7.02%, from ₹283 billion in 2015 to ₹303 billion in 2016. It is expected to grow at a CAGR of 7.3% for the period CY 2016-2021. While print media's advertising revenue grew at 6.4% and reached ₹201 billion, its revenue from circulation grew at 8.4% and touched ₹102 billion. Of this, the dedicated revenue growth of the newspapers vertical stood at 7.8% to touch ₹290 billion.

Indian languages' print segment garnered 65% spend, which is almost two-third of the total print ad spend.

11.6%
is the five-year CAGR of Indian M&E industry

Indian print industry

₹ billion	2012	2013	2014	2015	2016	YoY Growth in 2016	2017P	2018P	2019P	2020P	2021P	CAGR (2016-2021P)
Total advertising	150	163	176	189	201	6.34%	215	233	255	276	296	8.02%
Total circulation	75	81	87	94	102	8.40%	110	117	124	129	135	5.78%
Total print market	224	243	263	283	303	7.02%	325	350	379	406	431	7.29%

Indian print industry – beating global trends



The Print Industry is expected to continue its growth momentum because of the following favorable trends:

- i) **Demographic Changes**
Over the past few decades, India has experienced many demographic changes. The growth in literacy levels are the primary contributors to the rise in print readership. The fastest growth in newspaper circulation was in states with strongest growth in literacy.

The rise in affluence and consumption levels in unmetro markets (Tier II and Tier III cities) has been the key growth driver for print over the last decade. This is likely to sustain and get supplemented by the rising literacy levels.
- ii) **Language Newspapers - Penetration and Hyper - Localisation**
India being a multi-culture and multilingual country, there exists a greater inclination towards Indian language readership. Local coverage by Indian language newspapers has given their circulation the much needed fillip, as they provide the readers a medium to express their grievances and aspirations. This hyper-localisation trend has added local advertisers to the overall advertising pie.
- iii) **Low Pricing and an efficient distribution system**
In India, newspapers are priced low or coupled with discounts or complementary supplements/ editions thereby making price a non-issue for the readers and building a loyal readership base which advertisers can

target. This pricing model continues to pay rich dividends to the Indian newspaper industry, which witnesses a reverse theory of economics with price and demand, wherein there is increase in circulation (demand), despite increase in its cover price.

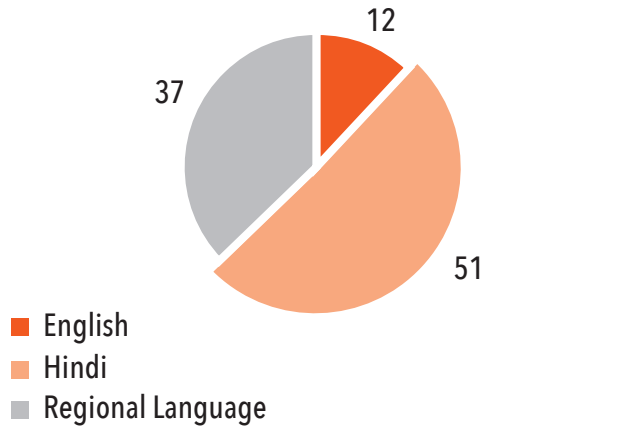
- iv) **Technology**
With growth in printing technology, better paper quality and new printing equipment has made it commercially viable to print in a variety of languages rather than predominantly either in Hindi or English. This has led to an expansion of newspapers even into small cities and towns.

₹290 Bn

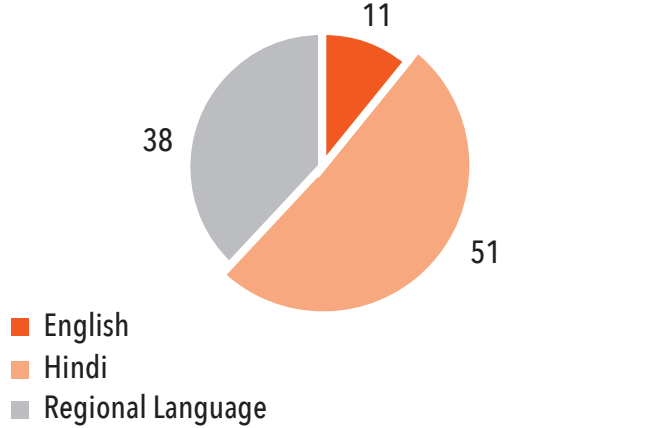
Newspapers revenue reach for 2016.

Newspaper circulation in India continues to grow despite its global counterparts struggling to survive.

Language wise circulation split in FY 2015 %

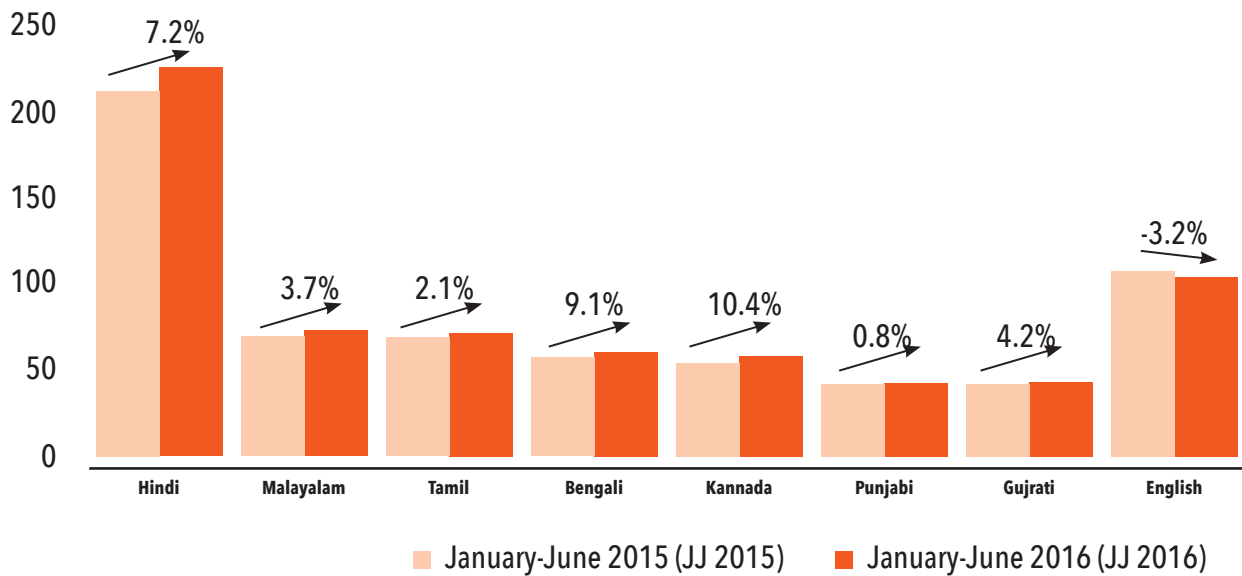


Language wise circulation split in FY 2016 %



Source: The Registrar of Newspapers of India, Annual Report FY 2016 and KPMG in India's analysis, 2017

Circulation growth wherein Indian Language dailies are gaining share

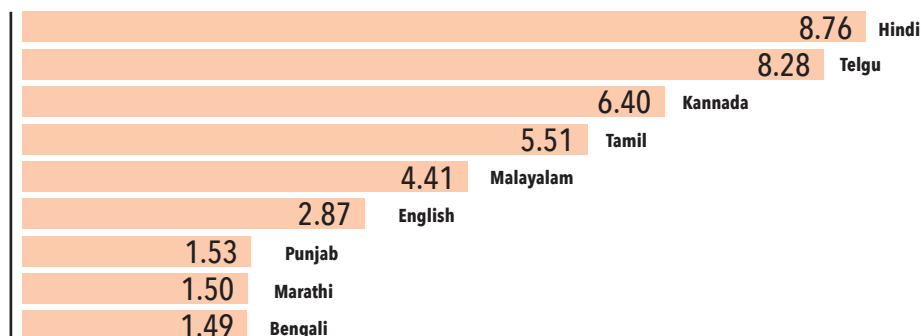


Languages	January - June 2015	January - June 2016	YoY %
(Copies in Lacs)	(JJ 2015)	(JJ 2016)	
Hindi	202.77	217.38	7.2%
Malayalam	41.67	43.21	3.7%
Tamil	41.41	42.28	2.1%
Bengali	27.21	29.69	9.1%
Kannada	23.71	26.17	10.4%
Punjabi	7.90	7.96	0.8%
Gujarati	8.56	8.92	4.2%
English	81.28	78.68	-3.2%

As per Audit Bureau Circulation (ABC) press release Indian newspaper industry is witnessing a CAGR of 4.87% over a 10-year period from 2006 to 2016.

Absolute copies per day increased by 2.37 crore to 6.28 crore in 2016 from 3.91 crore copies in 2006.

%



Print media language market mix

₹ billion	2012	2013	2014	2015	2016	YoY Growth in 2016	2017P	2018P	2019P	2020P	2021P	CAGR (2016-2021P)
English market	87	92	96	101	105	3.67%	108	113	117	122	125	3.64%
Advertising	59	63	66	69	71	3.50%	74	77	81	85	88	4.27%
Circulation	27	29	31	32	34	4.02%	35	36	36	37	38	2.28%
Indian Language	138	152	167	183	199	8.88%	217	238	261	284	306	9.02%
Advertising	90	100	111	121	130	7.95%	141	156	174	192	209	9.86%
Circulation	47	52	56	62	68	10.68%	75	82	87	93	98	7.35%
Total print market	224	243	263	283	303	7.02%	325	350	379	406	431	7.29%

Stellar growth of Indian Language media

Within print media, Indian language newspapers have grown phenomenally. It was 66% in 2016 and is expected to reach 71% by 2021. In 2016, revival of consumption cycle on the back of improving macro factors in the pre-demonetisation period led to the growth in print advertising in across sectors like Automobile, Education, Government, Lifestyle, FMCG and Consumer durable. Automobiles category continues to maintain its leadership, on account of new launches during 2016, while education category picked up due to increasing literacy level in Tier II and Tier III cities. Besides, few of the categories like BFSI & Government grew post the demonetization decision.

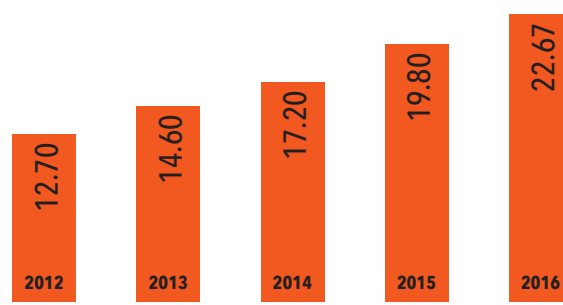
Radio

The radio industry grew by an estimated 14.6% in 2016 and achieved revenue of ₹ 22.7 billion. Its CAGR during 2012-2016 was 14.5%. Smaller cities continue to perform better, driven by volume enhancements, as advertisers shift focus from nationwide pure brand-building to more tactical and local-focused promotional targeting. Larger cities on the other hand have witnessed marginal increase in ad effective rates.

Size of the radio industry

₹ In Billion

CAGR 14.54%

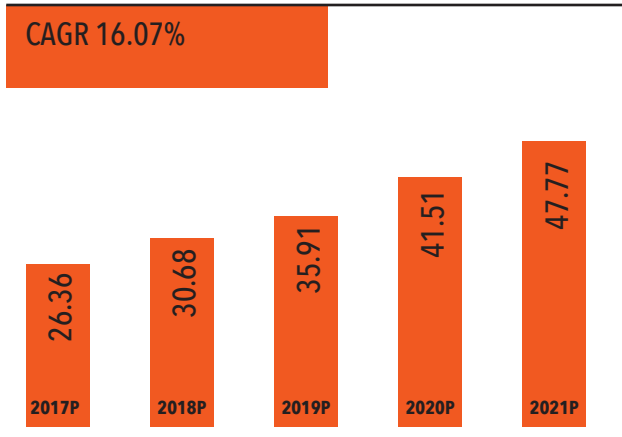


Source: KPMG in India industry discussion and analysis, 2017

However, growth in 2016 was impacted by slower than expected rollout of stations allotted in the first batch of the Phase III auctions. Muted response to the second batch auctions also impacted sentiments of the 96 stations that were allotted in the first batch of Phase III, however 49 stations were launched, whose full impact on the industry will be clear in next 2-3 years time.

Project size of the radio industry

₹ In Billion



Source: KPMG in India industry discussion and analysis, 2017

The radio industry is expected to outpace the growth of the overall advertising industry in the coming years. At an expected CAGR of 16.1% during 2016-2021, revenues are expected to double by 2021 driven by growth in advertisers and audiences. With Tier II and Tier III cities becoming an increasingly important consumer market for advertisers, we also project an increase in ad spends in the future.

FDI in Radio

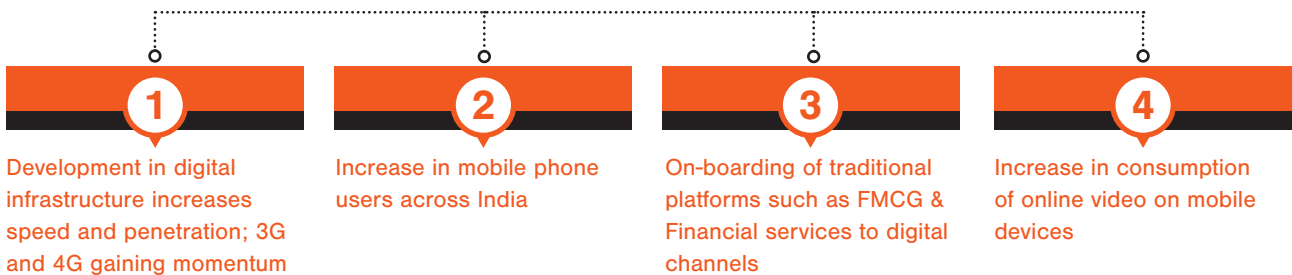
The FDI limit in private FM radio channels was raised to 49% in 2015. This decision was welcomed by radio companies who have been asking for an increase in foreign investment limit since some time.

8.76% CAGR Growth of Hindi Newspaper Circulation for last 10 years as per ABC.

Digital Media

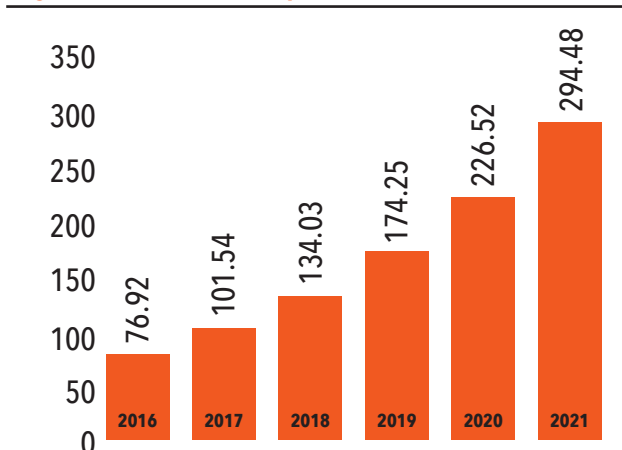
Digital is driving the future of advertising in India. Ad spends in digital media are expected to cross ₹ 294 billion by 2021. In 2016, digital advertising contributed ₹ 76.92 billion and is expected to grow at a rapid pace with a CAGR of 30.8% until 2021. Similar to last year, advertising on digital media grew at the fastest rate among all other platforms. It grew at 28%, from ₹ 60.1 billion in CY 2015 to ₹ 76.9 billion in CY 2016.

Strong drivers of growth in digital ad spend



Digital advertisement spend

₹ In Billion



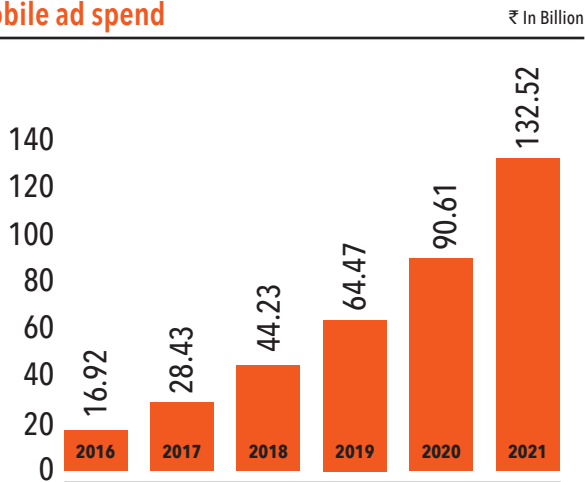
Source: KPMG in India's analysis and estimates, 2017

Digital advertising is expected to be the fastest growing advertising segment in future. In 2016, India's share of digital advertising compared to its total advertising market was 14.6%. This is expected to reach 27.3% by 2021. This growth in digital ad spend is expected to continue on the back of increased internet and mobile phone penetration, and increased internet speed driving usages. Further, commercial implementation of digital technologies is maturing fast, which is driving their optimisation as advertising media. As market researchers delve deeper into these media, measurable performance matrices are emerging, and this is helping marketers to use digital more scientifically and derive better ROI from them.

Mobile Advertising

Mobile ad spend continues to grow with increased penetration of internet-enabled mobile phones and rise in mobile content consumption. Ad spend on this platform is expected to grow from ₹ 16.9 billion in 2016 to ₹ 132.5 billion in 2021, at 50.9 % CAGR.

Mobile ad spend



Source: KPMG in India's analysis and estimates, 2017

Marketers to spend more on Videos:

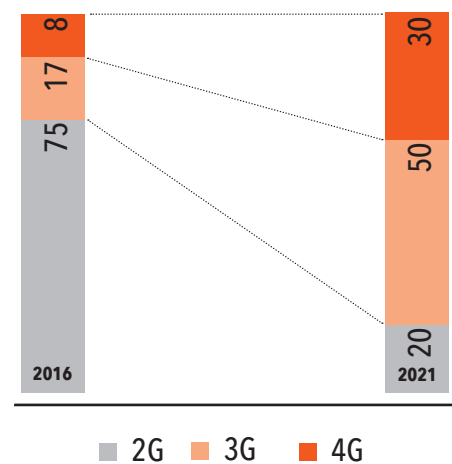
- Search and display still contribute the largest share of digital ad revenue, representing 47% of the overall pie. This segment is relatively mature and is expected to grow at a slower pace as compared to social and video options.
- Video as a segment contributes to 18% of overall pie, and is expected to grow at a CAGR of 40% by 2021. Tier II and Tier III cities now account for almost 30% of YouTube watch time, backed by regional content, better devices and increasing access.
- Social media's impact on digital ads is increasing rapidly with 28% contribution to the revenue. Monetising social media is catching up and most of the brands are allocating significant percentage of their digital budgets to social media promotions.
- Classified ads are a significant category for digital advertising, and it is expected to grow at a steady pace due to increased internet adoption.

Data Consumption Trends in India:

- India's mobile traffic grew by 1.7 times from 151 MB data traffic per month in 2015 to 251 MB traffic per month in 2016
- Number of internet enabled phones crossed 300 million in 2016 and is expected to touch 700 million in 2021
- Data is more affordable and accessible now. As per Nielsen estimates, the average time spent by an individual on streaming videos has increased nearly nine times from two minutes a day in Q2 FY 2013-14 to 18 minutes a day in Q4 FY 2015-16.
- 4G connections are expected to grow at CAGR of 38% from 2016 to 2021. 3G connections are expected to surpass 2G connections by 2019. 3G and 4G connections are expected to contribute 80% of overall connections by 2021 from 25% in 2016.

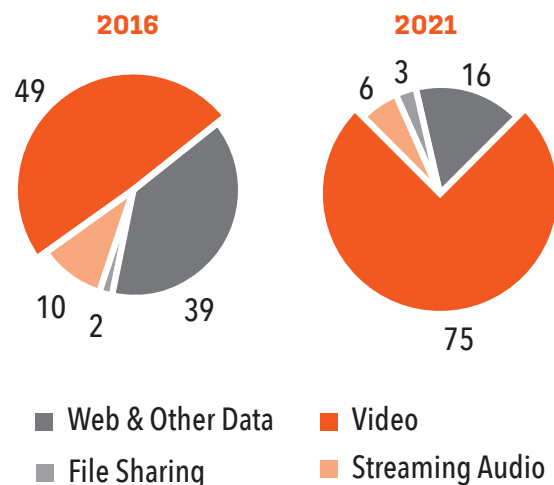
- A 4G connection utilised 1.43 GB of traffic per month in 2016, which is 4.1 times the average of 349 MB per month usage for a 3G connection. September 2016 was a watershed month in India's mobile internet history, when average data usage per subscriber shot up by 76% in nine months (December 2015-September 2016). In terms of bytes' consumption, this rise was from 137 MB/month to 240 MB/month

Mobile connections by network type

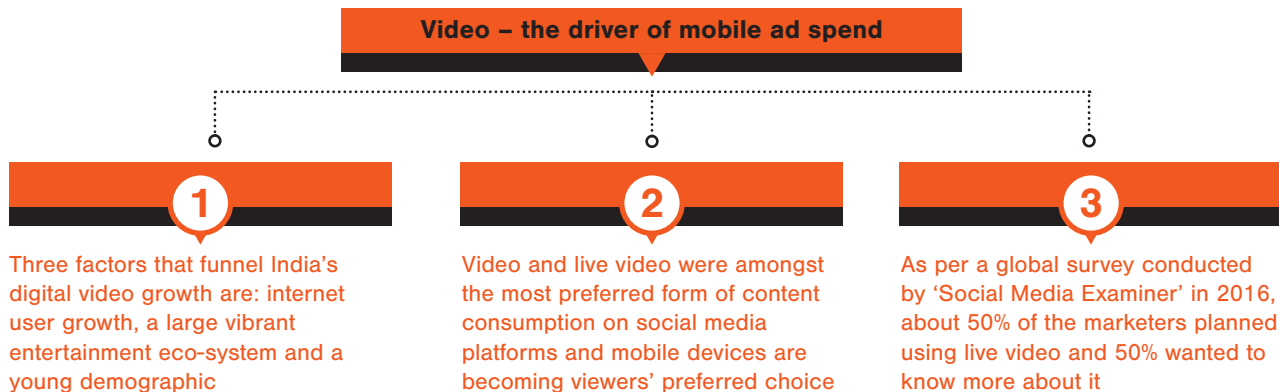


Source: VNI Mobile Forecast Highlights, 2016-2021, [cisco.com/c/dam/assets/sol/sp/vni/forecast-highlights_mobile/index.html#-Country](http://www.cisco.com/c/dam/assets/sol/sp/vni/forecast-highlights_mobile/index.html#-Country) accessed on 24 February, 2017

Contribution of consumption categories to mobile internet in India



Source: VNI Mobile Forecast Highlights, 2016-2021, [cisco.com/c/dam/assets/sol/sp/vni/forecast-highlights_mobile/index.html#-Country](http://www.cisco.com/c/dam/assets/sol/sp/vni/forecast-highlights_mobile/index.html#-Country) accessed on 24 February, 2017

Video – the driver of mobile ad spend

Indian M&E Industry - Opportunities and Threats

The Indian M&E industry is projected to grow at a faster pace of 14% over the period 2016-2021, with advertising revenue expected to increase at a CAGR of 15.3% during the same period. However in 2017, advertising revenues are expected to grow at a marginally slower rate of 13.1% due to the lingering effects of demonetisation and initial volatility arising from GST implementation.

Trends in traditional newspaper readership in India show greater affinity for Indian language newspapers. In addition to growing literacy, there are other factors that will contribute to this growth:

- i) Firstly, more than 65% of India's population resides in rural areas. A paradigm shift is visible in the rural population over the past five decades as they become one of the most influential consumer groups with increased income levels and changing tastes and preferences.
- ii) Secondly, the coverage of local news by Indian language newspapers has given their circulation the much needed momentum as it provides the readers a medium to keep themselves updated on local, regional, national and international events from a trusted and creditable source.
- iii) Thirdly, localisation leads to multi-edition newspapers with publishers syndicating national contents with hyper-local news and expanding their content diversity with supplements.

The Indian newspaper industry imports more than 50% of its paper consumption, mainly from the US, Russia and Canada. Being a significant component of cost, players are sensitive to price fluctuation. Rising prices and depreciation of the Indian rupee are therefore a cause of concern for the industry.

The radio segment is growing faster than other traditional mediums such as TV and print. The key to radio's growth has been a combination of localised reach and affordable pricing which is likely to enhance from the 66 stations allotted in the second batch of phase III auctions. These stations are likely to be launched from end-2017. Challenges around measurement

of listenership, high auction reserve prices, comparatively lower market size potential beyond major cities, and lack of clarity on royalty fees continue to be the key bottlenecks for the radio industry.

Digital media grew the fastest in 2016 at 28% and is expected to grow at 32% in 2017 and reach ₹ 10,154 crore, accounting for 17% of the total advertising size in 2017, and will become the third largest contributor after TV and print. These five key attributes continue to influence the digital M&E industry:

- i) **Infrastructure** - adoption of high speed 4G network. 4G connections are expected to grow five-fold from 2016 to 2021 at a CAGR of 38%
- ii) **Mobility** - an interesting shift in the mobile application space can also be observed - users are shifting to core applications such as Facebook, Gmail and WhatsApp and are spending almost 80% of their time on these applications
- iii) **Government policies** - the Government of India through its "Digital India" initiative continues to invest and drive several digital initiatives to improve the digital ecosystem of the country.
- iv) **Digital technology** - technology has made it possible to merge the real and digital worlds, which is creating new immersive experiences for the users
- v) **Indian language internet users & key behavioral aspects***- 68% internet users consider local language digital content to be more reliable than English. Indian language internet users have grown from 42 mn in 2011 to 234 mn in 2016 and are expected to grow at a CAGR of 18% to reach 536 mn in 2021. 9 out of 10 new internet users in India over the next 5 years are likely to be Indian language users. By 2021, the number of Hindi internet users (approx 201 mn) will be more than English users. Digital news is the 4th preferred category for local language internet users and will grow from 106 mn in 2016 to 284 mn in 2021 with 22% CAGR.

* Source: A study by KPMG in India and Google April 2017:- Indian Languages- Defining India's internet

D.B. CORP LTD. SEGMENTAL INFORMATION

I) PRINT SEGMENT

DBCL launched Dainik Bhaskar Surat (Hindi language edition) which caters to the city's almost 28 lakh-strong cosmopolitan and non-Gujarati readership base.

In 2016, Dainik Bhaskar received ISO-9001:2015 certification for the Quality Management Systems in its newspaper distribution function and is probably the only newspaper in India to receive this certification. This distinction has been achieved for the Quality Policy of its Sales and Market Development (SMD), which was independently audited and confirmed with ISO 9001:2015, for which it has been issued the certificate.

On the occasion of successful completion of 20 years of Dainik Bhaskar in Rajasthan, DBCL organised Bhaskar Utsav in Jaipur. This week-long celebration which lasted from 15th-21st December, was a star studded series of events in which celebrities such as Aamir Khan, Farah Khan, Sunidhi Chauhan, Arnab Goswami, Tiger Shroff, Sanjeev Kapoor, Piyush Pandey, Baba Ramdev, Kailash Kher and Kumar Vishwas participated.

DBCL continued to be ranked the world's fourth largest circulated news daily by WAN IFRA in its report; World Press Trends 2016.

Dainik Bhaskar became the nation's largest circulated multi-edition daily, as per Press In India Report 2015-16 prepared by the Registrar of Newspapers of India (RNI) and released by Mr. Venkaiah Naidu, Honorable Minister for Information and Broadcasting, Government of India.

Editorial Framework:

1. DBCL is recognised for its strong content strategy and offers a wholesome product relevant to users of various genres. The Company's content focus is on:
 - Knowledge enhancement of readers
 - Product differentiation aimed at growth
2. The publication's editorial strategy is centered on a core philosophy of 'Kendra me Pathak' (readers at the center), as it considers itself to be an integral part of the readers' lives. The endeavor is to engage readers with original and innovative content strategies that connect them deeply with Dainik Bhaskar. Some of these benchmarking content concepts are:
 1. Monday have been earmarked as, 'No Negative News'. This is an ideal example of thought leadership in positive journalism
 2. Fridays focus on "Zidd Karo Duniya Badlo"
 3. Sunday editions carry a Content Jacket

4. City Bhaskar- the city editions are targeted at young readers and also women
5. Planned a new national editorial structure to focus on development of rural editions
6. High quality reviews and opinion-led articles contributed by eminent authors and journalists. Some of these renowned writers are, Shekhar Gupta, Barkha Dutt, Chetan Bhagat, Pritish Nandy, R Jagannathan, Rajdeep Sardesai, Ved Pratap Vedit and Shashi Tharoor.
7. Content associations with globally reputed publications such as Harvard Business Review, TIME Magazine, New York Times and The Economist. Such collaborations give the publication a competitive edge through a world-class content bouquet.

Circulation Framework

- DBCL registered a 15% CAGR in circulation revenue for last five years, which is the highest amongst all print companies. A bulk of this growth came from rate hike. This showcases the Company's robust brand equity, basis which we could reverse the industry paradigm and register circulation growth despite the hike in rates across established and new markets.
- The Company's circulation revenue grew by 11% to ₹ 4,814 million for FY 2016-17, as compared to ₹ 4,356 million for FY 2015-16. This was primarily driven by yield growth of 9% mainly in the legacy markets.
- Reader engagement drives:
 - o Dainik Bhaskar launched 'Swatantra Vichar' campaign in Maharashtra in April 2016 with an objective to establish Divya Marathi as Maharashtra's only independent newspaper. In a quantitative research done by Market Sapience (Independent Market Research Agency), Divya Marathi had consolidated its 'Independent newspaper' rating from 4.0 (pre-campaign) to 4.6 (post-campaign) on a 5-point scale. 'Empowerment of Independent Thinking' as a measure of independent newspaper has increased from 7% (pre-campaign) to 32% (post campaign).
 - o Dainik Bhaskar launched 'Azaad Soch' campaign in Punjab with an overall thought that only an independent newspaper can empower its readers to make informed and independent choice during elections. The campaign was aimed to position Dainik Bhaskar as Punjab's only independent newspaper. Planned in two phases, the tagline for

the campaign was Sahi Padho, Sahi Socho (Read Right, Choose Right) and Sahi Padho, Sahi Chuno (Read Right, Choose Right).

- o As part of “*Safalta Apni Muthi Mein*” initiative, we have reached out to more than 40,000 students from 350 colleges wherein we have conducted grooming workshops followed by an aptitude test to help participants get an employment opportunity with Dainik Bhaskar.
- o Dainik Bhaskar partnered with Star Plus to reach out to female audiences across 14 cities in five states to make them aware about women empowerment and other motivational subjects. Under the initiative, 10,000+ women were made aware of different thematic sessions in line with Star Plus’ daily soaps, Anokhi and Naamkaran.
- The Company’s circulation strategies are centered on reaching out to readers in order to generate trials. This is also circulation driving principle. DBCL customises acquisition methods to suit the needs and requirements of the market.

II) RADIO SEGMENT - 94.3 MY FM

DBCL radio segment, 94.3 MY FM operates from 30 stations in 7 states. This includes 13 stations launched in current financial year. The radio channel continues to be No.1 in Madhya Pradesh, Chhattisgarh and Rajasthan, and the largest network in Chandigarh, Punjab and Haryana.

94.3 MY FM’s core philosophy is:

- To be the leading and most admired FM radio network in Tier II and Tier III cities by enriching the lives of listeners and business associates
 - o Perception of radio is changing from an add-on medium to an integral part of media plans by delivering targeted/localised audience
 - o Be the market leading radio business in Tier II and Tier III geographies, where DBCL has a significant print media footprint.
- Seize the significant growth potential by capitalising on changing market consumption trends;

Launch of Radio Stations

- MY FM achieved fastest rollout of all the 13 newly acquired stations under batch I of Phase III auctions:
 - o Launched Hisar and Karnal stations in July 2016 and Rajkot station in August 2016

- o Launched Aurangabad, Ahmednagar, Nanded and Sangli stations in December 2016
- o Launched Nashik and Jalgaon stations in January 2017, Solapur and Dhule stations in February 2017 and Bikaner and Akola stations in March 2017
- Introduced several new programs under the ‘**Ab Har Kaan Sunega**’ campaign. The content for these programs was based on audience preferences distilled from the pre-launch ‘Aap Ki Marzi’ survey.

New Initiatives by Radio Business:

- Launched 13 new stations of phase III with a distinct customer-centric content strategy. MY FM content encompasses diverse genres such as music, humor, language, RJ mix and presentation. Some examples are, Sabse Bada Patangbaaz, Jiyo Dil Se Awards, Entrepreneur Awards, Ek Pyala Khushi, Paison Ka Ped and Dawat-e-music.
- MY FM celebrated its 10th anniversary in Chandigarh (Dus Da Jashan) and Ahmedabad (Jalsavad).
- MY FM is fully equipped to offer productions to clients in Hindi, English, Marathi, Punjabi and Gujarati.
- MY FM is now offering in-house jingle production in Hindi, English, Marathi, Punjabi and Gujarati languages.

III) DIGITAL SEGMENT - DB Digital

DBCL’s digital business encompasses 13 web portals and two mobile apps. These platforms help it to ramp up online visibility and gain significant traction.

The core philosophy driving DB Digital is:

- Content differentiation
 - o Offering a bouquet of hyper-local news catering to diverse interests such as news, finance, spirituality, entertainment, fashion, sports, food, gadgets and real estate.
 - o Leveraging DBCL extensive editorial network
- Thrust on Technology for continuous optimisation for better user engagement and maximising the ROI for advertisers
- Engage audiences through WEB, WAP and APP, offering real-time events across India and the world, with rich content on varied subjects

Gaining Traffic Traction:

- www.dainikbhaskar.com, the largest Hindi News Website continues to retain its No.1 position in Hindi News
- www.divyabhaskar.com continues to remain the No. 1 Gujarati website
- Unique Visitors (UV) have risen to 90.1 million in March 2017 versus 34.2 million in March 2016 (Source: Google Analytics: March 2017)

Page Views (PV) to 2.8 billion for the month of March 2017 from 1.2 billion in March 2016 (Source: Google Analytics: March 2017)

- Dainik Bhaskar and Divya Bhaskar cumulative app downloads have crossed 9 million, from 6 million in the last year (Source: Google Playstore, iOS, iTunes, Window Store & door to door internal system).

During FY 2016-17, DB Digital leveraged its various assets:

- o **Focus on user experience:** We are determined to give rich user experience to build loyal user base and to achieve this we have removed certain intrusive ad formats that would hamper the user experience.
- o **Jaano Khabro Se Zyada:** DB Digital strengthened its brand positioning by taking 'Janiye Abhi' to the next level with 'Jano Khabron Se Zyada'. It helped us align our brand ethos and product offerings for our readers.
- o www.dainikbhaskar.com strengthened its virtual presence in Uttar Pradesh and launched an extensive campaign - "Ab Khabre Na Dabegi na

NO. 1

www.Dainikbhaskar.com
is the largest Hindi News Website

The Company's circulation revenue grew by 11% to ₹ 4,814 million for FY 2016-17, as compared to ₹ 4,356 million for FY 2015-16.

Rukegi". During the UP assembly elections, the second phase of the campaign "Ab Sach Chalega" created a lot of buzz leading to controversy and revolt by our competitors and political parties.

- o **Video Platform** - At a point when the world is talking about video as the future of content marketing, DBCL introduced a live video streaming platform called '**Bhaskar Live**' and a **UGC video** platform for its readers to share their live feeds and reach out to 90 million users.
- o **Speed:** Using the latest technologies like PWA we have launched DB lite, the lighter version of the site, which successfully helped us in reducing the load time of DB group sites. To ensure this, we also removed the fancy functionalities and other elements from our platform which were hindrance to speed.
- o **Homeonline.com** www.Homeonline.com: is an online digital platform which boasts of being a true companion to a Home Seeker in his journey of finding a Home. Launched on 1st August 2016, the website is already one of the most popular real estate site visited in Bhopal and Raipur and has the highest number of properties and projects listed in these cities.

Offers end to end services to home buyers from purchase to shifting into new house offering value added services – Vaastu compliance, home décor, furnishings, maintenance, etc.

Some of highlights of Homeonline.com in the year 2016-17 were:

- o In a span of 8 months, Homeonline.com served more than ~100K property seekers online, connecting 10,000+ property owners with home seekers in Bhopal and Raipur
- o More than ~15K Properties and ~400+ projects were made available to the home Seekers at Bhopal and Raipur.
- o Aug-2016 to Mar-2017 recorded about 5,13,007 Sessions and about 16,93,780 Pageviews in terms of online traffic for Homeonline.com
- o With a paid clientele of about 15 Top Builders in the city, Homeonline.com helped them with 150+ real project site visits, generating about 40 Lakhs in Revenue.

- **Key strengths of DB Digital products**

- o At DB Digital, the focus is on content and creating an interface of a highly technology-driven Company. DBCL's product innovation has been a trend-setter in the industry.
- o During the year, DB Digital launched WisdomNxt, the upgraded version of its proprietary editorial intelligence tool Wisdom. The new version offers faster and smarter real-time tracking and analysis for our portals and apps.
- o This recommendation tool has come of age, with the help of clutter free UI and focus on depth. This ensures 22% increase in CTRs, which is twice the average rate. This is an industry benchmark. (Source: Google DSP)
- o www.DainikBhaskar.com felicitated India's Top Digital Planners/planner in association with Digital Market Asia in its second edition.

RISK MANAGEMENT AND CONTROLS

The Company has a robust risk management process to identify key risks across the Group, and prioritise action plans to mitigate them. Our Risk Management framework is reviewed periodically by the Board and the Audit & Risk Management Committee. The proceedings of review process include discussions on the management's submissions on risks, prioritisation of key risks and approval of action plans to mitigate such risks.

Some of the uncertainties and risks that can affect the business are technological changes, changing customer preferences and behavior, competition, volatility in prices of newsprint and macro-economic factors such as economic slowdown. To maintain its competitive edge and minimize exposure to risks, the Company has undertaken various initiatives such as enhancement of existing technology capabilities and digital properties, increasing its geographical presence and continued investment in its print facilities. As far as volatility in newsprint prices is concerned, it is managed by variation in GSM quality of newsprint, page rationalisation, a dynamic hedging policy and effective cost management through total cost productivity.

INTERNAL CONTROLS AND VIGIL MECHANISM

The Company has built up a strong and efficient internal controls mechanism commensurate with the size of its operations. It has laid down standard operating guidelines and processes which ensure smooth functioning of activities and zero ambiguity in the minds of people who actually execute the operations.

13

NEW RADIO STATIONS LAUNCHED WITH A DISTINCT CUSTOMER-CENTRIC CONTENT STRATEGY

INTERNAL CONTROLS

State Heads and Corporate Finance Heads are accountable for financial controls. They are fully responsible for accuracy of books of accounts, preparation of financial statements and reporting in line with the Company's accounting policies. DBCL has deployed a vigorous Internal Controls and Audit Mechanism to facilitate an accurate and fair presentation of its financial results. This process not just ensures adherence to regulatory standards and meets statutory compliance requirements, but also confirms that our reporting is complete, reliable and understandable. In addition, there is a specific impetus on safeguarding investor interests with deployment of the highest levels of governance and regular communication with them.

Over the years, DBCL has undertaken specific efforts to build up its Processes and deploy Standard Operating Guidelines across all operational areas.

During FY 2016-17 the Company has appointed an external agency to assist itself in re-evaluating and testing its Internal Financial Control (IFC), for which the agency has recommended the following steps:

- Review, Reclassification and Rationalisation of controls
- Identification of automation opportunities
- Policy Framework formulated for Entry Level Controls (ELC) policies
- Review of plan of Management for implementation of ELC, along with Anti-fraud and reporting controls

INTERNAL AUDIT

To support its Internal Audit structure, the Company has engaged experienced Chartered Accountancy firms across all locations. A system of monthly Internal Audit reporting, reviewing and monitoring together with Surprise Audits are conducted to ensure effective adherence to established processes, internal controls and internal audit mechanism on real-time basis.

VIGIL MECHANISM

DBCL is among the first few companies in India to take active steps towards establishing a 'Whistle-blowing Mechanism'. This initiative was taken to encourage employees to report irregularities in operations, besides complying with the statutory

requirements under Companies Act, 2013. In order to maintain highest level of confidentiality, the Company has outsourced the complaint receipt and coordination with the whistle blower to an independent Agency. All DBCL employees can avail of this mechanism on a daily basis through a dedicated toll-free Hotline, Website, Email or Post. These reporting channels can be accessed in Hindi, English, Marathi and Gujarati. The whistle blower will be provided with a reference number by the Agency, for providing additional information and knowing the status of complaint.

An Internal Ethics Committee has been established to operate this policy under the supervision of the Audit Committee. An ombudsperson, along with the Ethics Committee decides the future course of action. Complaints are categorised and prioritised, based on their nature, and actions are commensurate. If the whistle blower is not satisfied with the actions taken, the mechanism also has an Escalation Protocol in place. Through the process, the mechanism considers and extends complete protection to the whistle blower.

Integrity and ethics have been the bedrock of all the Company's corporate operations. There is no short cut to integrity. DBCL is committed to conducting its business in accordance with the highest standards of professionalism, honesty and ethical behavior. It has the best systems in place to nurture as honest and ethical a working culture as possible.

FINANCIAL REVIEW AND OPERATIONAL HIGHLIGHTS

Income from operations

On a consolidated basis, the Company achieved a growth of 9.72% in its total revenues including other income during FY 2016-17 at ₹ 22,750 million, compared to ₹ 20,735 million for FY 2015-16. While total revenues from print grew by 8.96%, radio revenues grew by 18.28% and digital revenues grew by 23.33%.

Circulation Revenue

Circulation revenue grew by 10.52% during FY 2016-17 at ₹ 4,814 million compared to ₹ 4,356 million for FY 2015-16, driven by an increase of 9% in the cover price, primarily in the legacy markets. It was also supported by higher volumes.

Advertising Revenue

Advertising revenues were increased by 7.84% during FY 2016-17 at ₹ 15,973 million compared to ₹ 14,812 million for FY 2015-16. This increase was primarily due to volume and to some extent, the impact of yield strategy implemented last year. Growth in line, considering, most of the second-half was impacted by demonetisation and resultant impact on consumption breakdown.

Advertising revenue for the Print segment grew by 6.45%. DBCL has recorded a healthy 11% CAGR in print advertisements revenue over a period of 10 years (i.e. FY 2006-07 to FY 2016-17). This is higher than the industry (FICCI-KPMG) estimated growth of 10% for the same period.

Advertising revenue for the Radio segment registered a growth of 18.33%, an industry-leading performance. DBCL has achieved 18% CAGR in Radio advertising revenue over five-year period (i.e. FY 2011-12 to FY 2016-17) compared to industry (FICCI-KPMG) CAGR of 14.5% over the same timeframe.

Advertising revenue for the Digital segment registered a growth of 23.33%. The rapid growth and expansion of the Company's presence in the segment is evident from 58% CAGR over a period of five years (i.e. FY 2011-12 to FY 2016-17) compared to industry (FICCI-KPMG) CAGR of 38% over the same period.

Raw material consumed

Cost of newsprint increased by 6.83% to ₹ 6,609 million for FY 2016-17 compared to ₹ 6,186 million for FY 2015-16. This was a result of the increase of newsprint prices and also with additional volumes needed for consumption on account of annualisation of new launch of Bhagalpur, Muzzafarpur and Gaya editions and increased number of copies in the existing core legacy markets.

Employee cost

At a consolidated level employee costs have risen by 9.64%, given the rapidly expanding presence and business portfolio of the Company. This increase includes the employee cost on account of annualisation of the new editions for three months, additional in digital segment as well as 13 new radio stations aired during current financial year.

Other expenses

Other operating expenses grew by 4.24%, which covers the annualised impact of cost of operations of the new editions for three months, as well as newly launched 13 radio stations. On a like-to-like basis, and excluding the impact of the new editions, expenses grew only marginally owing to a strict control mechanism and focus on cost optimisation. The increase in CSR expenditure (from ₹ 46 million in 2015-16 to 74 million in 2016-17) is also a factor in the escalation of other expenses.

13%

CAGR IN ADVERTISEMENTS REVENUE OVER A PERIOD OF 10 YEARS

Company's Digital Ad revenues registered 5 year CAGR of 58% compared to Industry CAGR of 38%

EBIDTA

EBIDTA grew by 17.92% on account of advertising and circulation revenues and better yield on cover price, various cost control measures taken during the year to achieve the said growth in EBIDTA.

Depreciation

Depreciation and amortisation expenses grew by 1.2% to ₹ 863 million in FY 2016-17 from 853 million in FY 2015-16.

Financial cost and foreign exchange fluctuation

Finance cost, including the relevant foreign exchange fluctuation de-grew by 46.10% compared to previous year. This was primarily on account of 79% decrease in foreign exchange losses considered as borrowing cost which has decreased from ₹ 82 million in FY 2015-16 to 17 million in FY 2016-17.

Profit After Tax (PAT)

PAT grew by 28.31% to ₹ 3,748 million for FY 2016-17 from ₹ 2,921 million for FY 2015-16. However, DBCL ensured an optimum return on capital employed even in this moderate growth environment.

ANALYSIS OF FINANCIAL STATUS

The quality and strength of DBCL's balance sheet as on 31st March, 2017 is satisfactory. Most parameters are commendable. Key ratios are given below:

Sr No.	Ratios	As on 31 st March 2017
1.	Return on Capital Employed	32.1%
2.	Return on Tangible Net worth	23.5 %
3.	Fixed Asset Turnover Ratio	33.7 times
4.	Debt / Equity Ratio	0.02 times
5.	Current Ratio	3.9 times
6.	Debtor Turnover	5.42 times
7.	Inventory Turnover	3.33 times

HUMAN RESOURCES

With more than 11,000 people on board, DBCL continues to remain one of the largest employers in the Indian media sector.

With an intent of grooming in-house talent and building the future human resource pipeline, Talent Management initiatives - MILE and EDGE, were introduced which helped in providing career advancement opportunities to the in-house talent and reducing attrition. Under these initiatives, employees were nominated to some of the best educational institutes in the country like ISB and IIMs. AIMA was also engaged to conduct a couple of customised programmers for Ad Sales function.

To make the HR function people-friendly, and to strengthen the implementation of HR processes, 'Success Factors' was initiated. We continued to touch employees' lives through our unique policies like Shubh Laxmi, Saubhagyawati Bhav and Sparsh.

For employees' motivation, fun-at-work activities such as Hobby Club, Summer Camp for employees' kids, and Shandar Somwar to kick-start the week were initiated. Initiatives for building the talent pipeline and retention of workforce will form the major HR agenda for the next year as well.

OUTLOOK

As per the KPMG-FICCI Indian Media and Entertainment Industry Report 2017, CAGR of the Indian Print industry for 2016-2021 is pegged at 7.3%. The growth will be driven by a growing Indian economy, increasing literacy levels, performance of Hindi and other Indian language newspapers, increase in consumptions in Tier II and Tier III cities, GST rollout and an ever-changing digital landscape. Advertising and circulation are expected to have a CAGR of 8.0% and 5.8% respectively, for 2016-2021. This growth will be due to growing focus on Hindi and other Indian language newspapers driven by higher literacy levels and consumption in tier II and tier III cities.

The consistent growth of the Print Industry is a testament to the importance of small town and rural markets. Amidst competition from digital media, the Indian print industry, unlike its western counterparts, is growing on the back of demand from the Tier II and Tier III markets.

The Radio industry is expected to have a CAGR growth of 16.1% for 2016-2021, with new channels being made operational, impact of demonetisation and operators hiking ad rates as demand increases. The medium-to-long term prospects of Radio business in Tier II and Tier III cities is making it an attractive investment opportunity with an expectation of increase in listener base, positive economic growth and penetration to smaller cities.

The completion of the first batch of phase III auctions further provided strong tail winds to the radio industry. Sectors like automobiles, FMCG, Government spends, retail and M&E continued to focus on radio advertising. Over the last few years, radio has become an integral part of most large media plans. The sector is also buzzing with merger and acquisition activities with large media houses looking to increase their reach and offer curated content channels.


7.3%
CAGR OF THE INDIAN PRINT INDUSTRY FOR 2016-2021

Management Discussion and Analysis

Digital advertising is expected to grow at a CAGR of 31% by 2021, contributing to 27.3% to the total advertising revenues during the same period. As digital infrastructure continues to develop and data costs come down, digital consumption is likely to become more frequent and mainstream. The burgeoning mobile internet and Smartphone penetration has given rise to alternative channels of content consumption in the country. The mobile video traffic is expected to grow 11.5 times during 2016-2021 at a CAGR of 63%. Video is expected to represent 60% of the overall mobile data traffic and is expected to grow at 78% by 2021. With an evolution in technology, data availability would only increase and organisations need to invest significantly in gathering, analyzing and interpretation of data to optimize customer engagement.

For and on behalf of the Board of Directors of

D. B. Corp Limited

Sudhir Agarwal

Managing Director

DIN: 00051407

Place: Mumbai

Date: 18th May, 2017

CAUTIONARY STATEMENT

Certain statements in the Management Discussion and Analysis describing the Company's objectives, predictions may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward-looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates, new regulations and Government policies that may impact the Company's business as well as its ability to implement the strategy. The Company does not undertake to update these statements.

BOARD'S REPORT

To
The Members,
D. B. Corp Limited

Your Directors have pleasure in presenting to you the 21st Annual Report together with the Balance Sheet and Statement of Profit and Loss for the year ended 31st March, 2017.

FINANCIAL HIGHLIGHTS (STANDALONE RESULTS)

PARTICULARS	₹ in Mn.	
	2016-17	2015-16
Revenue from operations	22574	20482
Other Income	172	242
Total Revenue	22746	20724
Operating expenditure	16130	15100
EBIDTA	6616	5624
EBIDTA Margin	29.09%	27.14%
Finance Cost	74	138
Depreciation & Amortisation	862	852
Total Expenditure	17067	16090
Profit Before Tax	5680	4634
Provision for Current Tax, Deferred Tax & Other Tax Expenses	1907	1678
Profit After Tax (PAT)	3773	2957
PAT Margin	16.59%	14.27%

FINANCIAL HIGHLIGHTS (CONSOLIDATED RESULTS)

PARTICULARS	₹ in Mn.	
	2016-17	2015-16
Revenue from operations	22580	20493
Other Income	170	241
Total Revenue	22750	20735
Operating expenditure	16158	15145
EBIDTA	6592	5590
EBIDTA Margin	28.97%	26.96%
Finance Cost	74	138
Depreciation & Amortisation	863	853
Total Expenditure	17095	16136
Profit Before Tax	5654	4599
Provision for Current Tax, Deferred Tax & Other Tax Expenses	1907	1678
Profit After Tax (PAT)	3748	2921
PAT Margin	16.47%	14.09%
Dividend as % of Paid-up Share Capital	40%	110%

REVIEW OF PERFORMANCE, OPERATIONAL HIGHLIGHTS AND FUTURE OUTLOOK

India as one of the fastest growing economy of the world, demonstrated strong resilience on the face of global slow growth environment. The below par performance of the international economy was reflected in a slowdown in growth in most emerging and developing economies driven by weaker capital inflows and subdued trade. India remained fairly insulated but consumer spending remained subdued in the

early part of the year that saw an upturn of commodity prices after a year of deflation. Thereafter, the gradual recovery of the markets was impacted by the demonetisation drive that affected liquidity conditions particularly in the December & March quarter. On an overall basis, this fiscal was a period of moderate growth rates across all categories reflecting an operating environment marked by slow growth, volatile input costs and heightened competitive intensity.

D. B. Corp Limited's performance for the fiscal 2016-17 needs to be viewed in the context of aforesaid economic and market environment forces. D. B. Corp Limited ('DBCL') delivered another year of resilient performance aided by strong market development strategies, establishment of long term customer relationships and well planned execution of sharper on-ground marketing efforts.

Your Company maintained its focus on editorial strategy which has led to significant improvement in quality of editorial content, greater readership delight and growth. This year, DBCL became India's largest circulated multi-edition daily declared by the 'Press In India Report 2015-16 prepared by Registrar of Newspapers of India (RNI)' released by Mr. Venkaiah Naidu, Hon. Minister for Information and Broadcasting, Government of India. Dainik Bhaskar also maintains, its position as the world's fourth largest circulated news daily as reported by WAN-FRA 2016. These are significant operating milestones for your company that acknowledges our expanding reach, the success of our business strategies and our leadership position in the Indian media industry. Dainik Bhaskar also became India's probably only ISO-9001:2015 Certified Newspaper, a noteworthy certification for Quality Management Circulation Distribution Systems demonstrating your company's excellence in operations and internal efficiencies.

As part of other significant developments:

- Dainik Bhaskar launched the Surat edition with great success. In Surat Dainik Bhaskar caters to the city's non-Gujarati speaking audience which is about 50% of the city's population of 58 lakh.
- Your Company also rolled out all 13 newly acquired FM radio stations in record time, expanding its presence in 7 states across 30 cities.
- As part of DBCL's digital business, www.dainikbhaskar.com the largest Hindi News Website continues to secure the No. 1 spot in Hindi News and www.divyabhaskar.com continues to remain #1 Gujarati website. Dainik Bhaskar is the 2nd largest news site in India across language sites and continues to attract large viewership.
- The digital business with 13 internet portals and 2 Mobile Apps in 4 languages continues to focus on strengthening viewer engagement, resulting into 90.1 million Unique Visitors (UV) and 2.8 billion Page Views in March 17.

Print Business

During the period under review, the Indian economy showed an improvement over 2015-16, but continued to grow at a slower pace. DBCL had undertaken an advertising yield strategy to supplement revenue growth by taking a substantial hike in advertising rates in FY 2015-16. We are happy to report that it has delivered favourable response with advertising revenue witnessing a growth of around 6.45% and circulation revenue registering a growth of around 10.52%.

Performance highlights of your Company during the year under consideration are as follows:

- Standalone revenue from operations and other income was ₹ 22,746 million witnessing a growth of 9.76% as compared to ₹ 20,724 million in the previous year
- Standalone advertising revenue grew 7.84% to ₹ 15974 million, which includes revenue from print, radio and digital media business.
- Circulation revenue grew by 10.52% to ₹ 4814 million from ₹ 4356 million, largely driven by rate growth. Circulation revenue has witnessed CAGR growth of around 15% for last 5 years, largely driven by rate growth.
- The consolidated gross revenue increased by 9.7% to ₹ 22,750 million, EBIDTA increased by 17.9% to ₹ 6,592 million and PAT increased by 28.3% to ₹ 3,748 million over the last fiscal period.
- The standalone gross revenue increased by 9.8% to ₹ 22746 million, EBIDTA increased by 17.6% to ₹ 6,616 million and PAT increased by 27.6% to ₹ 3,773 million over the last fiscal period.
- EBIDTA margin of matured business stands at 31.14%.

Emerging Editions / Business

In order to analyse the performance of the Company, its divisions / editions are segmented into emerging and matured editions / business, as any new edition / business launched takes long for stabilisation and for earnings.

**Review of Performance of Emerging Editions/ Business
Summary Financials (₹ in Mn.) (Standalone Results)**

₹ in Mn.

PARTICULARS	Emerging Editions & Businesses	Matured Business	Total
	FY 2016-17		
Turnover			
– Advt. Revenue	408	15567	15974
– Sales	184	4630	4814
– Others	75	1884	1958
Total Income	666	22080	22746
Newsprint Cost	401	6208	6609
Opex	524	8998	9522
Total Cost	925	15205	16130
EBIDTA	(259)	6875	6616
EBIDTA Margin (%)	(38.87%)	31.14%	29.09%
Interest	2	73	74
Depreciation	46	816	862
PBT	(307)	5987	5680
PBT Margin (%)	(46.03%)	27.11%	24.97%

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

For FY 2016-17, the emerging editions include editions in newly launched states of Maharashtra and Bihar, Mobile app and also newly launched e-real estate division during FY 2015-16. Due to shifting of Jahrkhand and most part of Maharashtra in Mature category, Emerging business revenues are not yearly comparable. At the same time, mature business has reported EBIDTA Margin at 31.14%.

Radio Business

94.3 MY FM is one of the largest radio network of the Tier II and Tier III cities, spread across seven states and 30 cities (including the newly launched 13 radio stations under batch 1 of phase III in the current year) commanding a leadership rank in almost all of its markets, both in terms of listenership as well as retail market share.

The Radio Business continued to perform exceptionally well in this financial year. Total income of the division increased from ₹ 1076 million during the previous year to ₹ 1273 million reporting a growth of 18.28%, one of the best among the Radio players. EBIDTA has grown by 19.6% at ₹ 478 million and EBIDTA margin is 37.55 %, the highest in the industry.

Digital Business

The digital business recorded a phenomenal 24% growth in total income to ₹ 567 million, backed by a robust strategy that revolves around hyper-local news coverage and a huge library of diversified content for visitors spanning high interest news on various local, national and international issues. DB Digital saw a phenomenal growth in FY 2016-17 in terms of Unique Visitors (UV) and Page per Visit (PV). DB Digital subsuming of

thirteen digital portals has reported 90.1 million UV's and 2.8 bn PV's. Dainik Bhaskar & Divya Bhaskar app has collectively reached 9.2 million app downloads till March 2017.

MAJOR EVENTS DURING THE YEAR

- Dainik Bhaskar was awarded ISO-9001:2015 certification for Quality Management Systems in its newspaper distribution function and is probably the only newspaper organisation in India to receive such certification.
- As per Press In India Report 2015-16 prepared by Registrar of Newspapers of India (RNI), Dainik Bhaskar becomes the nation's largest circulated multi-edition daily.
- Dainik Bhaskar launched Surat Edition catering to a large cosmopolitan readership base of about 28 lakh non-Gujarati speaking population.
- 94.3 MY FM completed fastest roll out of all 13 newly acquired stations under batch I of Phase III.
- www.Dainikbhaskar.com the largest Hindi News Website continues to secure the No. 1 spot in Hindi News and www.Divyabhaskar.com continues to remain #1 Gujarati website
- DB Corp continues to maintain to be ranked as the world's fourth largest circulated news daily by WAN- IFRA Report 2016.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

CSR has always been an integral aspect of DBCL's operations, identity and position as India's largest media conglomerate. As one of India's most admired and acknowledged corporations,

DBCL has an abiding vision to serve larger national priorities. Therefore, your Company has been pursuing innovative strategies to synergize the creation of greater shareholder value along with dedicated focus on strengthening societal and environmental capital. We have been delivering sustainable solutions to maximize human development through its CSR programmes spanning education, health, women and children upliftment, environmental sustainability programs, healthcare, etc.

A brief outline of the CSR policy of the Company and initiatives undertaken by the Company on CSR activities during the year are set out in "Annexure A" to this report. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. The CSR policy is available on the website of the Company.

During the year, the Company incurred an expenditure of ₹ 73.6 million on CSR activities as against the required spend of ₹ 94.5 million. The Company could not spend the balance required amount on account of non-availability of appropriate, meaningful and concrete CSR projects. The Company is committed to undertake further activities in the areas of promoting education, empowering women, environmental sustainability, healthcare and sanitation, etc. and ensure the balance is spent on concrete CSR activities.

AWARDS AND ACCOLADES

Awards do not only acknowledge success, they are an important reinforcement of your company's search for excellence, passion and expertise. Your Company was conferred with as many as 124 awards during FY 2016-17 under various segments of its business for its campaigns, CSR projects, content marketing, effectiveness in publication & media and print innovations, Best Use of CSR practices in Media & Entertainment, Best Branded Content, Best Contextual Newspaper advertising, Best use of celebrity endorsement, Best Public Awareness Programme, etc. These include 16 Asian Customer Engagement Forum Awards (11 Gold, 3 Silver and 2 Bronze), 5 BIG BANG Awards and 18 ACEF Awards (Marketing Capabilities, CSR and Rural Marketing Awards).

DIVIDEND

The Company has during the year under review, paid an Interim Dividend @ 40% (i.e. ₹ 4/- per equity share of the face value of ₹10/- each) which was declared by the Board and paid on 7th February, 2017.

The management is evaluating different and efficient avenues for distribution of income for which it prefers to conserve resources. Hence, no Final Dividend has been recommended by the Board of Directors for FY 2016-17.

The total amount of dividend paid during the FY 2016-17 is ₹ 735 million as against ₹ 2,021 million for the previous financial year.

DIVIDEND DISTRIBUTION POLICY

In line with Regulation 43A of the SEBI Listing Regulations, the Company has framed a Dividend Distribution Policy which was approved by the Board of Directors at its meeting held on 20th October, 2016. The Policy lays down a framework for considering decisions by the Board of the Company with regard to distribution of dividend to the shareholders and/ or retaining or plough back of its profits. A copy of the Policy has been attached as 'Annexure B' to this report and the same is also available for viewing on the Company's website and can be accessed at: <http://investor.bhaskarnet.com/pages/corporategovernance.php?id=6>

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Kailash Chandra Chowdhary, Independent Director of the Company stepped down from his directorship on the Board from 19th October, 2016. The Board places on record its gratitude for the valuable services rendered by Mr. Chowdhary throughout his long association with the Company.

Mr. Ramesh Chandra Agarwal, Chairman of the Company passed away for heavenly abode on 12th April, 2017. The Company lost a valued and a strong, forward-thinking and generous leader. His dedication and commitment to the Company and his can-do spirit has helped the Company's brand value grow multiple-folds. The Directors place on record their profound grief on his death and gratefully acknowledge his noted contributions to the media and publishing industry.

On account of his death, Mr. Ramesh Chandra Agarwal's position as member of the Nomination and Remuneration Committee and Executive Committee of the Board stands vacated.

Pursuant to Section 152 of the Companies Act, 2013 (the "Act") and the Articles of Association of the Company, Mr. Girish Agarwal (DIN: 00051375), Non- Executive 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 Act.

A detailed profile describing the skills / expertise and other qualifications of Mr. Girish Agarwal has been provided in the Explanatory Statement annexed to the Notice which may be taken as forming a part of this Report. The Board recommends and seeks your support for his re-appointment.

The Company has received declarations from the Independent Directors ('IDs') that they meet with the criteria of independence as laid down under Section 149(6) of the Act and the Listing Regulations.

None of the Non-Executive Directors had any pecuniary relationships or transactions with the Company which may have potential conflict with the interests of the Company at large.

BOARD MEETINGS

During the year under review, the Board met 4 (four) times, the details of which are given in the Corporate Governance Report which may be taken as forming a part of this Report.

COMMITTEES OF THE BOARD

The Board of Directors functions through the following committees constituted in terms of the provisions of the Companies Act, 2013 and SEBI Listing Regulations:

Audit Committee	Stakeholders' Relationship Committee
Nomination and Remuneration Committee	Corporate Social Responsibility Committee
Compensation Committee	Executive Committee

The legal provision of constitution of Risk Management Committee is not applicable to the Company. The details regarding composition and meetings of these committees held during the year under review are given in the Corporate Governance Report which may be taken as forming a part of this Report.

BOARD EVALUATION

The Board has evaluated the performance of every director on the Board based on the parameters listed out in the 'Policy on Performance Evaluation of the Board' framed by the Nomination and Remuneration Committee. The evaluation of the Board and its Committees has also enabled them to map out the degree of fulfilment of responsibilities of the Board as a whole and its Committees. A brief report describing the manner and process in which such evaluation was conducted has been explained in the Corporate Governance Report which may be taken as forming a part of this Report.

POLICY ON NOMINATION AND REMUNERATION OF DIRECTORS, KMPs AND OTHER EMPLOYEES

The Nomination and Remuneration Committee of the Company has laid down a policy to enable the selection, appointment and remuneration of Directors and the Senior Management of the Company. The Policy also outlines the basis for determining qualifications, positive attributes, expertise and independence of a director and sets out to ensure that the interests of the executives are aligned with the Company's long term interests by setting performance benchmarks and devising remuneration policies to help the Company retain and attract experienced and qualified executives at the Senior Management level.

The detailed policy is given in the Corporate Governance Report which may be taken as forming a part of this Report.

EXTRACT OF ANNUAL RETURN

The details prescribed and required under Section 92(3) of the Companies Act, 2013 constituting the extract of the Annual Return is attached as 'Annexure C' to this Report.

RISK MANAGEMENT

Your Company has robust process in place to identify key risks and to prioritize relevant action plans to mitigate these risks. Risk management framework is reviewed periodically by the Board and Audit Committee, which includes discussing the management submissions on risks, prioritizing key risks and approving action plans to mitigate such risks.

The risk management framework adopted and implemented by the Company is given in the Corporate Governance Report which may be taken as forming a part of this Report.

INTERNAL CONTROLS SYSTEM AND ITS ADEQUACY

Your Company has built up robust internal controls commensurate with the size of its operations. It has laid down standard operating guidelines and processes which ensures smooth functioning of activities and zero ambiguity in the mind of people who actually execute the operations.

During FY 2016-17 your Company had appointed external agency to assist in re-evaluating and testing its internal financial controls which encompassed review, reclassification and rationalization of controls.

Independent chartered accountants / firms appointed at various locations of the Company conduct periodical reviews, surprise audit, physical verification of inventory, etc. for this purpose. They evaluate operational efficiencies, safeguards taken for utilisation of the Company's assets, assessment of efficacy of accounting system, provide suggestions on how to improve the overall structure and practices of operations of the company's business, scope of improvement in matters related to documentation / statutory obligation, etc. The internal auditors place forth their report to the Audit Committee which is reviewed by it quarterly.

VIGIL MECHANISM

Your Company provides a common platform to its employees and directors for complaint handling in the form of whistle-blowing (vigil) mechanism. This mechanism enables them to report critical concerns or genuine grievances about any incidence of fraud, misconduct, violation/potential violation of laws and policies, etc. The mechanism lays down the principles and standards governing the actions of the Company and its employees and provides an overall framework for reporting suspected incidents and violations. The details of this mechanism are given in the Corporate Governance Report which may be taken as forming a part of this Report. The same is also available for viewing on the website of the Company.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of loans and guarantees given and investments made under Section 186 of the Companies Act, 2013 have been given separately in the financial statements of the Company read with Note 28 in the Notes to Accounts which may be read in conjunction with this Report.

TRANSACTIONS WITH RELATED PARTIES

All related party transactions entered into during the financial year were at arm's length terms. Also, there have been no materially significant related party transactions that were entered into by the Company with its related parties. Hence, the Company is not required to attach the prescribed Form AOC – 2 to the Annual Report of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134(3)(c) of the Companies Act, 2013 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, 2017, the applicable accounting standards 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, 2017 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, 2013, 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, 2017, on a 'going concern' basis;
5. that the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;
6. that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SUBSIDIARIES

The Company has 2 subsidiaries as on 31st March, 2017. There are no associate companies or joint venture companies within the meaning of Section 2(6) of the Act. There has been no material change in the nature of the business of the subsidiaries.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company.

Performance / Business highlights

The performance / business highlights of the subsidiaries of your Company during the financial year 2016-17 are as follows:

1. I Media Corp Limited (IMCL)

IMCL which is housing the event business of the Company recorded a total income of ₹ 9.1 million and EBIDTA Loss of ₹ 0.6 million for the year under consideration. This subsidiary functions in co-ordination with radio division and carries out events across My FM station cities.

During the year under review, your Company has diluted its entire shareholding in IMCL to DB Infomedia Pvt. Ltd. (DBIPL) for a lumpsum consideration, thereby making it a step-down subsidiary of your Company and a wholly-owned subsidiary of DBIPL.

2. DB Infomedia Pvt. Ltd. (DBIPL)

DBIPL carries its business in the domain of online digital space. As the Company was incorporated during the last quarter of FY 2014-15, its operations involved only setting up activities with EBIDTA loss of ₹ 19 million in the current financial year as compared to EBIDTA Loss of ₹ 42 million during the previous period from 16th February, 2015 to 31st March, 2016.

During the year, your Company consolidated its shareholding held in DBIPL by purchase of 5,000 shares from the minority shareholder. The said purchase was in accordance with the terms of Share Subscription and Shareholders' Agreement dated 16th April, 2015 executed by the Company with the minority shareholder and DBIPL. Consequent to the purchase, DBIPL has become wholly-owned subsidiary of your Company.

As reported earlier, DBIPL has become Holding Company of IMCL by virtue of acquisition of the entire shareholding of IMCL from your Company for a lumpsum consideration.

During the year under review, the Board of Directors of DBIPL in compliance with the provisions of Sections 42, 55 and 62 of the Companies Act, 2013 read with rules made thereunder allotted 6,80,000 (Six Lakh Eighty Thousand) 7.5% Redeemable Preference Shares of face value of ₹100/- (Rupees One Hundred) each aggregating to ₹ 6,80,00,000/- (Rupees Six Crore Eighty Lakh Only) on private placement basis to your Company. The said allotment was made in order to mobilise funds for the general business purposes of DBIPL.

As per the terms of Share Subscription and Shareholders' Agreement executed by your Company with DBIPL and the minority shareholder, the Company had subscribed to 10,00,000 (Ten Lakh) 0.01% Compulsorily Convertible Debentures (CCDs) of ₹10/- each. As per the terms of issue, the said CCDs were converted into equivalent number of equity shares and accordingly 10,00,000 equity shares of face value of ₹10/- each were allotted to your Company by the Board of DBIPL.

Composite Scheme of Arrangement and Amalgamation between I Media Corp Limited (Transferor Company), DB Infomedia Private Limited (Demerged Company / Transferee Company) and D. B. Corp Limited (Resulting Company)

During the year under review, upon recommendations of the Audit Committee, the Board of Directors at its meeting held on 19th January, 2017 approved a Composite Scheme of Arrangement and Amalgamation between your Company and its subsidiaries; I Media Corp Limited (IMCL / Transferor Company) and DB Infomedia Private Limited (DBIPL / Demerged Company / Transferee Company). Under this Composite Scheme, IMCL was proposed to be amalgamated into DBIPL and thereafter, the Internet Business of DBIPL was to be hived-off / demerged into your Company. The said Composite Scheme was approved by the Board of respective subsidiary companies as well.

However, at the meeting held on 18th May, 2017, the Board of Directors upon recommendation of the Audit Committee, re-evaluated the validity of the above Scheme and came to the conclusion that in light of the current business environment, the proposed Composite Scheme will no longer give any extra benefits to the Company and its stakeholders. Hence, a decision was taken to withdraw the Composite Scheme of Arrangement and Amalgamation as aforesaid and not to be acted upon further.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34 read with Schedule V of the Listing Regulations is given separately which may be taken as forming a part of this Report.

REPORT ON CORPORATE GOVERNANCE

A report on Corporate Governance as stipulated under Regulation 34 read with Schedule V of the Listing Regulations is given separately which may be taken as forming a part of this Report. A Certificate, as prescribed, from the Auditors of the Company, confirming compliance with the provisions of Corporate Governance is attached to the said Report.

BUSINESS RESPONSIBILITY REPORT

A report on Business Responsibility as stipulated under Regulation 34 of the Listing Regulations is given separately which may be taken as forming part of this report.

EMPLOYEES' STOCK OPTION SCHEMES

The Company had granted Stock Options to its employees under the 'DBCL - ESOS 2008', 'DBCL - ESOS 2010' and 'DBCL - ESOS 2011' (Tranches 1 to 5). The Compensation Committee of the Board of Directors, constituted in accordance with the SEBI Guidelines, administers and monitors these schemes. The stock option schemes are in compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("Employee Benefits

Regulations") and there have been no material changes to these schemes during the financial year.

The details required to be disclosed in terms of Regulation 14 of the Employee Benefits Regulations are placed on the Company's website and can be accessed at: <http://investor.bhaskarnet.com/pages/corporategovernance.php?id=6>

Your Company has obtained a certificate from the Auditors certifying that the said Employee Stock Option Schemes have been implemented in accordance with the Employee Benefits Regulations 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, as prescribed which is also attached to this Report.

STATUTORY AUDITORS

Section 139(2) of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014, as amended, states that no listed company can appoint an audit firm for more than two terms of five consecutive years. The Rules also lay down the transitional period that can be served by the existing auditors depending on the number of consecutive years for which an audit firm has been functioning as auditor in the same company. The incumbent auditors, M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, Mumbai (Firm Registration No. 101049W/E300004) and M/s. Gupta Navin K. & Co, Chartered Accountants, Gwalior (Firm Registration No. 006263C) have served the Company for over 10 years before the Companies Act, 2013 was notified and will be completing the maximum number of years of transitional period (3 years) at the ensuing AGM.

Accordingly, the existing Joint Statutory Auditors of the Company viz. M/s. S. R. Batliboi & Associates LLP and M/s. Gupta Navin K. & Co. will retire at the forthcoming Annual General Meeting and they do not seek re-appointment for the next financial year.

In place of the retiring Auditors, the Board of Directors recommends the appointment of M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/N500016) and M/s. Gupta Mittal & Co. (Firm Registration No. 009973C) as the new Joint Statutory Auditors of the Company to assume office from the conclusion of ensuing 21st Annual General Meeting till the conclusion of 26th Annual General Meeting (subject to ratification by the shareholders at every Annual General Meeting, as prescribed).

The proposed Joint Statutory Auditors viz. M/s. Price Waterhouse Chartered Accountants LLP and M/s. Gupta Mittal & Co. have confirmed that their appointment, if approved by the members, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualified for appointment within the meaning of Section 139 of the said Act.

Necessary resolution for the appointment of Statutory Auditors is included in the Notice convening the 21st Annual General Meeting for seeking the approval of the members of the Company. The Board recommends their appointment.

Auditors' report

The Auditors' Report does not contain any qualifications, reservations, or adverse remarks.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Makarand M. Joshi & Company, a firm of Company Secretaries in Practice to undertake the secretarial audit of the Company.

Secretarial Auditors' report

The Secretarial Audit Report given by the Secretarial Auditor is attached as 'Annexure D' to this Report.

The Secretarial Auditor of the Company has in its report observed that the Company was not in compliance with Section 149 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 with regard to appointment of woman director on the Board of Directors of the Company for the period from 1st April, 2016 to 21st June, 2016.

In this regard, the Company would like to clarify that the default in appointment was on account of non-receipt of mandatory approval from the Ministry of Information and Broadcasting ('MIB'). Since this approval has to be prior and had not been received since long, the Board was not able to appoint a Woman Director in spite of identification of the candidate. Consequent to receipt of approval from MIB, Ms. Anupriya Acharya was appointed as an Additional Independent Director w.e.f. 22nd June, 2016.

COST AUDITOR

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended, the cost accounting records maintained by the Company in respect of its radio business are required to be audited. The Board of Directors has, on the recommendation of the Audit Committee, appointed M/s. K. G. Goyal & Associates, Cost Accountants (Firm Registration No. 000024) to audit the cost accounting records of the Company for the financial year 2016- 17 at a remuneration of ₹ 25,000/- p.a. plus applicable taxes.

M/s. K. G. Goyal & Associates, Cost Accountants are also re-appointed by the Company as Cost Auditors for the FY 2017-18 at the same remuneration. As required under the Act, the remuneration payable to the cost auditor is required

to be placed before the members in a general meeting for their ratification. Accordingly, a resolution seeking member's ratification for the remuneration payable to M/s. K. G. Goyal & Associates for FY 2016-17 & FY 2017-18 is included in the Notice convening the Annual General Meeting.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted or invited any deposits from public within the meaning of Chapter V of the Companies Act, 2013 and applicable rules made there under or any amendment or re-enactment thereof.

PARTICULARS OF REMUNERATION TO EMPLOYEES

The particulars of remuneration to directors and employees and other related information required to be disclosed under Section 197(12) of the Companies Act, 2013 and the Rules made thereunder as amended up to date, are given in 'Annexure E' to this Report.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of Energy

(I) Steps taken or impact on conservation of energy:

The Company has continued its efforts to improve energy efficiency measures with more vigor and depth. Steps taken during the year to conserve energy include:

1. Conduct of energy audits at 22 print locations to identify opportunity areas in energy conservation.
2. Migration to LED lights at 43 offices across India thereby resulting in energy savings of 1597934 KWH.
3. Migration of desktops to Thin Clients at various business locations thereby resulting in savings of 3616 KWH of energy.

(II) Steps taken by the Company for utilising alternate sources of energy:

In order to utilize the renewable energy source, the Company is exploring the possibility of installing solar power plants at its major plants.

(III) Capital investment on energy conservation equipments:

During the year, the Company has invested ₹ 5 million on migration to LED lights at 43 offices across India.

B. Technology Absorption

(I) Efforts made towards technology absorption:

1. Complete migration to use of chemistry free printing plates.

2. Hired Ernst & Young (EY) as Consultant to study the complete IT landscape and suggest the futuristic architecture and investment in upcoming technologies.
3. Adopted Cloud technologies and reduced In Prem Infra, migrated In Prem Mailing server to enterprise google mail and adopted Google Suite for collaboration.

₹ 16 million (Previous Year ₹ 13 million) and on account of travelling and other expenses was ₹ 115 million (Previous Year ₹ 102 million).

DEMAT SUSPENSE ACCOUNT

Your Company reports that 217 shares issued and allotted in January, 2010 to 5 shareholders under the public issue of the Company have remained unclaimed and are lying in the 'Demat Suspense Account' as prescribed under Schedule V of the Listing Regulations. The Company had sent reminders to all these five shareholders at their latest available addresses. Voting rights on the 217 shares will remain frozen till the rightful owners of these shares claim 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, 2016	5 shareholders / 217 shares
(ii) Number of shareholders who approached the Company for transfer of shares from suspense account during the financial year 2016-17	Nil
(iii) Number of shareholders to whom shares were transferred from suspense account during the financial year 2016-17	Nil
(iv) Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31 st March, 2017	5 shareholders / 217 shares

(II) Benefits derived like product improvement, cost reduction, product development or import substitution:

1. Conservation of water and energy.
2. No disposal of polluting effluents to mother earth.
3. Matrix
Matrix workflow enabled in mobile using Google Speech API. 1250 journalists now use their speech instead of typing with 97% accuracy in Hindi.
4. QlikView - AS BI Tool
Developed dashboards for Sales, Finance and Production verticals using data from a single source which is SAP.
5. SAP
All processes of all modules were automated this year in compliance of IFC requirements.

(III) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

1. The details of technology imported: The Company has not imported any technology during the last three financial years.
2. The year of import: Not applicable
3. Whether the technology has been fully absorbed: Not applicable
4. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not applicable

(IV) Expenditure on R & D: Nil

C. Foreign Exchange Earnings and Outgo

Your Company earned Foreign Exchange of ₹ 391 million (Previous Year ₹ 321 million). The financial expenses in foreign exchange during the year was

MATERIAL CHANGES/COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

As reported above, upon recommendation of the Audit Committee, the Board of Directors at the meeting held on 18th May, 2017, decided to withdraw the Composite Scheme of Arrangement and Amalgamation between your Company and its subsidiaries; I Media Corp Limited (IMCL / Transferor Company) and DB Infomedia Private Limited (DBIPL / Demerged Company / Transferee Company) which was earlier approved by the Board on 19th January, 2017. Accordingly, the scheme will not to be acted upon further.

GENERAL

Your Directors state that no disclosure is required in respect of the following matters as there were no transactions in relation thereto, during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of sweat equity shares.

3. Non-exercise of voting rights directly by the employees in respect of shares purchased under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant and material orders passed by the Regulators / Courts / Tribunals which would impact on the going concern status of the Company and its future operations.

POLICY REGARDING PREVENTION OF SEXUAL HARRASSMENT AT WORK PLACE

During the year, 2 complaints about sexual harassment were received by the Company which were attended to and closed on priority.

No. of complaints received : 2

No. of complaints disposed off : 2

No. of complaints pending at the end of the year : Nil

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The focus of people agenda in FY 2016-17 was grooming the in-house talent, retention of key personnel and building talent pipeline for the future. With an intent of grooming the in-house talent and building future pipeline, Talent Management initiatives 'MILE' and 'EDGE' were introduced which helped in providing career advancement opportunities to the in-house talent and reducing attrition. Under these initiatives, employees were nominated to some of the best educational institutes in the Country like ISB and IIMs. IIM Ahmedabad was also engaged to conduct couple of customised programmes for Ad Sales function.

To strengthen the implementation and making the execution of HR processes people friendly, implementation of Success Factors was initiated.

With more than 11,000 people on board, your Company continues to remain one of the largest employer in the Media Sector in the Country. It continued to touch employees' lives through our unique policies like 'Shubh Laxmi', 'Saubhagyawati Bhav' and 'Sparsh'.

The initiatives taken in FY 2016-17 for building talent pipeline and retention will form the major HR agenda for the next year as well.

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

Sudhir Agarwal

Managing Director

DIN: 00051407

Place: Mumbai

Date: 18th May, 2017

Encl.: Annexure A to E

Pawan Agarwal

Dy. Managing Director

DIN: 00465092

ANNEXURE A

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Clause (o) of Sub-section (3) of Section 134 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. BRIEF OUTLINE OF THE COMPANY'S CSR POLICY, INCLUDING OVERVIEW OF PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN AND A REFERENCE TO THE WEB-LINK TO THE CSR POLICY AND PROJECTS OR PROGRAMS.

Corporate Responsibility and Social Stewardship have always been integral to D. B. Corp Ltd. Driven by its vision of driving behavioral change in society to bring socio-economic change, your Company has undertaken CSR initiatives namely Computer Education, Jal Satyagrah, Tilak Holi, Ek Ped Ek Zindagi, Mitti Ke Ganesh, Annadaan and Sarthak Deepawali. Being cognizant of the fact that barometer of any social campaign's success is not only dependent upon mere awareness building but also on ground implementation backed by measurable outcomes, the Company, apart from driving it extensively on print and social media medium, has also partnered with Govt. of India's National Digital Literacy Mission, credible UN agencies such as UN Environment Program (UNEP), UN Global Compact (UNGC) and reputed NGOs such as WWF India, Helpage India in undertaking on-ground CSR initiatives. The inclusive nature of such kind of partnerships has helped us in promoting a sense of ownership and enhancing the overall sustainability of the CSR initiatives undertaken in 37 cities across 10 states.

Apart from being signatory to UN Global Compact Network, the Company's CSR initiatives also contribute to UN Sustainable Development Goals pertaining to Quality Education, Zero Hunger, Clean Water and Sanitation, Sustainable Cities & Communities and Climate Action.

The Company's detailed Policy on CSR can be accessed at:

<http://investor.bhaskarnet.com/pages/corporategovernance.php?id=6>

2. COMPOSITION OF THE CSR COMMITTEE:

The CSR Committee consists of the following Directors:

NAMES OF DIRECTORS	CHAIRMAN / MEMBER	CATEGORY
Mr. Ashwani Kumar Singhal *	Chairman	Non-Executive, Independent Director
Mr. Naveen Kumar Kshatriya	Member	Non-Executive, Independent Director
Ms. Anupriya Acharya	Member	Non-Executive, Independent Director
Mr. Sudhir Agarwal	Member	Executive Director
Mr. Pawan Agarwal	Member	Executive Director

* Mr. Kailash Chandra Chowdhary, who formerly held the Chairmanship of the CSR committee, resigned from the Board of the Company w.e.f. 19th October, 2016, pursuant to which Mr. Ashwani Kumar Singhal was appointed as the Chairman of the CSR Committee by the Board at its meeting held on 20th October, 2016.

3. AVERAGE NET PROFIT OF THE COMPANY FOR LAST THREE FINANCIAL YEARS:

₹ 4723.91 Million

4. PRESCRIBED CSR EXPENDITURE (TWO PER CENT OF THE AMOUNT AS IN ITEM 3 ABOVE):

₹ 94.48 Million

5. DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR:

(a) Total amount to be spent for the financial year: ₹ 94.48 Million

(b) Amount unspent, if any: ₹ 20.90 Million

Board's Report

(c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR Project or Activity identified	Sector in which the project is covered	Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs were undertaken	Amount Outlay (budget) project or programs wise (For FY 2016-17)	Amount spent on the projects or programs SUB-HEADS: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Annadan Activity	Eradicating hunger, poverty and malnutrition	MP, CG, Gujarat, Jharkhand, Chandigarh, Haryana, Punjab, Himachal, Maharashtra, Rajasthan, Delhi and NCR	28,801	28,801	18,17,845	Direct
2	Mission Shiksha	Promoting education	Same as Sr. No. 1 above	31,01,738	31,01,738	4,72,67,263	Direct
3	Funeral Facilities at Muktidham	Ensuring environmental sustainability and protection of flora and fauna	Madhya Pradesh, Bhopal District	3,10,932	3,10,932	21,34,769	Direct
4	Plantation	Protection of flora and fauna	Same as Sr. No. 1 above	4,41,525	4,41,525	20,65,309	Direct
5	Professional Fee for CSR Consultant	Expenses on CSR capability building	Madhya Pradesh, Bhopal District.	30,000	30,000	4,72,133	Direct
6	Jal Satyagrah	Ensuring Environmental Sustainability	Madhya Pradesh, Bhopal District.	2,89,130	2,89,130	15,13,910	Direct
7	Save Bird Campaign	Animal Welfare	Same as Sr. No. 1 above	-	-	17,48,634	Direct
8	Senior Citizen Day Care Center	Old age homes, day care centers and such other facilities for senior citizens	Madhya Pradesh, Bhopal District	-	-	3,91,603	Direct
9	J&K Flood Victims	Eradicating hunger, poverty and malnutrition	Same as Sr. No. 1 above and Jammu & Kashmir	-	-	7,93,809	Direct
10	Vastradan Event	Eradicating hunger, poverty and malnutrition	Same as Sr. No. 1 above	-	-	3,09,283	Direct
11	Health Care Activity	Promoting preventive health care	Same as Sr. No. 1 above	1,57,660	1,57,660	3,57,660	Direct
12	Power of No (Empowering Women)	Empowering Woman	Same as Sr. No. 1 above	-	-	1,52,71,140	Direct
13	Zidd Karo - Girl Child Education	Promoting Education	Same as Sr. No. 1 above	5,20,69,905	5,20,69,905	6,03,55,425	Direct
14	Underprivileged Girl Child Education	Promoting Education	Madhya Pradesh, Bhopal District.	30,00,000	30,00,000	42,00,000	Direct
15	Salaries and Expenses for CSR Team	Employee Cost	Same as Sr. No. 1 above	16,33,620	16,33,620	54,62,026	Direct
16	Army Welfare fund	Measures for the benefit of armed forces veterans, war widows and their dependents	Madhya Pradesh, Bhopal District.	11,00,000	11,00,000	11,00,000	Direct
17	Goushala Sanrakshan	Animal Welfare	Madhya Pradesh, Bhopal District.	10,00,000	10,00,000	10,00,000	Direct
18	Mitti Ke Ganesh	Ensuring Environmental Sustainability	Same as Sr. No. 1 above	23,570	23,570	23,570	Direct
19	Vanvihar Environmental Sustainability	Ensuring Environmental Sustainability	Madhya Pradesh, Bhopal District.	3,97,239	3,97,239	3,97,239	Direct
20	Rural Development Program	Rural Development Projects	Madhya Pradesh, Bhopal District.	1,00,00,000	1,00,00,000	1,00,00,000	Through implementing agency [viz. Dwarka Prasad Agarwal Charitable Trust, Bhopal]
Total				7,35,84,120	7,35,84,120	15,66,81,618	

6. RESPONSIBILITY STATEMENT:

The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with the CSR objectives and policy of the Company.

For and on behalf of the Board of Directors of

D. B. Corp Limited

Sudhir Agarwal
Managing Director
DIN: 00051407

Pawan Agarwal
Deputy Managing Director
DIN: 00465092

Ashwani Kumar Singhal
Chairman – CSR Committee
DIN: 01973769

Place: Mumbai
Date: 18th May, 2017

ANNEXURE B

DIVIDEND DISTRIBUTION POLICY

1. PURPOSE, OBJECTIVE AND SCOPE

The Securities and Exchange Board of India (“SEBI”) vide its Notification dated July 08, 2016 has amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by inserting new Regulation 43A which mandates D. B. Corp Ltd. (the “Company”) to formulate a “Dividend Distribution Policy” (the “Policy”) which shall be disclosed in its Annual Report and on its website.

The “Dividend Distribution Policy” lays down a broad framework for considering decisions by the Board of the Company with regard to distribution of dividend to its shareholders and/ or retaining or plough back of its profits.

The policy reflects the intent of the Company to reward its shareholders by sharing a portion of its profits after retaining sufficient funds for growth of the Company. The Company shall pursue this policy to pay, subject to the circumstances and factors enlisted hereon, progressive dividend, which shall be consistent with the performance of the Company over the years.

The policy shall not apply to:

- Determination and declaring dividend on preference shares (if and when the Company has) as the same will be as per the terms of issue approved by the shareholders;
- Distribution of dividend in kind, i.e. by issue of fully or partly paid bonus shares or other securities, subject to applicable law.

2. GENERAL POLICY AS REGARDS DIVIDEND

Since the time of listing of its IPO, the Company has consistently paid dividend.

The Company would endeavour to maintain this trend in future subject to various factors as discussed in this policy. Declaration of Interim and / or Final dividend would be entirely at the discretion of the Board of Directors of the Company.

The general considerations by the Board for taking decisions with regard to dividend payout or retention of profits shall be as follows:

- a. Subject to the considerations as provided in the policy, the Board shall determine the dividend payout in a particular year after taking into consideration the operating and financial performance of the Company, the advice of executive management including the CFO and other relevant factors.
- b. The Board may also, where appropriate, aim at distributing dividends in kind, subject to applicable law, in the form of fully or partly paid shares or other securities.

3. DEFINITIONS

3.1 **“Act”** means the Companies Act, 2013 and the rules framed thereunder, including any modifications, amendments, clarifications, circulars or re-enactments thereof.

3.2 **“Board of Directors”** or **“Board”**, in relation to a Company, means the collective body of the Directors of the Company and as amended from time to time.

3.3 **“Company”** means D. B. Corp Limited.

3.4 **“Policy”** means policy on dividend distribution.

3.5 **“Dividend”** shall be as defined under Section 2(35) of the Companies Act, 2013 and the Rules made there under.

4. CONSIDERATIONS RELEVANT FOR DECISION OF DIVIDEND PAYOUT

The Board shall consider the following, while taking decision as regards dividend payout:

a. Statutory requirements

The Company shall comply with the relevant statutory requirements including those with respect to mandatory transfer of a certain portion of profits to any specific reserve such as Debenture Redemption Reserve, Capital

Redemption Reserve etc. as provided in the Companies Act, 2013, as may be applicable to the Company at the time of taking decision with regard to dividend declaration or retention of profit.

b. Agreements with lending institutions/ debenture trustees

The decision of dividend pay-out shall also be affected by the restrictions and covenants contained in the agreements, if any, as may be entered into with the lenders of the Company / Debenture Trustees, as the case may be.

c. Prudential requirements

The Company shall analyse the prospective projects and strategic decisions in order to decide:

- i. to build a healthy reserve of retained earnings;
- ii. to augment long term strength;
- iii. to build a pool of internally generated funds to provide long-term resources as well as resource-raising potential for the Company; and
- iv. the need for capital conservation and appreciation.

d. Proposals for major capital expenditures, etc.

In addition to plough back of earnings on account of depreciation, the Board may also take into consideration the need for replacement of capital assets, expansion and modernization or augmentation of capital stock, including any major capital expenditure proposals.

e. Expectations of major stakeholders, including small shareholders

The Board, while considering the decision of dividend pay-out or retention of a certain amount or entire profits of the Company, shall, as far as possible, consider the expectations of the major stakeholders including the small shareholders of the Company who generally expects a regular dividend payout.

f. Extent of realized profits as a part of the IND AS profits of the Company

The extent of realized profits out of its profits calculated as per IND AS, affects the Board's decision of determination of dividend for a particular year. The Board is required to consider such factors before taking any dividend or retention decision.

5. OTHER FINANCIAL PARAMETERS

In addition to the aforesaid parameters of statutory requirements and proposed major capital expenditures, the decision of dividend payout or retention of profits shall also be based on the following:

i. Operating cash flow of the Company

If the Company cannot generate adequate operating cash flow, it may need to rely on outside funding to meet its financial obligations and sometimes to run the day-to-day operations. The Board will consider the same before its decision whether to declare dividend or retain its profits.

ii. Net sales of the Company

To increase its sales in the long run, the Company will need to increase its marketing and selling expenses, advertising etc. The budgeted expenses on these heads will influence the decision of declaration of dividend.

iii. Return on invested capital

The efficiency with which the Company uses its capital will impact the decision of dividend declaration.

iv. Cost of borrowings

The Board will analyze the requirement of necessary funds considering the long term or short term projects proposed to be undertaken by the Company and the viability of the options in terms of cost of raising necessary funds from outsiders such as bankers, lending institutions or by issuance of debt securities or plough back its own funds.

v. Obligations to creditors

The Company should be able to repay its debt obligations without much difficulty over a reasonable period of time. Considering the volume of such obligations and time period of repayment, the decision of dividend declaration shall be taken.

vi. Inadequacy of profits

If during any financial year, the Board determines that the profits of the Company are inadequate, the Board may decide not to declare dividends for that financial year.

vii. Post dividend EPS

The post dividend EPS can have strong impact on the funds of the Company, thus, impacting the overall operations on day-to-day basis and therefore, affects the profits and can impact the decision for dividend declaration during a particular year.

6. FACTORS THAT MAY AFFECT DIVIDEND PAYOUT

The Board of Directors will endeavor to take a decision with an objective to enhance shareholder's wealth and market value of the shares. However, the decision regarding pay-out is subject to several factors and hence, any optimal policy in this regard may be far from obvious.

However, the following factors may be taken into consideration by the board while taking the decision about dividend payout:

External Factors such as:

- taxation and other regulatory concern:
 - Dividend distribution tax or any tax deduction at source as required by applicable tax regulations in India, as may be applicable at the time of declaration of dividend.
 - Any restrictions on payment of dividends by virtue of any regulation as may be applicable to the Company at the time of declaration of dividend.
- product/ market expansion plans:
The Company's growth oriented decision to conserve cash in the Company for future expansion plan impacts shareholders expectation for the long run which shall have to be considered by the Board before taking dividend decision.
- macroeconomic conditions prevailing in the Country:
Considering the state of economy in the Country, the policy decisions that may be formulated by the Government and other similar conditions prevailing in the international market which may have a bearing on or affect the business of the Company, the management may consider retaining a larger part of the profits to have sufficient reserves to absorb unforeseen circumstances.

Internal Factors such as:

- Past performance/ reputation of the Company;
- Working capital management in the Company;
- Age of the Company and its product/market;
- Consolidated net operating profit after tax;
- Resources required to fund acquisitions and / or new businesses;
- Outstanding borrowings;
- Additional investments in subsidiaries/associates of the Company;
- Any other factor as deemed fit by the Board.

7. CIRCUMSTANCES UNDER WHICH DIVIDEND PAYOUT MAY OR MAY NOT BE EXPECTED

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders and amount of profit to be retained in the business. The Board of Directors shall endeavour to take a decision after considering all the factors mentioned above before determination of any dividend payout. The shareholders of the Company may not expect dividend under the following circumstances:

- Whenever it undertakes or proposes to undertake a expansion project requiring higher allocation of capital;
- Higher working capital requirements adversely impacting free cash flow;
- To infuse funds for the growth of the Company;
- Whenever it undertakes any acquisitions or joint ventures requiring allocation of capital;
- Whenever it proposes to utilise surplus cash for buy-back of securities; or
- In the event of inadequacy of profits or whenever the Company has incurred losses;
- Any other circumstances as deemed fit by the Board.

8. MANNER OF DIVIDEND PAYOUT
Final dividend:

- The Board, usually in the Board meeting that considers and approves the annual financial statements, recommends the dividend, if any, subject to further approval of the same by the members of the Company at the Annual General Meeting.
- The payment of dividend shall be made within 30 days from the date of its declaration at Annual General Meeting to the shareholders entitled to receive the same on the record date/book closure period as per the applicable law.

Interim dividend:

- Interim dividend, if any, shall be declared by the Board.
- The payment of dividends shall be made within 30 days from the date of declaration to the shareholders entitled to receive the dividend on the record date as per the applicable laws.

9. MANNER OF UTILIZATION OF RETAINED EARNINGS

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The retained earnings may be utilized for:

- Market expansion plan;
- Product expansion plan;

- Increase in production capacity;
- Modernization plan;
- Diversification of business;
- Long term strategic plans;
- Replacement of capital assets;
- Where the cost of debt is expensive;
- Other such criteria as the Board may deem fit from time to time.

10. PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

○ **Dividend on Equity Shares:**

Equity Shareholders shall be entitled for the dividend, interim or final, as the case may be, if declared by the Board of Directors or the shareholders of the Company. Equity dividend shall stand second in priority after payment of dividend to the Preference Shareholders.

○ **Dividend on Preference Shares:**

Preference Shareholders shall receive dividend at the fixed rate as per the terms of allotment and shall stand in priority to equity shareholders for payment of dividend.

- As at present the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share. The policy shall be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

11. AMENDMENTS TO THIS POLICY

This policy would be subject to revision/amendment by the Board of Directors on its own or else in accordance with the Regulations on the subject as may be issued by the relevant statutory authorities from time to time.

Any revision/amendment to this policy as a result of such regulatory changes shall be carried out with the approval of the Managing Director / Dy. Managing Director of the Company and it shall be placed at the next meeting of the Board of Directors for its information and ratification.

12. REVIEW OF POLICY

This policy shall be reviewed by the Board as and when required.

13. EFFECTIVE DATE

20th October, 2016

14. DATE OF THE MEETING OF THE BOARD OF DIRECTORS WHICH RATIFIED / APPROVED THIS VERSION

The Board of Directors of the Company has adopted this Dividend Distribution Policy as required in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 at its meeting held on 20th October, 2016.

ANNEXURE C

FORM NO. MGT - 9 EXTRACT OF ANNUAL RETURN

(as on the financial year ended on 31.03.2017)

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

I. REGISTRATION AND OTHER DETAILS

i. CIN	L22210GJ1995PLC047208
ii. Registration Date	27-10-1995
iii. Name of the Company	D. B. Corp Limited
iv. Category / Sub-Category of the Company	Company having Share Capital/ Non-Govt Company
v. Address of the Registered office and contact details	Plot no. 280, Sarkhej-Gandhinagar Highway, Nr. YMCA Club, Makarba, Ahmedabad – 380051, Gujarat. Tel: +91-22-3988 8840 Email: dbcs@dbc Corp.in
vi. Whether listed Company	Yes Listed on BSE Ltd. and The National Stock Exchange of India Limited
vii. Name, Address and Contact details of Registrar and Transfer Agent	Karvy Computershare Pvt. Ltd. Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500 032. Ph : 040-67162222 Fax : 040- 23001153 Email: einward.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Sale of newspapers and magazines	58131	21.32%
2.	Advertisement revenue	58131	70.76%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr.No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary Associate	% of shares held	Applicable Section
1.	DB Infomedia Pvt. Ltd. Office: Block 1A, 5 th floor, DB City Corporate Park, Arera Hills, Opp. M. P. Nagar, Zone-1, Bhopal - 462 016, Madhya Pradesh.	U74300MP2015PTC033850	Subsidiary	100%	2(87)
2.	I Media Corp Limited* 6, Press Complex, M. P. Nagar, Zone-1, Bhopal - 462 011, Madhya Pradesh.	U64202MP2006PLC018676	Step-down Subsidiary	100%*	2(87)

* Effective 19th January, 2017, the Company has sold its entire shareholding held in I Media Corp Limited to DB Infomedia Private Limited. Accordingly, the Company through its wholly-owned subsidiary, DB Infomedia Private Limited holds entire share capital of I Media Corp Limited.

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

i. Category-wise Shareholding

CATEGORY OF SHAREHOLDERS	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year*
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. PROMOTERS									
(1) INDIAN									
a. Individual / HUF	86894680	0	86894680	47.29%	27764198	0	27764198	15.10%	-32.19%
b. Central Govt.	0	0	0	0	0	0	0	0	0
c. State Govt.(s)	0	0	0	0	0	0	0	0	0
d. Bodies Corporate	41595057	0	41595057	22.64%	100725539	0	100725539	54.77%	+32.13%
e. Banks / FI	0	0	0	0	0	0	0	0	0
f. Any Other	0	0	0	0	0	0	0	0	0
Sub-Total A(1) :	128489737	0	128489737	69.93%	128489737	0	128489737	69.87%	-0.06%
(2) FOREIGN									
a. NRIs - Individuals	0	0	0	0	0	0	0	0	0
b. Others – Individuals	0	0	0	0	0	0	0	0	0
c. Bodies Corporate	0	0	0	0	0	0	0	0	0
d. Banks / FI	0	0	0	0	0	0	0	0	0
e. Any Other	0	0	0	0	0	0	0	0	0
Sub-Total A(2) :	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoters A=A(1)+A(2)	128489737	0	128489737	69.93%	128489737	0	128489737	69.87%	-0.06%
B. Public Shareholding									
1. INSTITUTIONS									
a. Mutual Funds	13796959	0	13796959	7.51%	11653078	0	11653078	6.34%	-1.17%
b. Banks / FI	3274	0	3274	0.00%	17016	0	17016	0.01%	+0.01
c. Central Govt.	0	0	0	0	0	0	0	0	0
d. State Govt.(s)	0	0	0	0	0	0	0	0	0
e. Venture Capital Funds	0	0	0	0	0	0	0	0	0
f. Insurance Companies	0	0	0	0	0	0	0	0	0
g. FIs / FPIs	33951830	0	33951830	18.48%	33781006	0	33781006	18.37%	-0.11%
h. Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i. Others	0	0	0	0	0	0	0	0	0
Sub-Total B(1) :	47752063	0	47752063	25.99%	45451100	0	45451100	24.72%	-1.27%
2. NON-INSTITUTIONS									
a. Bodies Corporate									
i. Indian	5733950	0	5733950	3.12%	6207616	0	6207616	3.38%	+0.26%
ii. Overseas	0	1404	1404	0.00%	0	1404	1404	0.00%	0.00%
b. Individuals									
i. Individual shareholders holding nominal share capital up to ₹1 lakh	1270969	320	1271289	0.69%	2905188	320	2905508	1.58%	+0.89%
ii. Individual shareholders holding nominal share capital in excess of ₹1 lakh	384904	0	384904	0.20%	458122	0	458122	0.25%	+0.05%
c. Others (specify)									
i. Non Resident Indians	57763	435	58198	0.03%	56140	435	56575	0.03%	0.00%
ii. Clearing Members	47693	0	47693	0.03%	201295	0	201295	0.11%	+0.08%
iii. Trusts	0	0	0	0	7242	0	7242	0.00%	0.00%
iv. Non Resident Indians - Non Repatriable	0	0	0	0	50802	0	50802	0.03%	+0.03%
v. NBFCs Registered with RBI	0	0	0	0	100	0	100	0.00%	0.00%
vi. Alternative Investment Fund	0	0	0	0	65757	0	65757	0.04%	+0.04%
Sub-Total B(2) :	7495279	2159	7497438	4.07%	9952262	2159	9954421	5.41%	+1.34%
Total Public Shareholding B=B(1)+B(2):	55247342	2159	55249501	30.07%	55403362	2159	55405521	30.13%	+0.06%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C) :	183737079	2159	183739238	100.00%	183893099	2159	183895258	100.00%	0.00%

*The change in % of shareholding during the year is an effect of the following reasons:

1. Inter-se transfer of shares between the promoter and promoter group;
2. Increase in the paid-up share capital of the Company due to ESOP allotments; and
3. Change in the number of shares held by each respective shareholder.

ii. Shareholding of the Promoters *

SR. NO.	SHAREHOLDER'S NAME	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
1	Pawan Agarwal	2,51,47,214	13.69%	11.42%	82,69,321	4.50%	3.16%	-9.19%
2	Sudhir Agarwal	2,36,76,449	12.89%	11.04%	82,69,321	4.50%	4.40%	-8.39%
3	Girish Agarwal	2,20,82,256	12.02%	9.74%	82,69,321	4.50%	3.89%	-7.52%
4	DB Consolidated Pvt. Ltd. (earlier known as Peacock Trading and Investment Pvt. Ltd.)	1,85,48,647	10.10%	0.00%	8,97,91,549	48.83%	12.73%	+38.73%
5	Bhaskar Infrastructure Pvt. Ltd.	1,21,12,420	6.59%	0.00%	0	0%	0.00%	-6.59%
6	Namita Agarwal	65,42,200	3.56%	0.00%	9,18,813	0.50%	0.00%	-3.06%
7	Tushti Trading Private Limited (earlier known as Bhopal Financial Services Pvt. Ltd.)	56,57,190	3.08%	0.00%	0	0%	0.00%	-3.08%
8	Jyoti Agarwal	49,48,007	2.69%	0.00%	9,18,813	0.50%	0.00%	-2.19%
9	Nitika Agarwal	34,77,000	1.89%	0.00%	9,18,813	0.50%	0.00%	-1.39%
10	Bhaskar Publications And Allied Industries Pvt. Ltd.	30,17,800	1.64%	0.00%	30,17,800	1.64%	0.00%	0.00%
11	Devaswar Trading Private Limited (earlier known as Dev Fiscal Services Pvt. Ltd.)	16,59,000	0.90%	0.00%	0	0%	0.00%	-0.90%
12	(Late) Ramesh Chandra Agarwal (HUF)	8,21,758	0.45%	0.00%	0	0%	0.00%	-0.45%
13	Stitex Global Ltd.	6,00,000	0.33%	0.00%	79,16,190	4.30%	0.38%	+3.97%
14	(Late) Ramesh Chandra Agarwal	1,00,001	0.05%	0.00%	1,00,001	0.05%	0.00%	0.00%
15	Kasturi Devi Agarwal	99,795	0.05%	0.00%	99,795	0.05%	0.00%	0.00%
	Total	12,84,89,737	69.93%	32.20%	12,84,89,737	69.87%	24.56%	-0.06%

* The change reflected in the individual shareholding is a result of inter-se transfer of shares amongst the promoter and promoter group.

iii. Change in Promoters' Shareholding *

SR. NO.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Pawan Agarwal				
	At the beginning of the year	2,51,47,214	13.69%	2,51,47,214	13.69%
	Date wise Increase (+) / Decrease (-) in Promoters' shareholding during the year				
2.	Mr. Sudhir Agarwal				
	At the beginning of the year	2,36,76,449	12.89%	2,36,76,449	12.89%
	Date wise Increase (+) / Decrease (-) in Promoters' shareholding during the year				
3.	Mr. Girish Agarwal				
	At the beginning of the year	2,20,82,256	12.02%	2,20,82,256	12.02%
	Date wise Increase (+) / Decrease (-) in Promoters' shareholding during the year				
4.	Ramesh Chandra Agarwal (HUF)				
	At the beginning of the year	8,21,758	0.45%	8,21,758	0.45%
	Date wise Increase (+) / Decrease (-) in Promoters' shareholding during the year				
	At the end of the year	0	0.00%	0	0.00%

Board's Report

SR. NO.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
5.	Ms. Nitika Agarwal				
	At the beginning of the year	34,77,000	1.89%	34,77,000	1.89%
	Date wise Increase (+) / Decrease (-) in Promoters' shareholding during the year				
	22.03.2017 – inter-se transfer amongst members of the Promoter Group	-25,58,187	-1.39%	9,18,813	0.50%
	At the end of the year	9,18,813	0.50%	9,18,813	0.50%
6.	Ms. Jyoti Agarwal				
	At the beginning of the year	49,48,007	2.69%	49,48,007	2.69%
	Date wise Increase (+) / Decrease (-) in Promoters' shareholding during the year				
	22.03.2017 – inter-se transfer amongst members of the Promoter Group	-40,29,194	-2.19%	9,18,813	0.50%
	At the end of the year	9,18,813	0.50%	9,18,813	0.50%
7.	Ms. Namita Agarwal				
	At the beginning of the year	65,42,200	3.56%	65,42,200	3.56%
	Date wise Increase (+) / Decrease (-) in Promoters' shareholding during the year				
	22.03.2017 – inter-se transfer amongst members of the Promoter Group	-56,23,387	-3.06%	9,18,813	0.50%
	At the end of the year	9,18,813	0.50%	9,18,813	0.50%
8.	Bhaskar Infrastructure Private Limited				
	At the beginning of the year	1,21,12,420	6.59%	1,21,12,420	6.59%
	Date wise Increase (+) / Decrease (-) in Promoters' shareholding during the year				
	15.03.2017 – inter-se transfer amongst members of the Promoter Group	-1,21,12,420	-6.59%	0	0.00%
	At the end of the year	0	0.00%	0	0.00%
9.	Devaswar Trading Private Limited (formerly known as Dev Fiscal Services Pvt. Ltd.)				
	At the beginning of the year	16,59,000	0.90%	16,59,000	0.90%
	Date wise Increase (+) / Decrease (-) in Promoters' shareholding during the year				
	15.03.2017 – inter-se transfer amongst members of the Promoter Group	-16,59,000	-0.90%	0	0.00%
	At the end of the year	0	0.00%	0	0.00%
10.	Tushti Trading Private Limited (formerly known as Bhopal Financial Services Pvt. Ltd.)				
	At the beginning of the year	56,57,190	3.08%	56,57,190	3.08%
	Date wise Increase (+) / Decrease (-) in Promoters' shareholding during the year				
	15.03.2017 – inter-se transfer amongst members of the Promoter Group	-56,57,190	-3.08%	0	0.00%
	At the end of the year	0	0.00%	0	0.00%
11.	Stitex Global Limited				
	At the beginning of the year	6,00,000	0.33%	6,00,000	0.33%
	Date wise Increase (+) / Decrease (-) in Promoters' shareholding during the year				
	15.03.2017 – inter-se transfer amongst members of the Promoter Group	+73,16,190	+3.97%	79,16,190	4.30%
	At the end of the year	79,16,190	4.30%	79,16,190	4.30%
12.	DB Consolidated Private Limited (formerly known as Peacock Trading & Investments Pvt. Ltd)				
	At the beginning of the year	1,85,48,647	10.10%	1,85,48,647	10.10%
	Date wise Increase (+) / Decrease (-) in Promoters' shareholding during the year				
	15.03.2017 – inter-se transfer amongst members of the Promoter Group	+1,21,12,420	+6.59%	3,06,61,067	16.68%
	22.03.2017 – inter-se transfer amongst members of the Promoter Group	+5,91,30,482	+32.16%	8,97,91,549	48.83%
	At the end of the year	8,97,91,549	48.83%	8,97,91,549	48.83%

*Other than the Promoters mentioned, there has been no change in the shareholding of the other members of the promoter group

iv. Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

SR. NO.		Shareholding at the beginning of the year		Cumulative shareholding during the year		
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
1.	Nalanda India Equity Fund Limited					
	At the beginning of the year	1,49,93,302	8.16%	1,49,93,302	8.16%	
	Date wise Increase (+) / Decrease (-) in shareholding during the year	Nil	Nil	Nil	Nil	
	At the end of the year	1,49,93,302	8.15%	1,49,93,302	8.15%	
2.	Amansa Holdings Private Limited					
	At the beginning of the year	55,61,188	3.03%	55,61,188	3.03%	
	Date wise Increase (+) / Decrease (-) in shareholding during the year					
	24.02.2017	-1,00,000	-0.05%	54,61,188	2.97%	
	24.03.2017	-13,569	-0.01%	54,47,619	2.96%	
	At the end of the year	54,47,619	2.96%	54,47,619	2.96%	
3.	HDFC Trustee Company Ltd - A/c HDFC Mid - Capopportunities Fund					
	At the beginning of the year	37,50,000	2.04%	37,50,000	2.04%	
	Date wise Increase (+) / Decrease (-) in shareholding during the year					
	10.06.2016	+50,000	+0.03%	38,00,000	2.07%	
	At the end of the year	38,00,000	2.07%	38,00,000	2.07%	
4.	Government Of Singapore					
	At the beginning of the year	25,57,365	1.39%	25,57,365	1.39%	
	Date wise Increase (+) / Decrease (-) in shareholding during the year					
	08.04.2016	+12,626	+0.01%	25,69,991	1.40%	
	11.11.2016	+158	+0.00%	25,70,149	1.40%	
	At the end of the year	25,70,149	1.40%	25,70,149	1.40%	
5.	ICICI Prudential Life Insurance Company Ltd.					
	At the beginning of the year	21,76,332	1.18%	21,76,332	1.18%	
	Date wise Increase (+) / Decrease (-) in shareholding during the year					
	15.07.2016	-1,000	-0.00%	21,75,332	1.18%	
	22.07.2016	-6,017	-0.00%	21,69,315	1.18%	
	02.09.2016	+25,000	+0.01%	21,94,315	1.19%	
	23.09.2016	+1,40,000	+0.08%	23,34,315	1.27%	
	25.11.2016	+54,777	+0.03%	23,89,092	1.30%	
	03.02.2017	-6,83,204	-0.37%	17,05,888	0.93%	
	10.02.2017	+6,83,329	+0.37%	23,89,217	1.30%	
	17.02.2017	+90	+0.00%	23,89,307	1.30%	
	24.02.2017	+25	+0.00%	23,89,332	1.30%	
	03.03.2017	+42,111	+0.02%	24,31,443	1.32%	
	10.03.2017	+28	+0.00%	24,31,471	1.32%	
	17.03.2017	+32	+0.00%	24,31,503	1.32%	
	24.03.2017	+87	+0.00%	24,31,590	1.32%	
	31.03.2017	+32	+0.00%	24,31,622	1.32%	
		At the end of the year	24,31,622	1.32%	24,31,622	1.32%
	6.	FIL Investments (Mauritius) Ltd				
		At the beginning of the year	25,18,250	1.37%	25,18,250	1.37%
Date wise Increase (+) / Decrease (-) in shareholding during the year						
12.08.2016		-13,241	-0.01%	25,05,009	1.36%	
19.08.2016		-14,966	-0.01%	24,90,043	1.35%	
26.08.2016		-1,66,528	-0.09%	23,23,515	1.26%	
	At the end of the year	22,51,881	1.22%	22,51,881	1.22%	

SR. NO.	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
7. Mousseganesh Limited				
At the beginning of the year	16,00,270	0.87%	16,00,270	0.87%
Date wise Increase (+) / Decrease (-) in shareholding during the year	Nil	Nil	Nil	Nil
At the end of the year	16,00,270	0.87%	16,00,270	0.87%
8. HDFC Standard Life Insurance Company Limited				
At the beginning of the year	17,44,412	0.95%	17,44,412	0.95%
Date wise Increase (+) / Decrease (-) in shareholding during the year				
08.04.2016	+14,595	+0.01%	17,59,007	0.96%
13.05.2016	+199	+0.00%	17,59,206	0.96%
03.06.2016	-919	-0.00%	17,58,287	0.96%
10.06.2016	-4,418	-0.00%	17,53,869	0.95%
17.06.2016	-582	-0.00%	17,53,287	0.95%
16.09.2016	-2,154	-0.00%	17,51,133	0.95%
23.09.2016	+2,154	+0.00%	17,53,287	0.95%
14.10.2016	+5,74,934	+0.31%	23,28,221	1.27%
25.11.2016	-23,518	-0.01%	23,04,703	1.25%
09.12.2016	-12,621	-0.01%	22,92,082	1.25%
23.12.2016	+817	+0.00%	22,92,899	1.25%
30.12.2016	+649	+0.00%	22,93,548	1.25%
06.01.2017	-56,821	-0.03%	22,36,727	1.22%
13.01.2017	-1,01,643	-0.06%	21,35,084	1.16%
20.01.2017	-46,264	-0.03%	20,88,820	1.14%
27.01.2017	+15	+0.00%	20,88,835	1.14%
03.02.2017	-38,853	-0.02%	20,49,982	1.11%
10.02.2017	-9,211	-0.01%	20,40,771	1.11%
17.02.2017	-839	-0.00%	20,39,932	1.11%
24.02.2017	-5,25,698	-0.29%	15,14,234	0.82%
03.03.2017	-86,924	-0.05%	14,27,310	0.77%
10.03.2017	-4,902	-0.00%	14,22,408	0.77%
31.03.2017	+12	+0.00%	14,22,420	0.77%
At the end of the year	14,22,420	0.77%	14,22,420	0.77%
9. Reliance Nippon Life Insurance Company Limited				
At the beginning of the year	8,70,555	0.47%	8,70,555	0.47%
Date wise Increase (+) / Decrease (-) in shareholding during the year				
08.04.2016	+14,019	+0.01%	8,84,574	0.48%
15.04.2016	-533	-0.00%	8,84,041	0.48%
22.04.2016	+22	+0.00%	8,84,063	0.48%
29.04.2016	+614	+0.00%	8,84,677	0.48%
06.05.2016	+542	+0.00%	8,85,219	0.48%
13.05.2016	+4,583	+0.00%	8,89,802	0.48%
20.05.2016	+2,918	+0.00%	8,92,720	0.49%
27.05.2016	+1,430	+0.00%	8,94,150	0.49%
03.06.2016	+2,18,059	+0.12%	11,12,209	0.61%
10.06.2016	+28	+0.00%	11,12,237	0.61%
17.06.2016	-355	-0.00%	11,11,882	0.61%
24.06.2016	-10	-0.00%	11,11,872	0.61%
30.06.2016	-388	-0.00%	11,11,484	0.60%
08.07.2016	-583	-0.00%	11,10,901	0.60%
15.07.2016	+14	+0.00%	11,10,915	0.60%
22.07.2016	-5,111	-0.00%	11,05,804	0.60%
29.07.2016	-2,086	-0.00%	11,03,718	0.60%
05.08.2016	+34	+0.00%	11,03,752	0.60%
12.08.2016	-9,024	-0.00%	10,94,728	0.60%
19.08.2016	+1,717	+0.00%	10,96,445	0.60%
02.09.2016	+1,372	+0.00%	10,97,817	0.60%

SR. NO.	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
23.09.2016	-34	-0.00%	10,97,783	0.60%
30.09.2016	+5,235	+0.00%	11,03,018	0.60%
07.10.2016	+963	+0.00%	11,03,981	0.60%
21.10.2016	+56	+0.00%	11,04,037	0.60%
04.11.2016	+394	+0.00%	11,04,431	0.60%
11.11.2016	-293	-0.00%	11,04,138	0.60%
18.11.2016	+10,155	+0.01%	11,14,293	0.61%
25.11.2016	-2,389	-0.00%	11,11,904	0.60%
02.12.2016	-343	-0.00%	11,11,561	0.60%
09.12.2016	+74,590	+0.04%	11,86,151	0.65%
16.12.2016	-490	-0.00%	11,85,661	0.64%
23.12.2016	+50	+0.00%	11,85,711	0.64%
30.12.2016	+1,277	+0.00%	11,86,988	0.65%
06.01.2017	+65	+0.00%	11,87,053	0.65%
13.01.2017	+50	+0.00%	11,87,103	0.65%
20.01.2017	+19,714	+0.01%	12,06,817	0.66%
03.02.2017	+49	+0.00%	12,06,866	0.66%
10.02.2017	-2,064	-0.00%	12,04,802	0.66%
17.02.2017	-707	-0.00%	12,04,095	0.65%
24.02.2017	-36	-0.00%	12,04,059	0.65%
03.03.2017	-403	-0.00%	12,03,656	0.65%
10.03.2017	-5,161	-0.00%	11,98,495	0.65%
17.03.2017	-71	-0.00%	11,98,424	0.65%
24.03.2017	+808	+0.00%	11,99,232	0.65%
31.03.2017	-489	-0.00%	11,98,743	0.65%
At the end of the year	11,98,743	0.65%	11,98,743	0.65%
10. Monetary Authority Of Singapore				
At the beginning of the year	8,34,786	0.45%	8,34,786	0.45%
Date wise Increase (+) / Decrease (-) in shareholding during the year				
03.06.2016	+7,061	+0.00%	8,41,847	0.46%
22.07.2016	+1,99,317	+0.11%	10,41,164	0.57%
26.08.2016	+85,281	+0.05%	11,26,445	0.61%
02.09.2016	+65,000	+0.04%	11,91,445	0.65%
03.03.2017	-8,860	-0.00%	11,82,585	0.64%
At the end of the year	11,82,585	0.64%	11,82,585	0.64%

v. Shareholding of Directors and Key Managerial Personnel *

SR. NO.	NAMES OF DIRECTORS AND KEY MANAGERIAL PERSONNEL	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	(Late) Mr. Ramesh Chandra Agarwal – Chairman @				
	At the beginning of the year	1,00,001	0.05%	1,00,001	0.05%
	Date wise Increase (+) / Decrease (-) in shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year	1,00,001	0.05%	1,00,001	0.05%
2.	Mr. Sudhir Agarwal – Managing Director				
	At the beginning of the year	2,36,76,449	12.89%	2,36,76,449	12.89%
	Date wise Increase (+) / Decrease (-) in Promoters' shareholding during the year. (22.03.2017)	-1,54,07,128	-8.38%	82,69,321	4.50%
	At the end of the year	82,69,321	4.50%	82,69,321	4.50%
3.	Mr. Pawan Agarwal – Deputy Managing Director				
	At the beginning of the year	2,51,47,214	13.69%	2,51,47,214	13.69%
	Date wise Increase (+) / Decrease (-) in Promoters' shareholding during the year (22.03.2017)	-1,68,77,893	-9.18%	82,69,321	4.50%
	At the end of the year	82,69,321	4.50%	82,69,321	4.50%
4.	Mr. Girish Agarwal - Director				
	At the beginning of the year	2,20,82,256	12.02%	2,20,82,256	12.02%
	Date wise Increase (+) / Decrease (-) in Promoters' shareholding during the year (22.03.2017)	-1,38,12,935	-7.51%	82,69,321	4.50%
	At the end of the year	82,69,321	4.50%	82,69,321	4.50%
5.	Mr. Pradyumna Mishra – Group CFO				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase [+] (ESOP allotment) / Decrease [-] (Market sale) in shareholding during the year				
	19.04.2016	+2000	+0.00%	2000	0.00%
	12.05.2016	+1600	+0.00%	3600	0.00%
	25.05.2016	-1000	-0.00%	2600	0.00%
	25.07.2016	-1100	-0.00%	1500	0.00%
	27.07.2016	-900	-0.00%	600	0.00%
	01.08.2016	-300	-0.00%	300	0.00%
	02.08.2016	-100	-0.00%	200	0.00%
	15.10.2016	+3000	+0.00%	3200	0.00%
	24.10.2016	-200	-0.00%	3000	0.00%
	08.11.2016	-1000	-0.00%	2000	0.00%
	24.01.2017	-1000	-0.00%	1000	0.00%
	25.01.2017	-500	-0.00%	500	0.00%
	27.01.2017	-500	-0.00%	Nil	Nil
		At the end of the year	Nil	Nil	Nil

*Other than those mentioned, none of the other Directors or Key Managerial Personnel holds any shares in the Company.

@Mr. Ramesh Chandra Agarwal has ceased to be a Director of the Company w.e.f. 12th April, 2017 on account of his death.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	1,16,69,11,278	23,62,83,693	-	1,40,31,94,970
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	18,06,632	3,56,722	-	21,63,354
Total (i+ii+iii)	1,16,87,17,910	23,66,40,415	-	1,40,53,58,324
Change in Indebtedness during the financial year				
o Addition	-	3,76,45,445	-	3,76,45,445
o Reduction	(61,72,54,942)	-	-	(61,72,54,942)
Net Change	(61,72,54,942)	3,76,45,445	-	65,49,00,387
Indebtedness at the end of the financial year				
i) Principal amount	54,99,08,787	27,35,09,402	-	82,34,18,189
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	15,54,181	7,76,458	-	23,30,639
Total (i+ii+iii)	55,14,62,968	27,42,85,860	-	82,57,48,828

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager

SL. NO.	PARTICULARS OF REMUNERATION	Name of MD/WTD/ Manager		Total Amount
		Mr. Sudhir Agarwal	Mr. Pawan Agarwal	
1.	Gross Salary			
a.	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	90,00,000/-	60,00,000/-	1,50,00,000/-
b.	Value of perquisites under Section 17(2) of Income Tax Act, 1961	Nil	Nil	Nil
c.	Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	Nil	Nil	Nil
2.	Stock Options	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission	Nil	Nil	Nil
-	as a % of Profit			
-	others, specify			
5.	Others, please specify	Nil	Nil	Nil
	Total (A)	90,00,000/-	60,00,000/-	1,50,00,000/-
	Ceiling as per the Act		Refer Note below	

Note: In terms of the provisions of the Companies Act, 2013, the remuneration payable to Executive Directors shall not exceed 10% of the Net Profit of the Company. The remuneration paid to Executive Directors for the FY 2016-17 is well within the said ceiling limit.

Board's Report

B. Remuneration to other Directors

SR. NO.	PARTICULARS OF REMUNERATION	Names of Directors			Total Amount
		Mr. Kailash Chandra Chowdhary	Mr. Piyush Pandey	Mr. Harish Bijoor	
1.	INDEPENDENT DIRECTORS				
	- Fee for attending Board / Committee Meetings	50,000/-	1,55,000/-	60,000/-	
	- Commission	N.A.	N.A.	N.A.	
	- Others, please specify	N.A.	N.A.	N.A.	
	Total (1)	50,000/-	1,55,000/-	60,000/-	2,65,000/-
		Mr. Ashwani Kumar Singhal	Mr. Naveen Kumar Kshatriya	Ms. Anupriya Acharya	
	- Fee for attending Board / Committee Meetings	2,10,000/-	40,000/-	65,000/-	
	- Commission	N.A.	N.A.	N.A.	
	- Others, please specify	N.A.	N.A.	N.A.	
	Total (2)	2,10,000/-	40,000/-	65,000/-	3,15,000/-
2.	OTHER NON-EXECUTIVE DIRECTORS				
		(Late) Mr. Ramesh Chandra Agarwal	Mr. Girish Agarwal		
	- Fee for attending Board / Committee Meetings	40,000/-	80,000/-		
	- Commission	N.A.	N.A.		
	- Others, please specify	N.A.	N.A.		
	Total (3)	40,000/-	80,000/-		1,20,000/-
	Total B = (1+2+3)				7,00,000/-
	Total Managerial Remuneration (A + B)				1,57,00,000/-
	Overall Ceiling as per the Act				Refer Note below

Note: In terms of the provisions of the Companies Act, 2013, the remuneration payable to Directors other than Executive Directors shall not exceed 1% of the Net Profit of the Company. The remuneration paid to Non-Executive Directors for the FY 2016-17 is well within the said ceiling limit.

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

SR. NO.	PARTICULARS OF REMUNERATION	Key Managerial Personnel		Total Amount
		Mr. Pradyumna Mishra – Group CFO	Ms. Anita Gokhale – Company Secretary	
1.	Gross Salary			
a.	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	2,00,40,836	15,96,572	2,16,37,408
b.	Value of perquisites under Section 17(2) of Income Tax Act, 1961	1,92,000	-	1,92,000
c.	Profit in lieu of salary under Section 17(3) of Income Tax Act, 1961	-	-	-
2.	Stock Options	17,20,078	-	17,20,078
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as a % of Profit			
	- others, please specify			
5.	Others, please specify	-	-	-
	Total	2,19,52,914	15,96,572	2,35,49,486

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

TYPE	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
		Penalty			
		Punishment	NIL		
		Compounding			
B. DIRECTORS					
		Penalty			
		Punishment	NIL		
		Compounding			
C. OTHER OFFICERS IN DEFAULT					
		Penalty			
		Punishment	NIL		
		Compounding			

For and on behalf of the Board of Directors of

D. B. Corp Limited
Sudhir Agarwal

Managing Director

DIN: 00051407

Pawan Agarwal

Dy. Managing Director

DIN: 00465092

Place: Mumbai

Date: 18th May, 2017

ANNEXURE D

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2017

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

To,
The Members,
D. B. Corp Limited
Plot No. 280, Sarkhej Gandhinagar Highway,
Nr. YMCA Club, Makarba, Ahmedabad - 380 051.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by D. B. Corp Limited (hereinafter called the '**Company**') Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 ('**Audit Period**') complied with the statutory provisions listed hereunder and also that the Company has proper board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the '**Act**') and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing. (**Not Applicable to the Company during the audit period**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**') :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not Applicable to the Company during the audit period**);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable to the Company during the audit period**);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not Applicable to the Company during the audit period**) and

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not Applicable to the Company during the audit period**).

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except that *the Company was not in compliance with the appointment of woman director on the Board for the period 1st April, 2016 to 21st June, 2016 as required under Section 149 of the Companies Act 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014. However, later the Company appointed a woman director on 22nd June, 2016.*

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the following laws applicable specifically to the Company:

1. Delivery of Books and Newspapers (Public Libraries) Act, 1954 and Delivery of Books (Public Libraries) Rules, 1955 made there under;
2. The Indian Telegraph Act, 1885;
3. Working Journalists and Other Newspaper Employees (Conditions of Service) and Miscellaneous Provisions Act, 1955 and Working Journalists (Conditions of Service) and Miscellaneous Provisions Rules, 1957 made there under;
4. The Press & Registration of Books Act, 1867 and The Registration of Newspapers (Central) Rules, 1956 made there under.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and agenda items were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out either unanimously or majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has allotted 1,43,787 Equity Shares having Face Value of ₹ 10/- each aggregating to 14,37,870/- under Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

For **Makarand M. Joshi & Co.**

Makarand Joshi

Partner
FCS No. 5533
CP No. 3662

Place: Mumbai
Date: 16th May, 2017

This report is to be read with our letter of even date which is annexed as Annexure 'A' and forms an integral part of this report.

'ANNEXURE A' TO SECRETARIAL AUDIT REPORT

To,
The Members,

D. B. Corp Limited
Plot No. 280, Sarkhej Gandhinagar Highway,
Nr. YMCA Club, Makarba, Ahmedabad - 380 051.

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Makarand M. Joshi & Co.**

Makarand Joshi

Partner
FCS No. 5533
CP No. 3662

Place: Mumbai
Date: 16th May, 2017

ANNEXURE E

REMUNERATION DETAILS

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

A] INFORMATION PURSUANT TO RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17:

Sr. No.	Particulars	Director's Remuneration (in ₹)	Ratio to median remuneration of employees
1.	Mr. Sudhir Agarwal - Managing Director	90,00,000/-*	41
2.	Mr. Pawan Agarwal – Dy. Managing Director	60,00,000/-	27

* Remuneration increased from ₹ 60,00,000/- p.a. to ₹ 90,00,000/- p.a. w.e.f. 1st January, 2017. Accordingly, total salary drawn by Mr. Sudhir Agarwal for FY 2016-17 is ₹ 67,50,000/-. However, all the required calculations have been made on the basis of salary entitled i.e. ₹ 90,00,000/- p.a.

Median remuneration of employees for fiscal 2016-17 was ₹ 2,19,732/-.

Apart from the above, none of the other Directors is paid remuneration in any form other than sitting fees.

2. Percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year 2016-17 :

Sr. No.	Particulars	% Increase
1.	Mr. Sudhir Agarwal - Managing Director	50%
2.	Mr. Pawan Agarwal – Dy. Managing Director	25%
3.	Mr. P. G. Mishra – Group CFO	15%
4.	Ms. Anita Gokhale - Company Secretary	10%

3. Percentage increase in the median remuneration of employees in the financial year 2016-17 :10%

4. The number of permanent employees on the rolls of the Company: 10,315 as on March 31, 2017.

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration :

The average percentile increase in the salary of employees other than the managerial personnel was over 10% during the year 2016-17 while the average increase in the managerial remuneration was over 38%. The increase in managerial remuneration was in recognition of their long standing efforts in successfully driving the Company's performance and to make their remuneration commensurate with the industry standards.

6. The Remuneration paid to all Directors is as per the Remuneration Policy of the Company.

B] INFORMATION PURSUANT TO RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Top ten employees in terms of remuneration drawn during the year, including those employed throughout the year and in receipt of remuneration aggregating to not less than ₹ 1,02,00,000/- for the year ended 31st March, 2017.

Sr. No.	Name	Age (in years)	Designation	Qualifications	Total experience (in years)	Date of commencement of employment in the Company	Remuneration (in ₹)	Previous employment
1	Harrish Bhatia	54.8	CEO-Radio Division	DMM	26.5	26-Apr-2007	2,67,80,342	LG India
2	Pradyumna Gopalkrishna Mishra	57.1	Group CFO	LLB (H) & FCA	32.7	1-Jan-1994	2,19,52,914	Pradyumna Mishra & Co.
3	Raghavan Swaminathan	60.4	RCOO	B. Tech, Diploma in Business Administration	38.2	3-Sep-2012	1,65,45,529	Reliance Communication
4	Rachna Kamra	59.4	Chief Human Resource Officer	PGDPMIR, PGDBA, M.A. & M. Phil	33.8	12-Apr-2010	1,37,06,765	Fortis Hospital
5	Bharat Agarwal	52.4	Executive Director	MD, MBA, M. Phil	15.5	15-Nov-2011	1,32,40,675	Bhaskar Global
6	Sanjay Pradhan	52.0	RCOO	B. Tech, PGDM	21.3	1-Jun-2015	1,24,42,437	Chellarams Plc.
7	Amit Doshi	57.2	Chief Operating Officer	B.E., PGDBM	29.5	1-Jun-2015	1,11,41,258	Hitachi Home & life Solution Ltd.
8	Vinay Maheshwari	45.3	Senior Vice President	MBA	25.5	19-Sep-2009	1,10,82,663	HT Media Ltd.
9	R. D. Bhatnagar	54.3	Chief Technology Officer	BE & MDP, DCA	35.0	13-Nov-1996	1,09,68,991	Bennet Coleman & Co.
10	Vijay Garg	49.8	CFO	Graduate	13.9	23-Sept-2007	1,05,72,546	Red FM

Employed for part of the year and in receipt of remuneration aggregating to not less than ₹ 8,50,000/- per month.

Sr. No.	Name	Age (in years)	Designation	Qualifications	Total experience (in years)	Date of commencement of employment in the Company	Remuneration (in ₹)	Previous employment
1.	Pradeep Kumar Dwivedi	46.3	CCSMO	B. Sc, MBA	24.8	20-Sep-2012	82,82,423	Tata Teleservices Ltd.
2.	Satyajit Sengupta	41.5	CCSMO	B. A. (Hon.), PGDM	17.5	25-Jan-2017	22,14,277	Bennett Coleman & Co. Ltd.

Notes:

- None of the employees is relative of the Directors of the Company.
- The nature of employment is contractual.
- None of the employees holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.
- Remuneration includes salary, allowances and perquisites as per provisions of the Income Tax Act, 1961.

For and on behalf of the Board of Directors of

D. B. Corp Limited

Sudhir Agarwal

Managing Director

DIN: 00051407

Pawan Agarwal

Dy. Managing Director

DIN: 00465092

Place: Mumbai

Date: 18th May, 2017

AUDITORS' CERTIFICATE ON ESOSs

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

Dear Sir,

Re.: Compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

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 to Tranche 5) have been implemented in accordance with the aforesaid resolutions and the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

This certificate is issued at the request of the Company for placing before the shareholders of the Company at the forthcoming Annual General Meeting and shall not be used for any purpose whatsoever without our written consent.

For **Gupta Navin K & Co.**
Firm Registration No. 006263C
Chartered Accountants

Navin K. Gupta
Partner
Membership No. 75030

Bhopal
Dated: 13th May, 2017

REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

Corporate Governance encompasses ethically driven business systems and processes in order to ensure accountability, transparency and fairness in the conduct of the Company's affairs in the widest sense. It requires strict adherence to moral and ethical principles, legal and regulatory framework and the adoption of practices beyond the realms of law. Good corporate governance promotes sustainable value creation in the larger interest of the stakeholders.

At D. B. Corp Limited ('DBCL' / the 'Company'), the Company's philosophy on Corporate Governance is founded upon a rich legacy of fair and ethical governance practices. 'Transparency' and 'Accountability' have been the cornerstones of corporate governance in the Company. For us, adherence to Corporate Governance stems not only from the letter of law but also from our inherent belief in doing business the right way with a firm commitment to our values.

Our business practices, processes and operations have been stringently aligned to our Corporate Governance philosophy. We keep our governance practices under constant review in order to benchmark ourselves to the best governance practices across the globe.

In its corporate governance endeavour, the Company has adopted the 'Code of Conduct' which articulates the Company's values, ethics and business principles. This Code is intended to focus on all the Board members and senior officers on areas of ethics, integrity and honesty, providing guidance to help them deal with ethical issues and foster a culture of honesty, integrity and accountability. The Company has also framed the Code of Conduct for prevention of insider trading and the Code of fair disclosure of unpublished price sensitive information. It serves as a guiding tool and ethical road map for our employees in ensuring fair conduct.

Our stellar goodwill and reputation as a business entity is a result of strong adherence to the governance charters by all our employees and senior management.

Compliance with Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), the details of compliance with regards to Corporate Governance for the year ended 31st March, 2017 are as follows:

II. BOARD OF DIRECTORS

The Board of DBCL is a strategic asset to the Company. DBCL believes that a well-informed and independent Board continuously nurtures a culture of leadership in order to provide a strategic roadmap to the Company's future growth. At DBCL, the Board of Directors (the 'Board') is at the helm of our Corporate Governance affairs. The Board of Directors of the Company is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in critically reviewing the management policies and processes to conform to the best governance standards.

1. Composition and Category

The Company has a very balanced and judicious mix of Executive and Independent Directors to maintain its independence. The present composition conforms to the statutory requirements of the Companies Act, 2013 (the 'Act') and the Listing Regulations. The Board includes Directors with independent standing in their respective fields / profession who can effectively contribute to the Company's business and policy decisions. Your Company also has a woman director which brings diversity on the Board.

All the directors on the board of the Company possess the requisite qualifications and experience in general corporate management, finance, banking and other allied fields which enable them to contribute effectively in their capacity as Directors.

As of 31st March, 2017, the Board consisted of nine members. The composition and category of the Board of the Company is as under:

Category	Names of Directors
Chairman (Non - Executive Director & Promoter)	(Late) Mr. Ramesh Chandra Agarwal*
Managing Director (Executive Director & Promoter)	Mr. Sudhir Agarwal
Deputy Managing Director (Executive Director)	Mr. Pawan Agarwal
Non-Executive, Non - Independent Director	Mr. Girish Agarwal
Non - Executive, Independent Directors	Mr. Piyush Pandey Mr. Harish Bijoor Mr. Ashwani Kumar Singhal Mr. Naveen Kumar Kshatriya** Ms. Anupriya Acharya**

* Ceased to be a Director w.e.f. 12th April, 2017 on account of death.

** Appointed w.e.f. 22nd June, 2016.

Mr. Kailash Chandra Chowdhary stepped down from the Board with effect from 19th October, 2016 as an Independent Director of the Company. He has played a stellar role in guiding many of the Company's key initiatives and strategies. The Board records its deep appreciation of the valuable services rendered by Mr. Chowdhary during his long association with the Company.

Mr. Ramesh Chandra Agarwal, Chairman of the Company breathed his last on 12th April, 2017. The Company lost

a strong, forward-thinking and generous leader, with the death of Mr. Ramesh Chandra Agarwal. He made a considerable positive impact on the Company's culture by his spearheading leadership. Under his able guidance, the Company's brand value has grown multiple-folds. He played a pivotal role in charting of the Company's strategy to maintain the Company's growth momentum even in challenging times. The Directors place on record their profound grief on the sad demise of Mr. Ramesh Chandra Agarwal.

As reported in the Annual Report 2015-16, Mr. Naveen Kumar Kshatriya and Ms. Anupriya Acharya were appointed as Additional Independent Directors w.e.f. 22nd June, 2016. Their appointment as a regular Director was confirmed by the shareholders at the 20th Annual General Meeting held on 17th August, 2016.

All the Directors of the Company have made the requisite disclosures as mandated under the Act / Listing Regulations which were placed before the Board.

The total number of directorships / chairmanships and memberships of the Committees held by the Directors of the Company is in compliance with the provisions of the Act and the Listing Regulations.

None of the Directors have been granted any stock options.

2. Relationship Inter-se

The following Directors of the Company are related to each other in the manner mentioned below:

Sr. No.	Name of the Director	Relationship Inter-se
1	(Late) Mr. Ramesh Chandra Agarwal*	Father of Mr. Sudhir Agarwal, Mr. Pawan Agarwal and Mr. Girish Agarwal.
2	Mr. Sudhir Agarwal	Son of (Late) Mr. Ramesh Chandra Agarwal and brother of Mr. Pawan Agarwal and Mr. Girish Agarwal.
3	Mr. Pawan Agarwal	Son of (Late) Mr. Ramesh Chandra Agarwal and brother of Mr. Sudhir Agarwal and Mr. Girish Agarwal.
4	Mr. Girish Agarwal	Son of (Late) Mr. Ramesh Chandra Agarwal and brother of Mr. Sudhir Agarwal and Mr. Pawan Agarwal.

* Ceased to be a Director w.e.f. 12th April, 2017 on account of death.

No Directors, other than those mentioned above, are in any way related to each other.

3. Role of Board of Directors

The primary role of the Board is to ensure Company's prosperity by collectively directing the Company's affairs, whilst protecting interests of its shareholders and all other stakeholders. The Board of DBCL is a strategic asset to the Company. The Board evaluates the Company's strategic decisions, management policies, performance objectives and effectiveness of Corporate Governance practices. It plays an active role in providing valuable guidance, sets the tone to implement a top-down

approach in ensuring a transparent culture and promotes smooth and effective dialogues among Directors, the senior management team and other compliance and risk management functions. The routine operations of the Company are conducted by the Managing Director and the Deputy Managing Director of the Company under the guidance and supervision of the Board.

4. Board's Induction

Your Company believes that a good orientation is critical in helping the Board members to feel a strong engagement

with Company and other fellow board members. With this belief, your Company has put in place a structured, comprehensive and practical orientation to the activities, policies and structure of the organization.

Upon appointment, the Directors receive a letter of appointment setting out in detail the terms of appointment, duties, responsibilities and expected time commitments. The terms and conditions of their appointment are also disclosed on the website of the Company, www.bhaskarnet.com.

By way of an introduction to the Company, an orientation programme is conducted for the newly appointed Directors, wherein they are familiarised with the nature of the industry in which the Company operates, business model of the Company, the latest happenings in the Media and Entertainment Industry, its impact on the Company's business, etc.

The primary objective behind the above initiatives is to ensure meaningful board level deliberations and sound business decisions.

The Company also organizes familiarisation programme for the other Directors in order to keep them abreast of any latest happenings in the corporate and regulatory framework.

One such familiarisation programme was held on 19th January, 2017, details of which are placed on the Company's website and can be accessed at: <http://investor.bhaskarnet.com/pages/corporategovernance.php?id=6>

5. Board Evaluation

A primary performance evaluation of the Board contributes significantly to performance improvements on three levels: organisational; board and individual member level. One of the main goals of board evaluation is to enable board to purposefully identify and surmount the barriers that impede their effectiveness.

With this objective, the Nomination and Remuneration Committee of the Company has laid down a proficient evaluation plan in the form of following parameters / criteria for evaluating the performance:

- Participation and contribution by a Director;
- Commitment (including guidance provided to senior management outside of Board / Committee meetings);

- Effective deployment of knowledge and expertise;
- Effective management of relationship with stakeholders;
- Integrity and maintenance of confidentiality;
- Independence of behaviour and judgment;
- Observance of Code of Conduct and
- Impact and influence.

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out an annual evaluation of its own performance and that of its various committees. The evaluation exercise was carried out on various aspects of the Board's functioning such as composition of the Board and committees, experience and competencies, performance of the duties and obligations and governance issues, amongst others. Performance evaluation of individual directors was also carried out in the light of the abovesaid criteria.

Separate exercise was carried out by the Nomination and Remuneration Committee to evaluate the performance of individual directors including the Chairman, as per the structured mechanism based on the abovesaid parameters / criteria as laid down by the Committee.

Guided by the abovesaid criteria, the evaluation of the Independent Directors was also carried out by the entire Board (excluding the Director being evaluated). Evaluation of the Chairman, the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors at its meeting specially convened for the purpose.

6. Directors seeking appointment / re-appointment

As per the Act and the Articles of Association of the Company, not less than two-third of the total number of Directors (excluding Independent Directors) should be liable to retire by rotation, out of which, one third of 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 detailed resume of Mr. Girish Agarwal is given in the Explanatory Statement annexed to the Notice convening the Annual General Meeting.

7. Board procedures & meetings

The Company has a well organised system for seeking Board approval which facilitates and provides room for sound decision making by the Board and its Committees. The Board/Committee meetings are pre-scheduled and an annual calendar of Board and Committee meetings is circulated to the Directors well in advance to enable them to plan their schedules and to ensure their meaningful participation in the meetings. The detailed agenda is circulated to the Board members seven days ahead of the meeting. To address specific urgent needs, the Board's approval is taken at a specially convened meeting or by circular resolution, in which case it is ratified in the subsequent Board meeting. All agenda items are backed by comprehensive background information to enable the Board to take informed decisions.

The Board meets at least once in a quarter to review the quarterly performance of the Company and other items on the agenda. Additional meetings are held, whenever necessary. 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.

During the year under review, 4 (four) Board Meetings were held on 20th May, 2016, 21st July, 2016, 20th October, 2016 and 19th January, 2017. The intervening gap between two meetings was in conformity with the requirements of Listing Regulations, Secretarial Standards and that of the Act. All these meetings were held in Mumbai.

The attendance record of the Directors at the Board Meetings during the financial year 2016-17 and at the last AGM is as under:-

Names of the Directors	No. of Board meetings attended during the financial year 2016-17	Attendance at the last AGM held on 17 th August, 2016	No. of Directorships (including DBCL)	No. of Committee Memberships in Public Limited Companies*	
				Memberships	Chairmanships
(Late) Mr. Ramesh Chandra Agarwal (till 12 th April, 2017)	2	Absent	N. A.	N.A.	N.A.
Mr. Sudhir Agarwal	2	Present**	11	1	Nil
Mr. Girish Agarwal	4	Present**	20	1	3
Mr. Pawan Agarwal	4	Present	19	1	Nil
Mr. Kailash Chandra Chowdhary (till 19 th October, 2016)	1	Absent	N.A.	N.A.	N.A.
Mr. Piyush Pandey	3	Absent	5	1	Nil
Mr. Harish Bijoor	3	Absent	2	Nil	Nil
Mr. Ashwani Kumar Singhal	4	Absent	3	2	1
Mr. Naveen Kumar Kshatriya (w.e.f. 22 nd June, 2016)	2	Absent	7	3	Nil
Ms. Anupriya Acharya (w.e.f. 22 nd June, 2016)	2	Absent	2	Nil	Nil

* Memberships/Chairmanships in the Audit Committees and Stakeholder's Relationship Committees as on 31st March, 2017 are only considered (including DBCL).

** Attended through video conference.

Leave of absence was granted to the Director(s) who were absent at the respective Board and Committee Meeting/s, at their specific request.

is necessary to effectively and reasonably perform and discharge their duties. The Independent Directors expressed satisfaction over the abovesaid evaluation parameters.

8. Independent Directors' Meeting

In compliance with Schedule IV to the Act (Code for Independent Directors) and the Listing Regulations, the Independent Directors of the Company met on 19th January, 2017 in order to review the performance of Non-Independent Directors (including the Chairman) and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the management and the Board which

III. COMMITTEES OF THE BOARD

The Board of Directors has formed various Committees of the Board with a view to facilitate smooth and quick decision-making and also for compliance of various statutory requirements in this regard. Each Committee has the authority to engage outside experts, advisors and counsels to assist in its function, if deemed necessary. Minutes of proceedings of Committee meetings are circulated to the members for approval and placed before the next Board meeting for noting, once they are signed.

1. Audit Committee
Composition

The constitution of Audit Committee is in compliance with the provisions of Regulation 18 of the Listing Regulations and Section 177 of the Act.

The Audit Committee presently comprises of four members, three of whom (including the Chairman) are Non-Executive - Independent Directors. All the members of the Committee are financially literate and have adequate accounting and financial management expertise.

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

Terms of Reference

The terms of reference of the Audit Committee are well defined to include the matters specified for Audit Committee under Regulation 18(3) read with Part C of Schedule II of the Listing Regulations and Section 177 of the Act.

Meetings and Attendance

During the year under review, the Committee met 4 times on 20th May, 2016, 21st July, 2016, 20th October, 2016 and 19th January, 2017. 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 2016-17:

Members	Chairman/Member	Category	No. of meetings attended
Mr. Kailash Chandra Chowdhary*	Chairman	Non-Executive, Independent Director	1
Mr. Piyush Pandey	Member	Non-Executive, Independent Director	3
Mr. Ashwani Kumar Singhal*	Member	Non-Executive, Independent Director	4
Mr. Girish Agarwal	Member	Non-Executive, Non-Independent Director	4
Mr. Naveen Kumar Kshatriya*	Member	Non-Executive, Independent Director	Nil

* Mr. Kailash Chandra Chowdhary ceased to be a member of the Committee w.e.f. 19th October, 2016 on account of resignation. Mr. Naveen Kumar Kshatriya was appointed to the Committee and Mr. Ashwani Kumar Singhal was designated as a Chairman of the Committee w.e.f. 20th October, 2016.

Mr. Girish Agarwal, representative of the Audit Committee was available through video conference to answer queries raised by the shareholders at the latest Annual General Meeting of the Company held on 17th August, 2016.

Committee is Mr. Ashwani Kumar Singhal, a Non-Executive Independent Director. The Company Secretary of the Company acts as the Secretary to the NR Committee.

Terms of reference

The terms of reference of the NR Committee is in consonance with Regulation 19(4) read with Part D of Schedule II of the Listing Regulations and Section 178 of the Act.

2. Nomination and Remuneration ('NR') Committee
Composition

Presently, the NR Committee consists of four members who are Non-Executive Directors. The Chairman of the

Meetings and Attendance

During the year under review, the Committee met once on 20th May, 2016. The following table provides the composition of the NR Committee and attendance of the members at the meetings of the Committee held during the financial year 2016-17:

Members	Chairman/Member	Category	No. of meetings attended
Mr. Kailash Chandra Chowdhary*	Chairman	Non-Executive, Independent Director	1
Mr. Ashwani Kumar Singhal*	Member	Non-Executive, Independent Director	1
Mr. Girish Agarwal	Member	Non-Executive, Non-Independent Director	1
(Late) Mr. Ramesh Chandra Agarwal **	Member	Non-Executive, Non-Independent Director	Nil
Mr. Naveen Kumar Kshatriya*	Member	Non-Executive, Independent Director	N.A.
Ms. Anupriya Acharya*	Member	Non-Executive, Independent Director	N.A.

* Mr. Kailash Chandra Chowdhary ceased to be a member of the Committee w.e.f. 19th October, 2016 on account of resignation. Mr. Naveen Kumar Kshatriya and Ms. Anupriya Acharya were appointed to the Committee and Mr. Ashwani Kumar Singhal was designated as a Chairman of the Committee w.e.f. 20th October, 2016.

** Ceased to be a Member w.e.f. 12th April, 2017 on account of death.

Remuneration Policy

The remuneration policy of the Company is directed towards rewarding performance and talent based on review of achievements on a periodic basis. The remuneration policy is in consonance with the existing industry practice. It serves as a platform to ensure long term sustainability of talented managerial persons, create competitive advantage and promote result driven approach in the Company. The Remuneration Policy is appended as 'Annexure A' to this Report.

and one Non-Executive Director. Mr. Girish Agarwal, Non-Executive Director is the Chairman of the Committee. The Company Secretary of the Company acts as the Secretary to the Stakeholders' Relationship Committee.

Terms of Reference

The terms of reference of the Committee is in line with the Act and the Listing Regulations to specifically include the redressal of grievances of all the stakeholders of the Company including the shareholders and resolving their grievances including complaints related to transfer of shares and non-receipt of annual report, non-receipt of declared dividends, amongst others.

3. Stakeholders' Relationship Committee

Composition

At present, the Stakeholders' Relationship Committee consists of three members including two Executive

Meetings and Attendance

During the year under review, the Committee met 4 times on 20th May, 2016, 21st July, 2016, 20th October, 2016 and 19th January, 2017. The following table provides the composition of the Stakeholders' Relationship Committee and attendance of the members at the meetings of the Committee held during the financial year 2016-17:

Members	Chairman/Member	Category	No. of meetings attended
Mr. Girish Agarwal	Chairman	Non-Executive, Non- Independent Director	4
Mr. Pawan Agarwal	Member	Executive Director	4
Mr. Sudhir Agarwal	Member	Executive Director	2

Investor Grievance Redressal

The number of complaints received and resolved to the satisfaction of investors during the year under review as reported by the RTA of the Company and their break-up are as under:

Complaints received during the year	40
Complaints resolved and disposed off during the year	40
Complaints pending unresolved at the end of the year	Nil

The complaints related mainly to non-receipts of dividend warrants and Annual Reports, amongst others. The Annual Reports and the dividend warrants were dispatched within the statutory time limit and the delay or non-receipt of the Annual Reports or the dividend warrants was not attributable to any lapse on the part of the Company.

Ms. Anita Gokhale, Company Secretary has been appointed as the Compliance Officer of the Company for handling the investor complaints.

4. Compensation Committee

Composition

The Compensation Committee consists of four members including three Non-Executive and one Executive Director. Mr. Ashwani Kumar Singhal, Independent Director is the Chairman of the Committee. The Company Secretary of the Company acts as the Secretary to the Compensation Committee.

Terms of Reference

The Compensation Committee was formed to enable administration, implementation, execution and monitoring of the Employees Stock Option Scheme/s of the Company or any other matter as may be delegated by the Board of Directors from time to time.

Meetings and Attendance

During the year, 4 meetings of the Compensation Committee were held on 20th May, 2016, 21st July, 2016, 20th October, 2016 and 19th January, 2017. 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 2016-17:

Members	Chairman/Member	Category	No. of meetings attended
Mr. Kailash Chandra Chowdhary*	Chairman	Non-Executive, Independent Director	1
Mr. Ashwani Kumar Singhal*	Member	Non-Executive, Independent Director	4
Mr. Piyush Pandey	Member	Non-Executive, Independent Director	3
Mr. Naveen Kumar Kshatriya*	Member	Non-Executive, Independent Director	Nil
Mr. Pawan Agarwal	Member	Executive Director	4

* Mr. Kailash Chandra Chowdhary ceased to be a member of the Committee w.e.f. 19th October, 2016 on account of resignation. Mr. Naveen Kumar Kshatriya was appointed to the Committee and Mr. Ashwani Kumar Singhal was designated as a Chairman of the Committee w.e.f. 20th October, 2016.

5. Executive Committee

Composition

At present, the Executive Committee consists of three members including the two Executive Directors and one Non-Executive Director. The Company Secretary of the Company acts as the Secretary to the Executive Committee.

Terms of Reference

This Committee is formed to deal with urgent matters requiring immediate attention of the Board before a

meeting of the Board could be convened. The Executive Committee handles matters related to the day-to-day operations of the Company like 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, review of operating plans and budgets, liability on account of foreign exchange exposures, if any, and manpower resources, amongst others and any other administrative matters delegated by the Board.

Meetings and Attendance

The Committee met 6 times on 15th April, 2016, 1st July, 2016, 6th August, 2016, 13th September, 2016, 21st November, 2016 and 20th February, 2017 during the year under review. 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 2016-17:

Members	Chairman/Member	Category	No. of meetings attended
(Late) Mr. Ramesh Chandra Agarwal*	Chairman	Non-Executive, Non-Independent Director	6
Mr. Sudhir Agarwal	Member	Executive Director	6
Mr. Girish Agarwal	Member	Non-Executive, Non-Independent Director	4
Mr. Pawan Agarwal	Member	Executive Director	6

* Ceased to be the Chairman w.e.f. 12th April, 2017 on account of death

6. Corporate Social Responsibility ('CSR') Committee

Composition

The CSR Committee consists of five members including three Non-Executive Independent Directors and two Executive Directors. The Chairman of the Committee is Mr. Ashwani Kumar Singhal, a Non-Executive Independent Director. The Company Secretary of the Company acts as the Secretary to the CSR Committee.

Terms of reference

The terms of reference of the CSR Committee are in consonance with the provisions of the Act read with the rules made thereunder. The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by formulating and monitoring implementation of the 'Corporate Social Responsibility Policy'.

Meetings and Attendance

During the year under review, the Committee met twice on 20th May, 2016 and 19th January, 2017. The following table provides the composition of the CSR Committee and attendance of the members at the meeting of the Committee held during the financial year 2016-17:

Members	Chairman/Member	Category	No. of meetings attended
Mr. Kailash Chandra Chowdhary*	Chairman	Non-Executive, Independent Director	Nil
Mr. Ashwani Kumar Singhal*	Member	Non-Executive, Independent Director	1
Mr. Naveen Kumar Kshatriya*	Member	Non-Executive, Independent Director	Nil
Ms. Anupriya Acharya*	Member	Non-Executive, Independent Director	1
Mr. Sudhir Agarwal	Member	Executive Director	1
Mr. Pawan Agarwal	Member	Executive Director	2

* Mr. Kailash Chandra Chowdhary ceased to be a member of the Committee w.e.f. 19th October, 2016 on account of resignation. Mr. Ashwani Kumar Singhal, Mr. Naveen Kumar Kshatriya and Ms. Anupriya Acharya were appointed to the Committee and Mr. Ashwani Kumar Singhal was designated as the Chairman of the Committee w.e.f. 20th October, 2016.

IV. STATUTORY AUDITORS

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

M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, Mumbai.

M/s. Gupta Navin K. & Co., Chartered Accountants, Gwalior.

In view of mandatory rotation of Auditors provided under Section 139(2) of the Act read with the Companies (Audit & Auditors) Rules, 2014, M/s. S. R. Batliboi & Associates LLP and M/s. Gupta Navin K. & Co. shall retire from the office of Joint Statutory Auditors of the Company at the ensuing 21st Annual General Meeting and shall not be eligible for re-appointment.

In place of the retiring Auditors, the Company has proposed to appoint M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/N500016) and M/s. Gupta Mittal & Co. (Firm Registration No. 009973C) as the new Joint Statutory Auditors of the Company to take office from the conclusion of ensuing 21st Annual General Meeting till the conclusion of the 26th Annual General Meeting.

Appointment of the new statutory auditors as abovesaid is being proposed for approval of the shareholders at the ensuing AGM.

V. GENERAL BODY MEETINGS

The Annual General Meeting of the Company for the financial year 2015-16 was held on 17th August, 2016 at Ahmedabad.

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

Year	Date and Time	Special Resolution passed, if any
2013-14	24 th July, 2014 2.30 p.m.	1. Resolution u/s 180(1)(c) of the Act for approving borrowing limits for the Company in excess of the aggregate of its paid up share capital and free reserves. 2. Resolution u/s 14 of the Act for alteration of Articles of Association by way of substitution of the existing set of Articles with a new set of Articles.
2014-15	6 th August, 2015 2.30 p.m.	Nil
2015-16	17 th August, 2016 2.30 p.m.	Nil

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

Postal Ballot

During the year, the following special resolution was passed through postal ballot:

Date of passing resolution	Purpose	Votes in favour		Votes against	
		No. of votes	% to total votes	No. of votes	% to total votes
June 25, 2016	Increase in Foreign Shareholding from existing 20% up to an aggregate limit of 26% of the paid-up equity share capital of the Company.	14,67,31,070	100.00%	515	0.00%

During the conduct of the Postal Ballot, the Company had, in terms of Sections 108 and 110 of the Act (as amended) read with the Companies (Management and Administration) Rules, 2014 and in compliance with Regulation 44 of the Listing Regulations, provided e-voting facility to its shareholders to cast their votes electronically. Postal ballot forms and business reply envelopes were sent to shareholders to enable them to cast their vote in writing on the postal ballot. The Company also published a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable rules.

The Company had appointed Mr. Makarand M. Joshi, Partner of M/s. Makarand M. Joshi & Co., Company Secretaries as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner. The scrutinizer submitted his report to the Chairman after completion of the scrutiny and the results of voting by postal ballot were then announced by the Chairman. The voting results were sent to the Stock Exchanges and simultaneously displayed on the Company's website. The last date of voting by postal ballot and e-voting is deemed to be the date of passing of the resolution.

There is no immediate proposal for passing any resolution through Postal Ballot.

VI. SUBSIDIARY MONITORING MECHANISM

In compliance with the Listing Regulations, the Company has framed a 'Policy on Material Subsidiaries' in order to determine the materiality of its unlisted subsidiaries. The said policy is placed on the Company's website and can be accessed at: <http://investor.bhaskarnet.com/pages/corporategovernance.php?id=6>

As per the definition contained under Regulation 16 of the Listing Regulations and the 'Policy on Material Subsidiaries' as aforesaid, the Company did not have any 'material unlisted Indian Subsidiary' during the year under review.

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

- The minutes of the Board Meetings of the subsidiary companies are noted at the Board Meetings of the Company, once they are signed.
- The investments made by the subsidiary companies, if any, financial statements and general working of the subsidiaries are reviewed by the Audit Committee on quarterly basis.

VII. EMPLOYEE STOCK OPTION SCHEMES

In order to align employee interests with shareholders and reward the employees for their contribution to the success of the Company, Employee Stock Option Schemes (the 'Schemes') had 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). All the Schemes have been 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 from time to time.

There was no fresh grant of options during the year under review by the Compensation Committee.

VIII. CODE OF CONDUCT

For Board of Directors and Senior Management Group

The Board of Directors of the Company has laid down a code of conduct for all the Board Members and Senior Management Group of the Company. The main object of the Code is to set a benchmark for the Company's commitment to values and ethical business conduct and practices. Further, the Code provides for the highest standard of professional integrity while discharging the duties and to promote and demonstrate professionalism in the organisation.

All Board members and Senior Management personnel have affirmed their compliance with the said Code for the financial year ended 31st March, 2017. A declaration to this effect signed by the Managing Director is appended at the end of this report. The Code has also been posted on the Company's website www.bhaskarnet.com.

For prevention of Insider Trading

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 came into effect from 15th May, 2015 to put in place a framework for prohibition of insider trading in securities and to strengthen the legal framework thereof. Pursuant to Regulation 8 of the said Regulations, the Company has formulated and adopted 'Code of practices and procedures for fair disclosure of unpublished price sensitive information'.

Further, pursuant to Regulation 9 of the said Regulations, the Company has formulated and adopted the 'Code of conduct to regulate, monitor and report trading by insiders'. The rationale behind the Code is to prohibit trading in shares of the Company by specified persons, while in possession of undisclosed price sensitive information. All specified persons 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 ready reference and compliance by all the concerned.

IX. WHISTLE BLOWER POLICY

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a robust vigil mechanism in the form of 'Whistle-blowing Policy' under which the employees are free to report violation of applicable laws and regulations and the Code of Conduct. The Policy acts as a neutral and unbiased forum to voice concerns in a responsible and effective manner without fear of reprisal.

In order to instil more confidence among the whistle blowers, the Company has appointed an independent agency to receive the complaints and co-ordinate with the whistle-blower, if required. An internal Ethics Committee has been established to operate the mechanism under the supervision of the Audit Committee. An ombudsperson, along with the Ethics Committee decides on the course of action to be taken. Complaints are categorised and prioritized, based on their nature. Actions are taken in accordance to this. If the whistle blower is not satisfied with the actions taken, the mechanism also has an Escalation Protocol in place. The mechanism considers and extends complete protection of the whistle blower.

It is affirmed that no personnel has been denied access to the Audit Committee.

X. DISCLOSURES

a. Related Party Transactions

As required under Regulation 23 of the Listing Regulations, the Board has adopted a 'Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions' which has been uploaded on the Company's website and can be accessed at: <http://investor.bhaskarnet.com/pages/corporategovernance.php?id=6>

As defined under the Act, the Listing Regulations and as per the said Policy, all transactions entered into with related parties during the financial year were on an arm's length basis. There were no materially significant transactions with related parties, during the financial year under review, which were in conflict with the interests of the Company.

Details of related party transactions as per requirements of IND AS 24 - '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

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 under the provisions of the Act and subsequent amendments thereof.

For all periods up to and including the year ended 31st March, 2015, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). The financial statements for the year ended 31st March, 2017 are the first Ind-AS financial statements that the Company has prepared.

The financial statements are prepared on a going concern basis and are presented in Indian Rupees and all values are rounded off to the nearest million except when otherwise indicated. The financial statements have been prepared under the historical cost basis except for derivative financial instruments and certain other financial assets and liabilities that have been measured at fair value.

c. Remuneration to Directors

Remuneration to Executive Directors

The Company pays remuneration only in the form of salary to its Executive Directors. Apart from salary, the remuneration package does not contain any benefits, bonuses, stock options, pension, fixed component, performance linked incentives, etc.

During the financial year 2016-17, the Company has paid remuneration to its Executive Directors as per details given below:

(in ₹)	
Names of Directors	Salary and perquisites
Mr. Sudhir Agarwal – Managing Director	60,00,000/- p.a. (Till 31 st December, 2016)
	90,00,000/- p.a. (w.e.f. 1 st January, 2017)
Mr. Pawan Agarwal – Deputy Managing Director	60,00,000/- p.a.

The Company has executed Service Agreement with the Managing Director and the Deputy Managing Director which, *inter-alia*, mentions the notice period of 45 days on both the sides. There are no severance fees chargeable in both the cases.

Remuneration to Non-Executive Directors

Remuneration to Non-Executive and Independent Directors of the Company is paid as per Company's Policy on Nomination and Remuneration of Directors, Key Managerial Personnel ('KMP') and other employees.

As per the said policy, only sitting fees are paid to Non-Executive Directors. The details of sitting fees paid for the financial year 2016-17 are as under:

(in ₹)	
Names of Directors	Sitting fees
Mr. Ramesh Chandra Agarwal	40,000
Mr. Girish Agarwal	80,000
Mr. Kailash Chandra Chowdhary	50,000
Mr. Piyush Pandey	1,55,000
Mr. Harish Bijoor	60,000
Mr. Ashwani Kumar Singhal	2,10,000
Mr. Naveen Kumar Kshatriya	40,000
Ms. Anupriya Acharya	65,000
Total	7,00,000

Apart from the above mentioned, the details of remuneration package of individual Non-Executive Directors such as salary, benefits, bonuses, stock options, pension, fixed component and performance linked incentives, performance criteria, severance fees and stock options, amongst others are not given since these are not paid to any of these Directors of the Company as per the abovesaid policy.

Apart from receiving sitting fees, none of the Non-Executive Directors has any pecuniary relationship or transactions with the Company.

d. Risk Management

A strong risk management and internal control system forms the backbone of our robust risk management practices. The Company has clearly defined systems and policies for timely addressing key business challenges and opportunities. The Company continues to focus on a system-based approach to identify and evaluate various business risks and opportunities. As per this, the Audit Committee / Board of Directors are informed on quarterly basis about various risks identified by the Senior Management, the mitigation plan devised by them, progress on various plans / activities being implemented to mitigate the same and any other risks, newly identified with mitigation plan for the same.

The Board, upon review, further guides the Senior Management about risk identification and improvement in mitigation plans.

e. 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 Regulations as well as other regulations and guidelines laid down by SEBI. 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.

During 2015-16, your Company received notices from the stock exchanges levying penalty on the Company on account of non-appointment of Woman Director on the Board of the Company within the prescribed time. The default in appointment was on account of non-receipt of mandatory approval from Ministry of Information and Broadcasting ('MIB'). Since this approval has to be prior and had not been received since long, the Board was not able to appoint a Woman Director in spite of identification of the candidate. Consequent to receipt of approval from MIB, Ms. Anupriya Acharya was appointed as an Additional Independent Director on the Board of Directors of the Company w.e.f. 22nd June, 2016 and intimation in this regard was duly submitted to the Stock Exchanges.

f. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of the Listing Regulations

The Company has complied with all the mandatory requirements of corporate governance laid down in the Listing Regulations including Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2).

The status of compliance with non-mandatory recommendations of Regulation 27(1) read with Part E of Schedule II of the Listing Regulations is provided below:

- i. Shareholders' rights: As the quarterly and half yearly financial results are published in the newspapers and are also posted on the Company's website, the same are not sent to the shareholders.
- ii. Modified Opinion in Audit Report: The Company's financial statements for the financial year 2016-17 do not contain any modified audit opinion.
- iii. Separate posts of Chairman and CEO: During the year under review, the Chairman of the Board had

been a Non-Executive Director and his position had been separate from that of the Managing Director. The Company has appointed Managing Director and also a Deputy Managing Director to take care of the day-to-day affairs of the Company.

- iv. Reporting of Internal Auditor: In its internal audit structure, the Company has engaged experienced Chartered Accountants' firms across all locations. There is a system of monthly internal audit reporting, reviewing and monitoring. Surprise audits are also conducted to ensure effective adherence to the established processes, internal controls and internal audit mechanism on real-time basis.

XI. MEANS OF COMMUNICATION

a. Publication of Financial Results

The quarterly / half-yearly and annual results of the Company are normally published in English daily newspaper, Financial Express circulating in substantially the whole of India and in Gujarati daily newspaper, Divya Bhaskar circulating in Ahmedabad (where the Registered Office of the Company is situated) for the information of the shareholders and are also displayed on the Company's website, www.bhaskarnet.com after its submission to the Stock Exchanges.

b. Press Release and Presentations

Official press releases, presentations made to media, analysts or institutional investors are submitted to the Stock Exchanges and are also hosted on the website of the Company, www.bhaskarnet.com.

c. Intimation to Stock Exchanges

As per Regulation 30 read with Schedule III (Part A) of the Listing Regulations and as per the 'Policy for Determination of Materiality of any events / information' adopted by the Company, all price sensitive information and matters which are material and relevant to shareholders are intimated to the Stock Exchanges within the specified time, where the shares 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 Regulation 46 of the Listing Regulations 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 statutory information is sent to members and others entitled thereto and is also uploaded on the Company's website.

f. Dedicated email-id

The Company has also designated a dedicated email-id: dbcs@dbc Corp.in for servicing its stakeholders.

g. Investor Conference Call

Every quarter, post the announcement of financial results, 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.

XII. GENERAL SHAREHOLDER INFORMATION

AGM date, venue and time :	Monday, 4 th September, 2017 at 2.30 p.m. at Hotel Planet Landmark, 139/1, Amlibopal Road, Nr. Ashok Vatika, Off S. G. Highway, Ahmedabad, Gujarat – 380051.
Financial Year :	1 st April, 2016 to 31 st March, 2017
Financial Reporting Calendar	
First quarter un-audited results	On or before 14 th August, 2017
Second quarter / half year un-audited results	On or before 14 th November, 2017
Third quarter un-audited results	On or before 14 th February, 2018
Audited results for the FY 2017-18	On or before 30 th May, 2018
Website :	www.bhaskarnet.com
Email Id :	dbcs@dbc Corp.in
ISIN :	INE950I01011
CIN :	L22210GJ1995PLC047208
Registrar & Share Transfer Agent :	Karvy Computershare Pvt. Ltd. (Unit: D. B. Corp Limited) Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500 032. Tel No: 040-67162222 Fax No.: 040- 23001153 E-mail Id: einward.ris@karvy.com Contact person: Mr. U. S. Singh
Book closure :	Monday, 28 th August, 2017 to Monday, 4 th September, 2017 (both days inclusive)
Dividend and payment date :	The Board of Directors has not recommended any final dividend for the year 2016-17.
Listing of Equity Shares :	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001. National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400051.
Stock code :	BSE Limited - 533151 / DBCORP National Stock Exchange of India Limited – DBCORP
Payment of annual listing fees:	The annual listing fees for the year 2017-18 have been paid to both the stock exchanges within the statutory period.

a. Equity Shares held in Suspense Account

Your Company reports that 217 shares of 5 shareholders are lying in the Demat Suspense Account as on 31st March, 2017, since they are still unclaimed by the respective allottees under Initial Public Offer of the Company in January, 2010. The detailed disclosure under Schedule V of the Listing Regulations is given in the Board's Report which may be taken as a part of this report.

b. Shareholding Pattern as on 31st March, 2017

Sr. No.	Category	No. of Holders	Total Shares	Percentage
1	Promoters	8	2,77,64,198	15.10%
2	Promoters Bodies Corporate	3	10,07,25,539	54.77%
3	Foreign Institutional Investors	4	2,05,99,227	11.20%
4	Mutual Funds	48	1,16,53,078	6.34%
5	Bodies Corporates	417	62,07,616	3.38%
6	Resident Individuals	14,974	30,56,169	1.66%
7	Foreign Portfolio Investors	41	1,31,81,779	7.17%
8	H U F	476	1,26,274	0.07%
9	Non Resident Indians	213	1,07,377	0.06%
10	Employees	99	1,81,187	0.10%
11	Clearing Members	58	2,01,295	0.11%
12	Overseas Corporate Bodies	1	1,404	0.00%
13	Indian Financial Institutions	1	3,456	0.00%
14	Alternative Investment Fund	1	65,757	0.03%
15	NBFC	1	100	0.00%
16	Banks	2	13,560	0.01%
17	Trusts	4	7,242	0.00%
	Total	16,351	18,38,95,258	100.00%

Distribution of Shareholding as on 31st March, 2017

Shareholding of nominal value	Shareholders		Share Amount (in ₹)	
	Number	% to Total	in Rs	% to Total
1-5000	14,934	91.33%	1,28,29,120	0.70%
5001- 10000	641	3.92%	46,62,890	0.25%
10001- 20000	356	2.18%	50,86,320	0.28%
20001- 30000	112	0.68%	28,59,820	0.16%
30001- 40000	63	0.39%	22,30,820	0.12%
40001- 50000	36	0.22%	16,64,770	0.09%
50001- 100000	87	0.53%	60,84,190	0.33%
100001 & Above	122	0.75%	1,80,35,34,650	98.07%
Total	16,351	100.00%	1,83,89,52,580	100.00%

c. Share Transfer System

The process of recording of share transfers and transmissions, amongst others, 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 Stakeholders' Relationship 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 Stakeholders' Relationship Committee conveys its approval to the Registrars, who dispatches the duly transferred share certificates to the shareholders concerned after complying with the applicable provisions.

The average time taken for processing share transfer requests (in physical) including dispatch of share certificates is 15 days.

d. Dematerialisation of shares and liquidity

The equity shares of the Company are compulsorily traded in dematerialised form under ISIN - INE950I01011 as mandated by SEBI.

As on 31st March, 2017, status of the dematerialised and physical form of shares of the Company is as under

Shares held in	No. of Shares	Percentage (%)
Electronic Form with CDSL	15,05,009	0.82%
Electronic Form with NSDL	18,23,88,090	99.18%
Physical Form	2,159	0.00%
Total	18,38,95,258	100.00%

e. 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. Companies can now send various notices and documents, including Annual Report, to its shareholders through electronic mode to their registered e-mail addresses. Further, the Companies Act, 2013 and rules made thereunder also recognise communication with shareholders in electronic mode.

Since 2011, your Company has been sending the Annual Reports to its shareholders, who have registered their e-mail address with the Depositories/Company, on e-mail every year. Others, who have not registered their e-mail address, have been sent the Annual Reports in physical copy and have always been appealed to register their e-mail address and opt for receiving all the communication through e-mail.

All the shareholders who have not yet registered their e-mail addresses are once again requested to register it with the Registrar and Transfer Agent – Karvy Computershare Private Limited and opt for electronic delivery and contribute their small share to the noble cause of "Green Initiative".

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 hard form in this regard.

f. Outstanding GDR/ADR/Warrants/Convertible instruments

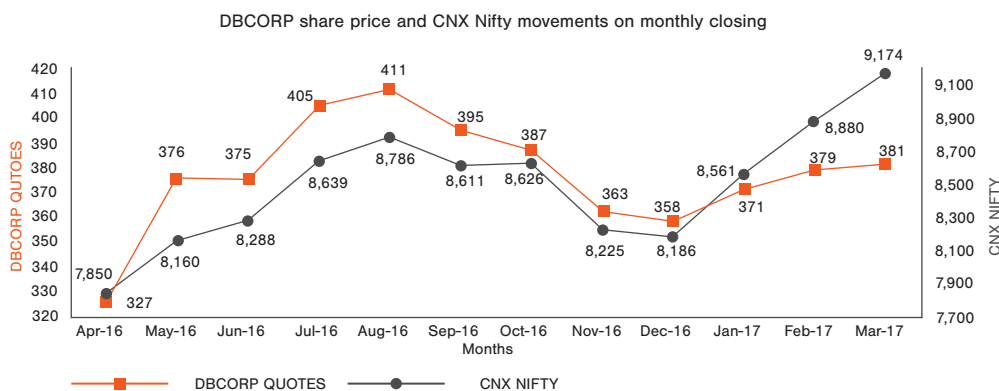
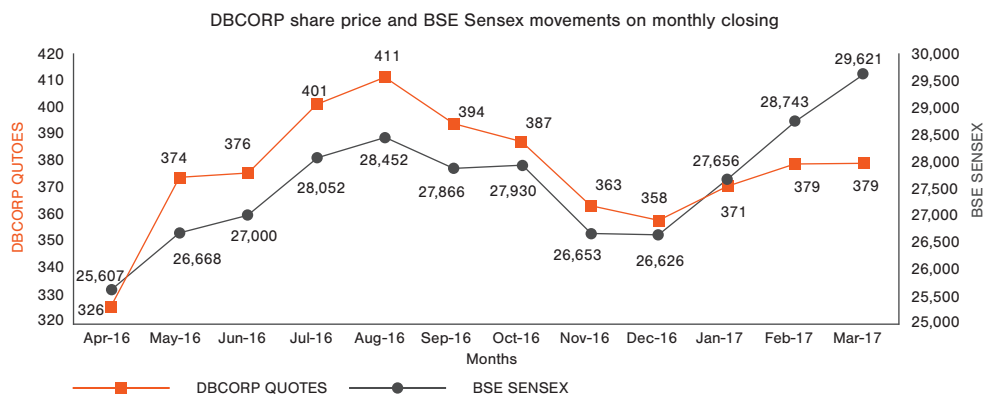
The Company has not issued any GDR/ADR/Warrants/Convertible instruments during the financial year 2016-17.

g. Stock market price data for the year 2016-17

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

Month	BSE share price		S&P BSE Sensex		NSE share price		CNX Nifty	
	High	Low	High	Low	High	Low	High	Low
Apr 2016	350.00	300.00	26100.54	24523.20	339.50	300.55	7992.00	7516.85
May 2016	382.50	311.00	26837.20	25057.93	382.00	310.25	8213.60	7678.35
Jun 2016	393.00	353.00	27105.41	25911.33	394.90	354.25	8308.15	7927.05
Jul 2016	414.00	362.00	28240.20	27034.14	413.95	371.20	8674.70	8287.55
Aug 2016	439.00	386.25	28532.25	27627.97	424.00	390.55	8819.20	8518.15
Sept 2016	420.00	361.05	29077.28	27716.78	421.50	370.05	8968.70	8555.20
Oct 2016	447.85	380.70	28477.65	27488.30	447.70	380.05	8806.95	8506.15
Nov 2016	388.00	346.00	28029.80	25717.93	390.00	322.00	8669.60	7916.40
Dec 2016	370.00	345.00	26803.76	25753.74	366.95	346.10	8274.95	7893.80
Jan 2017	390.00	349.25	27980.39	26447.06	388.70	352.00	8672.70	8133.80
Feb 2017	389.40	363.15	29065.31	27590.10	388.00	363.90	8982.15	8537.50
Mar 2017	395.00	361.00	29824.62	28716.21	393.90	365.15	9218.40	8860.10

(Price in ₹)

Performance of the share price of the Company in comparison to the BSE Sensex and CNX Nifty on month-wise closing during the year:


Cautionary statement: Historical stock price performance shown in the above graphs should not be considered as indicative of potential future stock price performance of the Company.

h. Shares held by Directors

The details of the shares held by the Directors of the Company as on 31st March, 2017 are as under:

Names of Directors	No. of Equity Shares held
(Late) Mr. Ramesh Chandra Agarwal	1,00,001
Mr. Sudhir Agarwal	82,69,321
Mr. Girish Agarwal	82,69,321
Mr. Pawan Agarwal	82,69,321
Mr. Kailash Chandra Chowdhary*	Nil
Mr. Piyush Pandey	Nil
Mr. Harish Bijoor	Nil
Mr. Ashwani Kumar Singhal	Nil
Mr. Naveen Kumar Kshatriya	Nil
Ms. Anupriya Acharya	Nil

* shareholding as on 19th October, 2016 – date of his resignation.

None of the Directors hold any convertible instruments in the Company.

i. Plant locations

The Company has 52 printing units in the states of Rajasthan, Gujarat, Punjab, Haryana, Madhya Pradesh, Chhattisgarh, Jharkhand, Maharashtra and Bihar.

j. Commodity price risk / Foreign Exchange risk / Hedging

The Company does not trade directly in commodity market but one of the consumable is made of aluminium metal, price of which fluctuates basis the aluminium price trading in the international market. Hence, to cope up with the fluctuation, the Company hedges its 6 months' quantity requirement through Indian Manufacturer who imports aluminium for production, hence in turn hedges aluminium price in the commodity market on behalf of the Company and supplies at fixed price to the Company under an agreement.

As per Company's policy, long term hedging is not done. The Company targets to hedge 70-80% of near term FOREX liability, falling due in next 45 days.

All the forward covers and spots are taken from time to time as per advice received by the Company from its two consultants who offer FOREX advisory services. The Company gets daily market updates for all the major currencies of the world and market trend analysis of

USD/INR conversion volatility based on which currency for import liability is hedged.

XIII. OTHER INFORMATION

a. Permanent Account Number (PAN) for transfer of shares

SEBI vide its circular dated 20th May, 2009 has mandated submission of copy of PAN card for securities market transactions and off-market transactions of listed companies involving transfer of shares in physical form. Hence, shareholders are requested to furnish a copy of PAN card to the Company's RTA for registration of such transfer of shares.

b. SEBI Complaints Redress System (SCORES)

SEBI has introduced a centralised web-based complaint redressal system called "SCORES". The salient features of SCORES are availability of centralised database 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 their complaints.

c. Online Portal for submission of various filings

o National Electronic Application Processing System (NEAPS)

The NEAPS is web-based system designed by NSE for filing of corporate information. The Listing Regulations mandate submission of all the information through NEAPS. Accordingly all the necessary compliances and announcements are submitted by the Company to NSE electronically on NEAPS.

o BSE Listing Centre (the 'Listing Centre')

It is a web-based facility accessible from anywhere through the Company's allotted unique login. The Listing Regulations mandate submission of all the information through the Listing Centre. Accordingly all the necessary compliances and announcements are submitted by the Company to BSE electronically on the Listing Centre.

d. Un-claimed Dividend

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), as amended, the dividend for the following years remaining unclaimed for seven years from the date of declaration are required to be transferred by the Company to Investor Education and Protection Fund ('IEPF'). Various due 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 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
Final Dividend 2013-14	31-Jul-14	30-Jul-21
Interim Dividend 2014-15	7-Feb-15	6-Feb-22
Final Dividend 2014-15	13-Aug-15	12-Aug-22
Interim Dividend 2015-16	12-Feb-16	11-Feb-23
One-Time Special Dividend 2015-16	29-Mar-16	28-Mar-23
Final Dividend 2015-16	24-Aug-16	23-Aug-23
Interim Dividend 2016-17	7-Feb-17	6-Feb-24

Members are requested to note that in accordance to Section 124(6) of the Act read with the IEPF Rules, as amended, all the shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more are required to be transferred to an IEPF Demat Account. Hence 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 in respect of unclaimed dividend amount and/or shares transferred to IEPF Authority pursuant to the said Rules.

For the information of shareholders, the Company regularly uploads the details of unpaid and unclaimed dividend on the website of the Company, as mandated by Investor Education and Protection Fund (Uploading of information regarding Unpaid and Unclaimed amount lying with Companies) Rules, 2012. Shareholders may refer the same for information pertaining to their unclaimed dividends.

e. 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 nine 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: 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. These bank account details are printed on the face of the dividend warrant which helps in preventing fraudulent encashment of the same.

f. 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 the records of the Company, duplicate warrant will be issued. The Company's RTA would request the concerned shareholder to execute an indemnity bond 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 period of the original warrant before a duplicate warrant is issued to them, since the dividend warrants are payable at par at several centres across the country and the banks do not accept 'stop payment' instructions on the said warrants.

g. 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, dematerialisation 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)
Karvy Selenium Tower B,
Plot 31-32, Gachibowli Financial District,
Nanakramguda, Hyderabad - 500 032.
Tel No: 040-67162222
Fax No.: 040- 23001153
E-mail Id: einward.ris@karvy.com

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

Anita Gokhale

Company Secretary & Compliance Officer
D. B. Corp Limited,
501, 5th Floor, Naman Corporate Link,
Opp. Dena Bank, C-31, G- Block, Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051.
Tel No: 022-39888840
Fax No: 022-26597217/39804793
E-mail Id: dbcs@dbc Corp.in

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

Sudhir Agarwal

Managing Director
DIN: 00051407

Pawan Agarwal

Dy. Managing Director
DIN: 00465092

Place: Mumbai
Date: 18th May, 2017

ANNEXURE A

Policy on Nomination and Remuneration of Directors, KMPs and other employees

1. PREAMBLE

In terms of Section 178 of the Companies Act, 2013 and the Listing Agreement, this policy on nomination and remuneration of Directors, Key Managerial Personnel ('KMP'), Senior Management and other employees of the Company was formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors in a meeting held on 16th October, 2014. This policy acts as a guideline for determining, *inter-alia*, qualifications, positive attributes and independence of a Director, matters relating to remuneration of Directors, Key Managerial Personnel, Senior Management and other employees and for attaining a balanced structure of the Board as envisaged by the corporate governance norms.

With coming into effect of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI (LODR) Regulations') on 1st December, 2015 and repeal of Listing Agreement, this Policy on Nomination and Remuneration of Directors, KMPs and other employees was further updated with approval of the Managing Director to reflect all the amended provisions.

2. PURPOSE

This policy aims -

- To outline the remuneration that may be payable to Independent Directors and other Directors taking into account various corporate regulations.
- To enable the Company to attract, retain and motivate highly qualified executives at Senior Management level.
- To ensure that the interests of executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the Company and will be consistent with "pay for performance" principle.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To maintain an appropriate range and balance of skills, experience, knowledge and character on the Board.

3. DEFINITIONS

"Act" means Companies Act, 2013 and rules made thereunder.

"Board" means Board of Directors of the Company.

"Committee" means Nomination and Remuneration Committee of the Company as constituted or re-constituted by the Board under relevant provisions of the Act and the SEBI (LODR) Regulations.

"Independent Director" means a director referred to in Section 149 (6) of the Companies Act, 2013.

"Key Managerial Personnel" (KMP) means key managerial personnel as defined under the Companies Act, 2013 and includes:

- a. Managing Director;
- b. Whole Time Director;
- c. Deputy Managing Director;
- d. Chief Financial Officer;
- e. Company Secretary;
- f. Such other officer as may be prescribed.

"Ministry" means the Ministry of Corporate Affairs, Government of India, New Delhi.

"Regulations" refers to and comprises of the Companies Act, 2013, the Companies (Meeting of Board and it's powers) Rules, 2014, the Companies (Appointment and Qualification of Directors) Rules, 2014, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, SEBI (LODR) Regulations as amended from time to time and such other rules and provisions as applicable to the matters dealt with by this policy.

"Senior Management Personnel" for this purpose shall mean employees of the Company who are members of its core management team excluding Board of Directors. It would comprise all members of management one level below the Managing / Dy. Managing Director, including the functional / vertical heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and/or in SEBI (LODR) Regulations as may be amended from time to time shall have the meaning respectively assigned to them therein.

4. NR COMMITTEE

In compliance with the Listing Regulations and the Companies Act, 2013, the Company has constituted Nomination and Remuneration Committee ('NR Committee') consisting of four members who are all Non-Executive Directors and two of them (i.e. 50%) are Independent Directors. The Chairman of the Committee is an Independent Director, as per statutory requirements in this regard.

The terms of reference of the Nomination and Remuneration Committee are in consonance with statutory requirements in this regard. It's role, *inter-alia*, includes the following:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;
- (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- (5) considering whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (6) consider any other matters as may be requested / delegated by the Board.

5. CRITERIA FOR APPOINTMENT OF A DIRECTOR

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person proposed to be appointed as a Director and recommend his/her appointment to the Board.

A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / relevant for the concerned position.

A person to be appointed as an Independent Director must qualify the criteria of being "Independent" under various provisions of the Companies Act, 2013 and / or SEBI (LODR) Regulations, as amended from time to time. Appointment of Independent Directors is subject to compliance of provisions of Section 149 of the Companies Act, 2013 read with Schedule IV and the

rules made thereunder. In addition, directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of trust.

Term / tenure of Managing Director/Whole-time Director and Independent Director shall be governed by the Companies Act, 2013 and various rules made thereunder, as amended from time to time.

The Committee shall ensure that a person is not disqualified for appointment as a director under Section 164 of the Companies Act, 2013 and other regulations, if any made/amended from time to time by the Ministry.

6. DIVERSITY OF BOARD

Diversity includes differences that relate to gender, age, ethnicity, disability, sexual orientation and cultural background. In addition, diversity also includes differences in background and life experience, communication styles, interpersonal skills, education, functional expertise and problem solving skills.

The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's overall operations.

The Committee will discuss and agree on all measurable objectives for achieving diversity of the Board and recommend them to the Board for adoption. At any given time the Board may seek to improve one or more aspects of its diversity and measure progress accordingly.

Diversity of Board shall also be governed by various provisions of Companies Act, 2013 and other regulations governing the Company like SEBI (LODR) Regulations. They shall be adhered to as amended from time to time.

7. REMUNERATION TO WHOLE-TIME / EXECUTIVE / MANAGING / DY. MANAGING DIRECTOR

The Whole-time Director shall be eligible for remuneration as may be approved by the shareholders of the Company on the recommendation of the Committee and the Board of Directors. The break-up of remuneration into various components shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders and Central Government, wherever required.

If in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of the Companies Act, 2013 read with Schedule V to the Act and if it is not able to comply with such provisions, then with the previous approval of the Central Government.

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration, any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

The Whole-time Director will be covered under the Directors' and Officers' Insurance Policy as in force from time to time in the Company.

8. REMUNERATION TO NON-EXECUTIVE / INDEPENDENT DIRECTOR (ID)

The ID will be paid such remuneration by way of sitting fees per meeting of the Board and its Committees as may be decided by the Board subject to the ceiling prescribed under the Act and reimbursement of expenses for participating in the Board and the Committee meetings.

The ID will not be paid remuneration in any other form apart from the sitting fees, etc. as mentioned above. If and when it is decided to pay such remuneration to the IDs, it will be paid in accordance with the statutory requirements in this regard.

The ID will be covered under the Directors' and Officers' Insurance Policy as in force from time to time in the Company.

The ID will have no entitlement to any bonus during the appointment and no entitlement to participate in any employee stock option scheme operated by the Company or any Group Company.

9. APPOINTMENT AND REMUNERATION OF KMP (OTHER THAN MD & DEPUTY MD), SENIOR MANAGEMENT AND OTHER EMPLOYEES

The Managing Director and the Dy. Managing Director shall have the authority and carry responsibility of appointing personnel at Key Management and Senior Management Level.

The professional and academic qualifications, professional titles, relevant work experience and all concurrently held positions of prospective candidates shall be evaluated in co-ordination with the Company's HR department.

Before selection of the candidate, the recommendations of HR department and relevant information on the prospective candidate(s) may be shared with other Non-Executive Promoter Directors.

In respect of other employees, Company shall have adequate HR mechanism of searching the right talent, checking references and appointment.

The KMP, Senior Management personnel and other employees of the Company shall be paid monthly remuneration as per Company's HR policies and / or as may be approved by the Committee. The break-up of the pay scale and quantum of perquisites including employer's contribution to PF, pension scheme, medical expenses, etc. shall be as per Company's HR policies.

The Chief Human Resource Officer and / or the Chief Financial Officer of the Company will make organisation-wide annual presentation(s) before the Managing Director / Dy. Managing Director which would have requisite details setting out the proposed performance bonus payouts for the current financial year as well as the proposed increments for the next financial year. The MD / Dy. MD shall peruse and approve the same unless required under any specific regulations to be referred to the Committee. In case any of the relevant regulations require that remuneration of KMPs or any other officer is to be specifically approved by the Committee / the Board of Directors then such approval will be accordingly obtained.

10. EVALUATION

The Committee shall carry out evaluation of performance of every Director as per the separate policy laid down by the Committee in this regard.

11. REMOVAL

The Committee may recommend to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions of the Companies Act, 2013 and all other applicable Acts, Rules and Regulations, if any.

12. CHANGES

This remuneration policy shall apply to all future / continuing employment engagement(s) with the Company. Any departure from the policy shall be recorded and reasoned in the Committee / Board Meeting minutes.

The Committee shall periodically review the policy and carry out the changes as may be required or mandated on account of change in the governing regulations. Changes to the policy, required by any amendment in the governing statutes, shall be approved from time to time by the Managing Director and any such change shall be notified to the Committee / the Board in its next meeting.

13. EFFECTIVE DATE OF THIS POLICY / VERSION

This version is effective from 1st December, 2015.

AUDITORS' CERTIFICATE

Independent Auditors' Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Members of **D. B. Corp Limited**

D. B. Corp Limited

Plot No. 280, Sarkhej-Gandhinagar Highway,
Near YMCA Club, Makarba
Ahmedabad Gujarat- 380051.

1. The accompanying Corporate Governance Report prepared by D. B. Corp Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "Listing Regulations") with respect to Corporate Governance for the year ended March 31, 2017. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

MANAGEMENT'S RESPONSIBILITY

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

AUDITOR'S RESPONSIBILITY

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 1 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate

Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control ("SQC") 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:
 - i. Obtained and verified that the composition of the Board of Directors w.r.t executive and non-executive directors has been met throughout the reporting period;
 - ii. Obtained and read the Directors Register as on March 31, 2017 and verified that atleast one woman director was on the Board during the year;
 - iii. Obtained and read the minutes of the following committee meetings held during the period April 01, 2016 to May 19, 2017:
 - (a) Board of Directors meeting;
 - (b) Audit committee;
 - (c) Nomination and remuneration committee;
 - (d) Stakeholders' Relationship committee;
 - (e) Compensation Committee;
 - (f) Executive Committee; and

- (g) Corporate Social Responsibility Committee.
- iv. Obtained necessary representations and declarations from directors of the Company including the independent directors; and
- v. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

- 8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable as at March 31, 2017, referred to in paragraph 1 above.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Kalpesh Jain**
Partner
Membership Number: 106406
Mumbai
10th July, 2017

OTHER MATTERS AND RESTRICTION ON USE

- 9. This report 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.
- 10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to Corporate Governance Report accompanied with by a report thereon from the statutory auditors and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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

per **Navin K. Gupta**
Partner
Membership Number: 075030
Mumbai
10th July, 2017

DECLARATION REGARDING COMPLIANCE BY THE BOARD AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT

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

I confirm that in respect of the financial year ended 31st March, 2017, 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.

Sudhir Agarwal

Managing Director
DIN: 00051407

Place: Bhopal

Date: 18th May, 2017

CEO/CFO CERTIFICATION

Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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 2016-17 and that to the best of our knowledge and belief:
 - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) 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 internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such 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 to the Auditors and the Audit Committee:
 - (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) instances of significant fraud 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**

Sudhir Agarwal
Managing Director
DIN: 00051407

P. G. Mishra
Chief Financial Officer

Place: Mumbai

Date: 18th May, 2017

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

i. Corporate Identity Number (CIN) of the Company	L22210GJ1995PLC047208
ii. Name of the Company	D. B. Corp Limited
iii. Address of the Registered office	Plot No. 280, Sarkhej-Gandhinagar Highway, Nr. YMCA Club, Makarba, Ahmedabad – 380051, Gujarat.
iv. Website	www.bhaskarnet.com
v. E-mail id	dbcs@dbc Corp.in
vi. Financial Year reported	2016-17
vii. Sector(s) that the Company is engaged in (industrial activity code-wise)	Publishing of newspapers (NIC Code: 58) FM Radio Broadcasting (NIC Code: 60) Web Portals (NIC Code: 63)
viii. Three key products/services that the Company manufactures/ provides (as in balance sheet)	1. Printing & publishing of newspapers 2. Operating FM Radio channels 3. Running web portals
ix. Total number of locations where business activity is undertaken by the Company:	
i. Number of International Locations:	Nil
ii. Number of National Locations:	Print Division – 52 Plants across the country Radio Division – 30 FM Radio Stations across the country
x. Markets served by the Company – Local/State/National/ International	National / Pan India

SECTION B: FINANCIAL DETAILS OF THE COMPANY (as on 31st March, 2017):

1. Paid up Capital	₹ 1,838.95 Million
2. Total Turnover	₹ 22,746 Million
3. Total profit after taxes	₹ 3773 Million
4. Total Spending on Corporate Social Responsibility (CSR) as a percentage of profit after tax (%)	During the year under review, the Company has spent approximately 2% of its current profits towards CSR activities
5. List of activities in which expenditure in 4 above has been incurred	Please refer to the report on CSR activities contained in this Annual Report

SECTION C: OTHER DETAILS

- Does the Company have any Subsidiary Company/Companies?**
Yes. As on 31st March, 2017, the Company has 2 subsidiaries.
- Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s)?**
No. The Company's business responsibility initiatives were not extended to its subsidiaries in the reporting period. However each of the Company's subsidiaries strive to carry out its business in a responsible manner.
- Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**
No. However the Company encourages adoption of BR initiatives by its business partners.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

a) Details of the Director responsible for implementation of the BR policy/policies:

Name: Mr. Sudhir Agarwal
DIN: 00051407
Designation: Managing Director

b) Details of the BR head:

Sr. No.	Particulars	Details
1.	DIN Number	00051407
2.	Name	Sudhir Agarwal
3.	Designation	Managing Director
4.	Telephone number	0755-3988884
5.	E-mail id	dbcs@dbcop.in

2. Principle-wise (as per NVGs) BR Policy/policies:

(a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Business Ethics	Product Responsibility	Employee Wellbeing	Stake holder Engagement	Human Rights	Environment Protection	Public & Regulatory Policy	CSR	Customer Relation
1.	Whether the Company has policies for each of the 9 Principles?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Whether the policies have been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Whether the policies conform to any national/international standards? If yes, specify (50 words)?	Yes. The policies are in compliance with the national standards. They are also being reviewed and amended from time to time based on the amendments in the respective regulations.								
4.	Whether the policies are being approved by the Board? If yes, has it been signed by MD/CEO/ or any Director?	Yes.								
5.	Does the Company have a specified Committee of the Board/Director/Official to oversee the implementation of the policies?	Yes.								
6.	Indicate the link for the policies to be viewed online.	Most of the Company's policies are available at: http://investor.bhaskarnet.com/pages/corporategovernance.php?id=6 All other employee centric policies are available on the Company's intranet.								

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Business Ethics	Product Responsibility	Employee Wellbeing	Stake holder Engagement	Human Rights	Environment Protection	Public & Regulatory Policy	CSR	Customer Relation
7.	Whether the policies have been formally communicated to all relevant internal and external stakeholders?	Yes. The policies have been communicated to employees through intranet and to external stakeholders through the Company's website.								
8.	Whether the Company has an in-house structure to implement the policy/policies?	Yes. All policies have defined checklist and respective stakeholders are abiding by the applicable policies.								
9.	Whether the Company has a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes. In order to ensure integrity and transparency of business processes, the Company has established a whistle blower mechanism to facilitate reporting of any non-compliance or violation of the Company's Code of Conduct. The Company also has a Stakeholders' Relationship Committee to redress grievances of investors. An Internal Complaints Committee has also been constituted to look into complaints of sexual harassment. The Company has also formed an Ethics Committee under the Whistle Blowing Mechanism to work towards identifying quick and consistent actions and timely closure of complaints received and investigated by vigilance department.								
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Yes. The Company has IFC mechanism to carry out periodic audits by internal teams and external agencies. Policies are also evaluated regularly by the senior management personnel.								

b. If answer to Sr. No. 1 against any principle is 'No', please explain why: Not Applicable

3. Governance related to BR:

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. (Within 3 months, 3-6 months, Annually, More than 1 year)

The assessment of BR performance is done on an ongoing basis by the Managing Director and Senior Management of the Company.

- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

This is the first year of applicability of Business Responsibility Reporting to the Company. Henceforth, the Report shall be published annually by the Company. The BR Report is/shall be available on www.bhaskarnet.com.

PRINCIPLE 1

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

PRINCIPLE 2

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

PRINCIPLE 3

Businesses should promote the wellbeing of all employees

PRINCIPLE 4

Businesses should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

PRINCIPLE 5

Businesses should respect and promote human rights

PRINCIPLE 6

Businesses should respect, promote, and make efforts to restore the environment

PRINCIPLE 7

Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner

PRINCIPLE 8

Businesses should support inclusive growth and equitable development

PRINCIPLE 9

Businesses should engage with and provide value to their customers and consumers in a responsible manner

SECTION E: PRINCIPLE-WISE PERFORMANCE
1 PRINCIPLE
BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY
1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes / No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company places a strong emphasis on the work ethics in order to foster a healthy corporate culture in the Company. It has always believed in adhering to the best governance practices to ensure protection of its stakeholders' interests in tandem with healthy growth of the Company. With this belief, the Company has adopted a 'Code of Conduct' extending to all the employees which sets forth the ethical and moral standards of behaviour expected from an employee. This code is applicable to all the employees across the levels, including its subsidiaries. The Code intends to forbid any activity / association / relationship by Directors / employees which is detrimental to the Company's interest.

Though the code currently do not apply to external stakeholders including suppliers, contractors, NGOs etc., the Company follows zero tolerance on any acts of bribery, corruption etc. by such agencies during their dealings with the Company.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof (50 words).

A total of 47 stakeholder complaints were received in financial year 2016-17. 17 complaints (36%) have been satisfactorily resolved as on 31st March, 2017 and the balance 30 complaints (64%) were closed / dealt with appropriately later.

2 PRINCIPLE
BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE
1. List up to 3 of the Company's products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company is mainly engaged in the business of printing and publishing of newspapers which is directly connected with social concerns, risks and opportunities. Further, guided by its vision of driving behavioral change in society to bring socio-economic change, the Company's flagship newspapers viz. Dainik Bhaskar

(Hindi Daily), Divya Bhaskar (Gujarati daily) and Divya Marathi (Marathi daily) has time and again incorporated and highlighted social / environmental concerns, risks and/or opportunities.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional).
(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

Energy Savings of 2859493 KWH achieved i.e. a total of 8.93% energy saved.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company's products do not consume energy / water at consumer end.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof (50 words).

The Company strives to reduce environmental impact by employing sustainable procurement practices. In the process of vendor selection, the suppliers are pre-evaluated on various BR parameters. The process of vendor evaluation lays emphasis on conformity of safe working conditions, prevention of child labour, business ethics and general housekeeping by the vendor.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company engages with both local and global suppliers. Company has enrolled numerous local suppliers and vendors in several areas such as local transportation, distributions, house-keeping etc. Being a media company, most of the raw material and consumable are procured from national and international suppliers, which have contributed to their growth.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof (50 words).

Yes. Paper being one of the world's most recycled materials, the Company sells the paper waste to the newsprint manufacturers / traders to recycle it. Also, water waste from printing units is used for irrigation of plants thereby ensuring effective waste management.

3 PRINCIPLE

BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

- Total number of employees:** 10315 (excluding outsource)
- Total number of employees hired on temporary/contractual/casual basis:** 1135
- Number of permanent women employees:** 642
- Number of permanent employees with disabilities:** 8
- Whether there are any employee associations that are recognized by management:** No employee association exists.
- What percentage of the Company's permanent employees are members of recognized employee associations:** Not Applicable
- Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year:** 2 (details given below)

Sr. No.	Category	No. of complaints filed during FY	No. of complaints pending as on end of FY
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	2	Nil
3	Discriminatory employment	Nil	Nil

- What percentage of the Company's above mentioned employees were given safety & skill up-gradation training in the last year?**

The Company provides various types of training programmes across its functions and locations. These training programmes cover permanent as well as contractual employees. Over 80% of employees have been covered for these training programmes.

The Company also provides safety trainings for the production people working in the printing press. The Company organizes mock drills and 5S training programmes for such people. Technical trainings are also being given to the production teams across locations on various topics like quality, grey bar, CTP and chemical, SAP module, machine maintenance, plant maintenance, preventive maintenance, FERAG O&M, basic of pneumatics, best maintenance practices, ink manufacturing and ink parameters, KBA operations and maintenance etc.

Along with this, there are functional training programmes conducted for other functions like AD Sales, Editorial, HR & Admin which aim at developing the capabilities of the teams. Organization level trainings like G-Suite, PeopleSoft, Medicaid sessions etc. are also conducted for the employees.

4 PRINCIPLE

BUSINESSES SHOULD RESPECT THE INTEREST OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED

- Has the Company mapped its internal and external stakeholders?**
Yes, the Company has mapped its various key internal and external stakeholders and employs various mechanisms and practices for engaging with them for fruitful dialogues and continued relationship.
- Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?**
Yes, the Company has identified disadvantaged, vulnerable and marginalized stakeholders through need assessment and is actively working with them towards inclusive growth.
- Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof (50 words).**
The Company has various policies for its circulation agents and hawkers. Further, Company continuously engages with all under-privileged stakeholder identifying their needs and priorities so as to serve these needs accordingly. The initiatives undertaken by the Company for the disadvantaged, vulnerable and marginalized stakeholders are elaborated under Principle 8 and in the Annexure on CSR activities forming part of the Board's Report for the year ended 31st March, 2017.

5 PRINCIPLE

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

- Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/ Others?**
D. B. Corp Limited takes various measures in protecting human rights. We have strong control in checking the prevention of child labour and sexual harassment in our system. We also avoid discrimination on the basis of gender, caste, creed, etc. in hiring and promoting talent. The Company's policy on human rights is all-

encompassing and extends to other group companies as well. The Company also supports its suppliers and other business partners in their efforts to act in accordance with the internationally recognized standards.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

There were no complaints reported on violation of any human rights during the financial year.

6 PRINCIPLE

BUSINESSES SHOULD RESPECT, PROMOTE, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?

Nurturing and safeguarding the environment for long term sustainability is of prime importance for the Company. The Company keeps its processes under constant checks to ensure environment protection, health management and safety across its business locations. This principle of environment protection also extends to other group companies. The Company, on standalone basis, has been undertaking several green initiatives at all its office locations during the year.

Though the policy currently do not apply to external stakeholders including suppliers, contractors, NGOs etc., the Company follows zero tolerance on any hazardous activities by such agencies and encourages them to positively work towards creating a better environment.

2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc? Yes/No. If yes, please give hyperlink for webpage etc.

Yes. The Company has been working on climate change issues by improving its process efficiency and taking initiatives in energy efficiency.

3. Does the Company identify and assess potential environmental risks?

Yes.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof (50 words). Also, if Yes, whether any environmental compliance report is filed?

No.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Yes/No. If yes, please give hyperlink for web page etc.

Yes. Across the business locations several energy conservation measures were initiated by the Company like replacing conventional lights with LED lights, converting existing desktops into thin clients which have reduced energy consumption significantly. Besides, the Company has also extended the usage of Vio-Green plates across its printing press. The migration from conventional plate to Vio-Green plates completely eliminates use of chemicals and water for processing plates that are used in printing newspapers.

Please refer to Board's Report for FY 2016-17 uploaded on the website of the Company, www.bhaskarnet.com for more details.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as at the end of the financial year.

Nil.

7 PRINCIPLE

BUSINESSES WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

1. Whether the Company is a member of any trade and chamber or association? If yes, name those major ones that your business deals with.

- 1) Indian Newspaper Society;
- 2) Registrar of Newspapers for India;
- 3) Audit Bureau of Circulations;
- 4) Association of Radio Operations for India;
- 5) Internet and Mobile Association of India.
- 6) Indian Chapter of International Advertising Association.

2. Whether the Company has advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No. If yes, please specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).

The Company has been active in various business associations and supports / advocates on various issues for readers' / listeners' better experience.

8 PRINCIPLE

BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.

Yes. Requisite details of CSR initiatives are included in the Annexure on CSR forming part of the Board's Report for the year ended 31st March, 2017.

2. Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organisation?

The Company generally undertakes CSR projects through its in-house structure.

3. Whether the Company has done any impact assessment of these initiatives?

The CSR team of the Company regularly does impact assessment of various initiatives undertaken by the Company.

4. What is the Company's direct contribution to community development projects? Amount in INR and the details of the projects undertaken.

Details of CSR contributions may be referred in the Annexure on CSR forming part of the Board's Report for the year ended 31st March, 2017.

5. Whether the Company has taken steps to ensure that these community development initiatives are successfully adopted by the community (explain in 50 words)?

The CSR team of the Company continuously engages with communities in order to understand their needs and expectations. Initiatives are then planned and rolled out in line with the inputs received. This ensures successful adoption of the initiatives by communities to the extent possible.

9 PRINCIPLE

BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

There are no material consumer cases / customer complaints outstanding as at the end of financial year 2016-17.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remark (additional information).

Not applicable.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof (50 words).

None.

4. Whether the Company carried out any consumer survey/consumer satisfaction trends?

Yes, the Company carries out consumer survey program from time to time.

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

Sudhir Agarwal **Pawan Agarwal**

Place: Mumbai Managing Director Dy. Managing Director
Date: 18th May, 2017 DIN: 00051407 DIN: 00465092

INDEPENDENT AUDITORS' REPORT

To the Members of D. B. Corp Limited

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of D. B. Corp Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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 standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS 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, of the state of affairs of the Company as at March 31, 2017, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's report) Order, 2016 (the "Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 29 and 31 to the standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - iv. The Company has provided requisite disclosures in Note 40 to these standalone Ind AS financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration
Number: 101049W/E300004

For **Gupta Navin K. & Co.**
Chartered Accountants
ICAI Firm Registration
Number: 006263C

per **Kalpesh Jain**
Partner
Membership Number: 106406

per **Navin K. Gupta**
Partner
Membership Number: 075030

Mumbai
May 18, 2017

Mumbai
May 18, 2017

ANNEXURE 1

referred to in paragraph 1 under Report on Other Legal and Regulatory Requirements of our audit 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) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) (a) The Company has granted a loan to a company covered in the register maintained under section 189 of the Act. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the Company's interest.

(b) The Company has granted loans that are re-payable on demand including interest thereon, to a company covered in the register maintained under section 189 of the Act. We are informed that the said loan has been repaid on demand in the current year.

(c) There are no amounts of loans granted to companies listed in the register maintained under section 189 of the Act which are overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 of the Act are applicable and hence not commented upon. In our opinion and according to the information and explanations given to us, provisions of section 186 of the Act in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) 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 148(1) of the Act related to the service of radio broadcasting and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, value added tax, cess and other statutory dues applicable to it. The provisions relating to duty of excise are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of custom, value added tax, cess and other 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 duty of excise are not applicable to the Company.

(c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings to a financial institution or bank. The Company did not have any outstanding debentures during the year.

- (ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of initial public offer in the nature of equity shares and term loans for the purposes for which they were raised,
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration
Number: 101049W/E300004

For **Gupta Navin K. & Co.**
Chartered Accountants
ICAI Firm Registration
Number: 006263C

per **Kalpesh Jain**
Partner
Membership Number: 106406

per **Navin K. Gupta**
Partner
Membership Number: 075030

Mumbai
May 18, 2017

Mumbai
May 18, 2017

ANNEXURE 2

referred in our report of even date

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE "ACT")

We have audited the internal financial controls over financial reporting of D. B. Corp Limited (the "Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform

the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted

accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration
Number: 101049W/E300004

per **Kalpesh Jain**
Partner
Membership Number: 106406

Mumbai
May 18, 2017

For **Gupta Navin K. & Co.**
Chartered Accountants
ICAI Firm Registration
Number: 006263C

per **Navin K. Gupta**
Partner
Membership Number: 075030

Mumbai
May 18, 2017

BALANCE SHEET

as at March 31, 2017

(₹ in million)

	Notes	March 31, 2017	March 31, 2016	April 01, 2015
ASSETS				
Non-current assets				
Property, plant and equipment	4	7,455.54	7,744.95	7,702.18
Capital work-in-progress		213.56	458.53	44.47
Investment properties	5	483.18	266.29	116.29
Intangible assets	6	1,141.60	900.43	213.39
Financial assets				
Investments	7	347.89	292.59	294.73
Other financial assets	8	144.98	132.09	437.47
Prepayments		1,148.74	1,194.70	1,267.22
Other assets	9	1,312.09	1,346.00	1,193.98
		12,247.58	12,335.58	11,269.73
Current assets				
Inventories	10	1,987.13	1,674.72	1,401.96
Financial assets				
Investments	7	-	169.29	249.46
Trade receivables	11	4,173.75	3,771.61	3,361.06
Cash and cash equivalents	12	1,733.30	894.60	1,760.79
Other financial assets	8	304.15	368.39	211.81
Prepayments		314.61	257.60	212.32
Other assets	9	64.27	57.37	60.29
		8,577.21	7,193.58	7,257.69
Total		20,824.79	19,529.16	18,527.42
EQUITY AND LIABILITIES				
Equity				
Equity share capital	13	1,838.95	1,837.39	1,836.49
Other equity				
Securities premium		2,515.62	2,472.97	2,451.61
Retained earnings		11,157.96	9,210.11	8,685.41
Other reserves		475.98	473.67	460.66
Total equity attributable to equity holders		15,988.51	13,994.14	13,434.17
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	14	-	253.38	475.01
Other financial liabilities	15	486.00	446.05	386.28
Deferred tax liabilities (net)	16	781.00	813.00	817.18
		1,267.00	1,512.43	1,678.47
Current liabilities				
Financial liabilities				
Borrowings	14	561.19	867.38	477.38
Trade payables		1,274.85	1,177.55	1,214.29
Other financial liabilities	15	1,168.54	1,286.26	968.20
Liabilities for current tax (net)		7.75	20.86	87.20
Provisions	17	218.45	203.26	181.47
Other liabilities	18	338.50	467.28	486.24
		3,569.28	4,022.59	3,414.78
Total liabilities		4,836.28	5,535.02	5,093.25
Total		20,824.79	19,529.16	18,527.42
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/E300004
 Chartered Accountants

 For **Gupta Navin K. & Co.**
 ICAI Firm registration number:
 006263C
 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. 075030

Sudhir Agarwal
 Managing Director

Pawan Agarwal
 Deputy Managing Director

P. G. Mishra
 Chief Financial Officer

Anita Gokhale
 Company Secretary

 Place: Mumbai
 Date: May 18, 2017

 Place: Mumbai
 Date: May 18, 2017

 Place: Mumbai
 Date: May 18, 2017

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2017

	Notes	March 31, 2017	March 31, 2016
(₹ in million)			
INCOME			
Revenue from operations	19	22,574.27	20,482.20
Other income	20	53.70	85.02
Finance income	21	118.43	156.78
Total income		22,746.40	20,724.00
EXPENSES			
Cost of raw material consumed	22	6,608.07	6,186.67
Decrease / (increase) in inventories of finished goods		0.63	(0.31)
Employee benefit expenses	23	4,278.73	3,898.03
Depreciation and amortisation expenses	24	861.63	851.71
Finance costs	25	74.48	138.18
Foreign exchange (gain) / loss (net)		(32.50)	25.12
Other expenses	26	5,275.55	4,990.18
Total expenses		17,066.59	16,089.58
Profit before tax		5,679.81	4,634.42
Income tax expenses			
Current income tax		1,927.80	1,680.00
Deferred tax	16	(21.05)	(2.38)
Total income tax expense		1,906.75	1,677.62
Profit for the year		3,773.06	2,956.80
Attributable to:			
Equity holders		3,773.06	2,956.80
Other Comprehensive Income ('OCI')			
OCI not to be reclassified to profit or loss in subsequent periods:			
Remeasurement (losses) on defined benefit plans		(31.61)	(7.21)
Income tax effect		10.94	2.50
		(20.67)	(4.71)
Net (loss) on Fair Value Through Other Comprehensive Income ('FVTOCI') equity securities		(1.73)	(12.14)
Income tax effect		-	(0.70)
		(1.73)	(12.84)
Total OCI for the year, net of tax		(22.40)	(17.55)
Total comprehensive income for the year		3,750.66	2,939.25
Attributable to:			
Equity holders		3,750.66	2,939.25
Earnings per equity share			
[nominal value of share ₹10 (March 31, 2016: ₹10)]			
Basic		20.41	16.00
Diluted		20.36	15.98

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/E300004

Chartered Accountants

per **Kalpesh Jain**

Partner

Membership No. 106406

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

ICAI Firm registration number:

006263C

Chartered Accountants

per **Navin K. Gupta**

Partner

Membership No. 075030

For and on behalf of the Board of Directors of

D. B. Corp Limited

Sudhir Agarwal

Managing Director

Pawan Agarwal

Deputy Managing Director

P. G. Mishra

Chief Financial Officer

Anita Gokhale

Company Secretary

Place: Mumbai

Date: May 18, 2017

Place: Mumbai

Date: May 18, 2017

Place: Mumbai

Date: May 18, 2017

STATEMENT OF CHANGE IN EQUITY

as at and for the year ended March 31, 2017

Particulars	Equity share capital	Reserve and surplus					Items of OCI			Total equity
		Securities premium	General reserve	Stock option outstanding	Capital redemption reserve	Retained earnings	Remeasurement (losses) on defined benefit plans	Fair Value of Investment (net)	Total OCI	
As at April 1, 2015	1,836.49	2,451.61	420.67	39.97	0.01	8,685.42	-	-	-	13,434.17
Equity share issued on exercise of stock options during the year (Refer note 35)	0.90	21.36	-	(10.23)	-	-	-	-	-	12.03
Employee compensation cost net of forfeiture / lapse	-	-	0.81	39.98	-	-	-	-	-	40.79
Final dividend for the year ended March 31, 2015 [refer note 13 (e)]	-	-	-	-	-	(780.79)	-	-	-	(780.79)
Interim dividend for the year ended March 31, 2016 [refer note 13 (e)]	-	-	-	-	-	(1,239.91)	-	-	-	(1,239.91)
DDT on final and interim dividend [refer note 13 (e)]	-	-	-	-	-	(411.40)	-	-	-	(411.40)
Profit for the year	-	-	-	-	-	2,956.80	-	-	-	2,956.80
Others	-	-	-	-	-	-	(4.71)	(12.84)	(17.55)	(17.55)
As at March 31, 2016	1,837.39	2,472.97	421.48	69.72	0.01	9,210.12	(4.71)	(12.84)	(17.55)	13,994.14
Equity shares issued during the year (Refer note 35)	1.56	42.65	-	(25.93)	-	-	-	-	-	18.28
Employee compensation cost on exercise of stock options	-	-	-	50.65	-	-	-	-	-	50.65
Final dividend for the year ended March 31, 2016 [refer note 13 (e)]	-	-	-	-	-	(781.04)	-	-	-	(781.04)
Interim dividend for the year ended March 31, 2017 [refer note 13 (e)]	-	-	-	-	-	(735.45)	-	-	-	(735.45)
DDT on final and interim dividend [refer note 13 (e)]	-	-	-	-	-	(308.73)	-	-	-	(308.73)
Profit for the year	-	-	-	-	-	3,773.06	-	-	-	3,773.06
Others	-	-	-	-	-	-	(20.67)	(1.73)	(22.40)	(22.40)
As at March 31, 2017	1,838.95	2,515.62	421.48	94.44	0.01	11,157.96	(20.67)	(14.57)	(39.95)	15,988.51

(₹ in million)

2

Significant accounting policies

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/E300004

Chartered Accountants

Kalpesh Jain
Partner
Membership No. 106406

 Place: Mumbai
Date: May 18, 2017

For Gupta Navin K. & Co.
ICAI Firm registration number:
006263C

Chartered Accountants

per Navin K. Gupta
Partner
Membership No. 075030

 Place: Mumbai
Date: May 18, 2017

 For and on behalf of the Board of Directors of
D. B. Corp Limited
Sudhir Agarwal
Managing Director

Pawan Agarwal
Deputy Managing Director

P. G. Mishra
Chief Financial Officer

Anita Gokhale
Company Secretary

 Place: Mumbai
Date: May 18, 2017

CASH FLOW STATEMENT

for the year ended March 31, 2017

(₹ in million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	5,679.81	4,634.42
Adjustments to reconcile profit before tax to net cash flows		
Loss on sale / disposal of property, plant and equipment (net)	21.57	2.80
Finance costs	74.48	138.18
Finance income	(118.43)	(156.78)
Depreciation and amortisation expense	861.63	851.70
Net (gain) / loss on fair valuation of investment / sale of investment	(231.25)	25.17
Employee stock option scheme	50.65	40.78
Allowance for doubtful advances	68.80	6.60
Bad trade receivables written off	1.13	0.63
Allowance for impairment of trade receivables	84.21	94.37
Unrealised foreign exchange differences	(19.07)	70.57
Operating profit before working capital changes	6,473.53	5,708.44
Changes in working capital		
Increase in inventories	(312.41)	(272.76)
Increase in trade receivables	(487.48)	(505.55)
(Increase) / decrease in long-term loans and advances including investment properties	(225.71)	45.82
Increase in short-term loans and advances	(17.53)	(156.65)
Increase in other long-term liabilities	39.94	59.77
Increase / (decrease) in trade payables	108.24	(29.22)
(Decrease) / increase in other current liabilities	(242.23)	262.07
(Decrease) / increase in short-term provisions	(11.39)	16.92
(Increase) / decrease in prepayments	(11.05)	27.24
Cash flow generated from operations	5,313.91	5,156.08
Direct taxes paid	(1,940.91)	(1,746.33)
Net cash flow from operating activities (A)	3,373.00	3,409.75
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital work-in-progress and capital advances)	(540.24)	(1,992.37)
Proceeds from sale of property, plant and equipment	14.82	5.35
Proceeds from disposal of investment in Gitanjali Gems Ltd	411.51	55.00
Purchase of investments of DB Infomedia Pvt. Ltd	(68.01)	(10.00)
Fixed deposits with maturity period more than three months matured / (placed) (net)	9.37	(8.13)
Finance income	75.60	121.13
Net cash flow used in investing activities (B)	(96.95)	(1,829.01)

CASH FLOW STATEMENT

for the year ended March 31, 2017

(₹ in million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
C. CASH FLOW FROM FINANCING ACTIVITIES		
Long-term borrowing repaid	(272.17)	(268.45)
Short-term borrowing repaid	(880.91)	(513.30)
Short-term borrowing taken	581.43	871.30
Dividend paid	(1,517.87)	(2,018.47)
Dividend distribution tax ('DDT')	(308.73)	(411.40)
Finance cost	(56.00)	(120.86)
Proceeds from issue of shares under ESOS	18.28	12.02
Net cash flow used in financing activities (C)	(2,435.97)	(2,449.16)
Net increase / (decrease) in cash and cash equivalents (A)+(B)+(C)	840.08	(868.42)
Cash and cash equivalents at the beginning of the year	892.32	1,760.74
Cash and cash equivalents at the end of the year	1,732.40	892.32
Net increase / (decrease) in cash and cash equivalents	840.08	(868.42)
For details of components of cash and cash equivalents, refer note 12.		

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/E300004

Chartered Accountants

 per **Kalpesh Jain**

Partner

Membership No. 106406

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

ICAI Firm registration number:

006263C

Chartered Accountants

 per **Navin K. Gupta**

Partner

Membership No. 075030

For and on behalf of the Board of Directors of

D. B. Corp Limited
Sudhir Agarwal

Managing Director

Pawan Agarwal

Deputy Managing Director

P. G. Mishra

Chief Financial Officer

Anita Gokhale

Company Secretary

Place: Mumbai

Date: May 18, 2017

Place: Mumbai

Date: May 18, 2017

Place: Mumbai

Date: May 18, 2017

NOTES

to financial statements as at and for the year ended March 31, 2017

1. NATURE OF OPERATIONS

D. B. Corp Limited (“the Company”) is in the business of publishing newspapers, radio broadcasting, providing integrated internet and mobile interactive services and event management. The Company is a public limited company domiciled in India and was incorporated under the provisions of the Companies Act, 1956. The major brands in publishing business are ‘Dainik Bhaskar’ (Hindi daily), ‘Divya Bhaskar’ and ‘Saurashtra Samachar’ (Gujarati dailies), ‘Divya Marathi’ (Marathi daily), and ‘DB Post’ (English daily), and monthly magazines such as ‘Aha Zindagi’, ‘Bal Bhaskar’, etc. Presently, the Company’s radio station is on air in 30 cities under the brand name ‘My FM’. The frequency allotted to the Company’s radio station is 94.3. Internet business includes the websites dainikbhaskar.com, divyabhaskar.com, dailybhaskar.com, divyamarathi.com, and homeonline.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.

The financial statements comprise the financial statements of the Company for the year ended March 31, 2017. The Company’s registered office is at Plot No.280, Sarkhej-Gandhinagar Highway, Near YMCA Club, Makarba, Ahmedabad, Gujarat, India.

The financial statements for the year ended March 31, 2017 has been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 18, 2017.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of accounting and preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 under the provision of the Companies Act, 2013 (the ‘Act’) and subsequent amendments thereof.

For all periods up to and including the year ended March 31 ,2016, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended

March 31, 2017 are the first, Ind AS financial statements that the Company has prepared in accordance with Ind AS. Refer to note 3 for information on how the Company adopted Ind AS.

The financial statements are prepared on a going concern basis are presented in INR and all values are rounded to the nearest million ₹ (000,000) except when otherwise indicated. The financial statements have been prepared under the historical cost basis except for derivative financial instruments and certain other financial assets and liabilities that have been measured at fair value.

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The

NOTES

to financial statements as at and for the year ended March 31, 2017

Company has identified period of twelve months as its operating cycle.

2.2 Property, plant and equipment

Freehold land is carried at historical cost. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Capital work in progress is stated at cost. Capital work-in-progress comprises of plant and machinery, office equipment, electrical installation which are not ready to use and expenditure incurred for construction of building.

In respect of its interests in jointly controlled assets, the Company recognises its share of the jointly controlled assets in its financial statements, classifying the jointly controlled asset as per its nature.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

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.

2.3 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried

at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

2.4 Investment property

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

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

Depreciation on building component of investment property is calculated on a straight-line basis using the rate arrived at based on the useful life estimated by the management which is 60 years.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

NOTES

to financial statements as at and for the year ended March 31, 2017

2.5 Depreciation and amortisation

The Company provides depreciation on property, plant and equipment, investment properties 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 II to the Act. Further, Company provides amortisation of intangible asset using the straight line method at the rates computed based on the estimated useful lives of the assets as estimated by the management.

The Company has used the following lives to provide depreciation and amortisation:

Category	Useful lives (in years)
Factory buildings – freehold	30
Office buildings – freehold	60
Plant and machineries	15
Office equipment	5
Vehicles	8
Furniture and fixtures	10
Electrical Fittings, Fans and Coolers	10
Computers and servers	3 to 6
One time license Fees for radio stations	15
Computer software including ERP	5

Leasehold land and buildings are depreciated on a straight line basis over the period of lease specified in agreements restricted to the expected economic useful life of asset, i.e. lease period which ranges from 30 years to 99 years in case of leasehold land and up to 60 years in case of leasehold buildings. Leasehold improvements are depreciated 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.

The residual values, useful lives and methods of depreciation and amortisation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.6 Impairment of non- financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the

Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ('CGU') fair value less costs of disposal and its value in use. 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 Company of assets. When 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.

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

2.7 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Where the Company is the lessees

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

NOTES

to financial statements as at and for the year ended March 31, 2017

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 rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

2.8 Inventories

Inventories are valued as follows:

Raw materials (Newsprint and stores and spares) - Lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Finished goods (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 the estimated costs necessary to make the sale.

2.9 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. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Sales tax/ value added tax ('VAT') and service tax is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity / services by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Advertisement revenue

Revenue is recognised as and when advertisement is published in newspaper / aired on radio / displayed on website in accordance with the terms of the contract with customer and is disclosed net of trade discounts and service tax, wherever applicable.

Sale of newspapers, magazines, wastage 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 charges

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 taxes.

Income from event management

Revenue from event management is recognised as and when the event management services are rendered as per the terms of agreement.

Interest

For all debt instruments measured either at amortised cost, interest income is recorded using the effective interest rate ('EIR'). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Dividend Income

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

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2.10 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.

The receivable relating to property barter agreements is grouped as advance for properties and included under the head 'Other assets'.

2.11 Foreign currency transactions

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised as income or expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.12 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 expenses, 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 an insurance company to fund the gratuity liability. Under this scheme, the obligation to pay gratuity remains with the Company, although insurance company administers the scheme.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss - Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and net interest expense or income.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

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.

2.13 Income taxes

Current income tax

Current income tax liabilities are measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off

current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.14 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement, if any.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.15 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 arises from past events but 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.

2.16 Borrowing costs

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 the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. These exchange difference are presented in finance cost to the

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extent which the exchange loss does not exceed the difference between the cost of borrowing in functional currency when compared to the cost of borrowing in a foreign currency.

2.17 Earnings per equity share ("EPS")

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

2.18 Cash and cash equivalents

Cash and cash equivalent in the balance sheet and cash flow statement comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.19 Employee stock compensation cost

The cost of equity-settled transactions for unvested tranches of grants as at April 01, 2015 is determined by the fair value at the date when the grant is made using Black and Scholes valuation model. The cost is recognised, together with a corresponding increase in "Stock options outstanding" reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. 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 statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is disclosed under employee benefits expense.

No expense is recognised for awards that remain unvested because service conditions have not been met. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.20 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

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Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.21 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets.

Subsequent measurement

Financial assets at amortised cost

For purposes of subsequent measurement, financial assets are classified in three categories:

- Debt instruments at amortised cost
- Derivatives and equity instruments at Fair Value Through Profit or Loss ('FVTPL')
- Equity instruments measured at FVTOCI

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost using the effective interest rate ('EIR') method if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest ('SPPI') on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables, deposits and advances.

Derivative financial instrument

The Company uses forward currency contracts, to hedge its foreign currency risks. Such forward currency contracts are initially recognised at fair value on the date on which a forward currency contracts is entered into and as at balance sheet date any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in OCI subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit or loss.

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If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss on the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL at each reporting date, right from its initial recognition. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

As a practical expedient, the Company uses a provision matrix to determine impairment loss

allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives financial instruments, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

2.22 Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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Significant judgement

Operating lease commitments – Company as lessee

The Company has entered into commercial property leases for its offices and premises. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it does not retain all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Estimates

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes.

Share-based payments

The Company initially measures the cost of equity-settled transactions with employees using Black and Scholes model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets.

2.23 Recent accounting pronouncements

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from April 1, 2017.

Amendment to Ind AS 7

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The Company is evaluating the requirements of the amendment and the effect on the financial statement is being evaluated

Amendment to Ind AS 102

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance

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conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

The Company does not have any cash settled award as at March 31 2017.

3. FIRST TIME ADOPTION OF IND AS

These financial statements, for the year ended March 31, 2017, are the first Financial statements that the Company has prepared in accordance with Ind AS together with the comparative period data as at and for the year ended March 31, 2016. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2015, the Company's date of transition to Ind AS. This note explains the adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2015 and the financial statements as at and for the year ended March 31, 2016.

Following Exemptions and / or election applied to the Company for the first Ind AS financial statements

- (a) Ind AS 102 has not been applied to equity instruments in share-based payment transactions that vested before April 01, 2015.
- (b) The Company has designated unquoted equity instruments held at April 01, 2015 as FVTOCI investments.
- (c) The estimates at April 01, 2015 and at March 31, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:
 - a) FVTOCI – unquoted equity shares
 - b) FVTPL – quoted equity shares
 - c) FVTOCI – debt securities
 - d) Impairment of financial assets based on expected credit loss model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 01, 2015, the date of transition to Ind AS and as of March 31, 2016.

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Reconciliation of equity as per previous GAAP and Ind AS for year ended March 31, 2016 and as at April 01, 2015 is as under:

Particulars	Notes	(₹ in million)	
		March 31, 2016	April 01, 2015
Equity as per previous GAAP		13,485.36	12,864.81
Add:			
Dividends (including dividend distribution tax) not recognised as liability on declared basis	5	940.05	936.90
Finance income recognised on effective interest rate basis	6	68.53	73.01
Effect of measuring financial instruments at fair value through profit & loss and OCI	2	18.95	43.27
Deferred tax Impact on above adjustments (net)	9	28.81	14.80
Less:			
Exchange loss on long term foreign currency loan (net of related depreciation)	1	(241.84)	(220.64)
Rent recognised over lease period	6	(208.46)	(177.73)
Allowance on account of ECL	3	(88.80)	(88.80)
Income from corporate guarantee given	7	(8.81)	(11.45)
Others	4 and 8	0.35	-
Equity as per Ind AS		13,994.14	13,434.17

Reconciliation of total comprehensive income as previously reported under IGAAP to Ind AS

Particulars	Notes	(₹ in million)	
		March 31, 2016	
Net profit as per previous GAAP		3,002.49	
Add:			
Interest income recognised on effective interest rate basis	6	37.79	
Recognition of income on corporate guarantee given	7	2.64	
Exchange loss on long term foreign currency loan (Net of related depreciation)	1	(21.20)	
Actuarial loss on defined employee benefit plans recognised through OCI	10	7.21	
Others	4 and 8	0.84	
Less:			
Expense recognised on fair value of security and other deposits	6	(73.01)	
Gain (net) on fair valuation / sale of financial instruments	2	(12.17)	
Tax expense on above	9	12.21	
Net profit as per Ind AS		2,956.80	
OCI		(17.55)	
Total comprehensive income		2,939.25	

Notes:

- Under the previous GAAP, the Company capitalised exchange differences arising on translation / settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the respective asset and depreciated over the remaining life of the asset. Under Ind AS the exchange difference upto April 1, 2015 is adjusted against the opening balance of retained earnings and for subsequent periods it is recorded in the statement of profit and loss.
- As per Ind AS, equity instruments to be measured at fair value either through OCI or statement of profit and loss. The Company has designated all the equity investments as FVTOCI investments except for one of the investments which is designated as Fair Value through Profit and Loss ('FVTPL') as it was held for trading.
- Under the previous GAAP, the Company had created provision for impairment of receivables only in respect of specific amount for incurred losses. Under Ind AS 109, impairment allowance has been determined based on Expected Credit Loss model ('ECL').

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4. The fair value of foreign exchange forward contracts is recognised under Ind AS which was not recognised under the previous GAAP. Under the previous GAAP forward contracts were accounted under AS 11 whereby the premium was recognised to profit and loss over the period of the forward contract.
5. Under the previous GAAP, proposed dividends including DDT were recognised as a liability in the period to which they relate, irrespective of when they are declared. As per Ind AS, dividend is recognised in the period in which it is approved.
6. Under the previous GAAP, interest free lease security deposits (those are refundable on completion for the lease term) and other deposits were recorded at transactional values. Under Ind AS, these security deposits are recognised initially at the fair value. The difference between the fair value and the transaction value of these security deposits has been recognised as prepaid rent. Subsequently, these lease security deposits are measured at amortised cost using the effective interest rate ('EIR').
7. Under the previous GAAP, this financial guarantee was not recorded. As per Ind AS, the Company has recognised unearned income for financial guarantee under other financial liability.
8. Under the previous GAAP, the cost of ESOS were recognised using the intrinsic value method. Under Ind AS the cost of ESOS is recognised based on the fair value of the options as at the grant date only for options unvested as at transition date.
9. Adjustments to deferred taxes has been made in accordance, for the above mentioned line items.
10. OCI: Under previous GAAP, the Company has not presented OCI separately. Hence, it has reconciled previous GAAP profit to total comprehensive income as per Ind AS.
11. The transition from previous GAAP to Ind AS has not had a material impact on the statement of cash flows.
12. In line with the requirements of Ind AS the Company has reclassified certain assets and liabilities as at April 1, 2015 and March 31, 2016. These majorly includes reclassification between current and non-current investments, security deposits and prepayments, investments and investment properties

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4. PROPERTY, PLANT AND EQUIPMENTS

Particulars	(₹ in million)											
	Freehold land	Leasehold land	Freehold buildings	Leasehold buildings	Leasehold improvements	Plant and machinery (refer note 1 and 2 below)	Office equipments	Vehicles	Furniture and fixtures	Electric fittings, fans and coolers	Computers and servers	Total
Gross block value as at April 01, 2015	74.84	31.18	996.29	831.31	260.15	7,559.86	280.44	38.19	361.15	426.58	563.57	11,423.56
Additions during the year	-	125.57	38.18	3.09	32.24	440.62	29.43	8.33	23.36	55.17	61.88	817.87
Deletions during the year	-	-	0.01	-	-	9.93	4.25	0.35	1.98	0.20	29.72	46.44
Gross block value as at March 31, 2016	74.84	156.75	1,034.46	834.40	292.39	7,990.55	305.62	46.17	382.53	481.55	595.73	12,194.99
Additions during the year	-	-	11.14	4.57	35.40	323.35	27.45	13.10	19.26	21.86	57.50	513.63
Deletions during the year	-	-	0.01	-	2.53	45.32	7.82	4.77	3.70	2.61	13.98	80.74
Gross block value as at March 31, 2017	74.84	156.75	1,045.59	838.97	325.26	8,268.58	325.25	54.50	398.09	500.80	639.25	12,627.88
Accumulated depreciation as at April 01, 2015	-	3.22	146.97	40.28	78.81	2,513.35	184.83	21.32	175.53	154.36	402.71	3,721.38
Depreciation for the year	-	2.39	32.28	13.82	25.53	498.19	36.62	3.41	36.08	50.59	68.10	767.01
Accumulated depreciation on disposals	-	-	0.00	-	-	4.70	3.60	0.32	1.65	0.11	27.97	38.35
Accumulated depreciation as at March 31, 2016	-	5.61	179.25	54.10	104.34	3,006.84	217.85	24.41	209.96	204.84	442.84	4,450.04
Depreciation for the year	-	2.74	31.49	13.84	28.07	501.96	27.70	4.41	35.30	52.91	68.22	766.64
Accumulated depreciation on disposals	-	-	0.00	-	0.89	18.28	4.30	3.04	3.01	1.69	13.13	44.34
Accumulated depreciation as at March 31, 2017	-	8.35	210.74	67.94	131.52	3,490.52	241.25	25.78	242.25	256.06	497.93	5,172.34
Net block as at April 01, 2015	74.84	27.96	849.32	791.03	181.34	5,046.51	95.61	16.87	185.62	272.22	160.86	7,702.18
Net block as at March 31, 2016	74.84	151.14	855.21	780.30	188.05	4,983.71	87.77	21.76	172.57	276.71	152.89	7,744.95
Net block as at March 31, 2017	74.84	148.40	834.85	771.03	193.74	4,778.06	84.00	28.72	155.84	244.74	141.32	7,455.54

Notes:

- Expenses relating to construction or acquisition of property, plant and equipment capitalised during the year ₹ 33.23 million (March 31, 2016: ₹ 4.25 million and April 1, 2015: ₹ 2.10 million)
- Plant and machinery above includes common transmission infrastructure used in Radio business by the Company which are jointly controlled assets as at March 31, 2017:
Gross block - ₹ 165.07 million (March 31, 2016: ₹ 122.37 million and April 1, 2015: ₹ 122.37 million)
Net block - ₹ 69.56 million (March 31, 2016: ₹ 31.42 million and April 1, 2015: ₹ 35.30 million)
% of Ownership - 27.72% (March 31, 2016: 30.26% and April 1, 2015: 30.26%)
- For assets pledge refer note 14.

NOTES

to financial statements as at and for the year ended March 31, 2017

5. INVESTMENT PROPERTIES

Particulars	(₹ in million)		
	Land	Building	Total
Gross block value as at April 01, 2015	-	118.58	118.58
Additions during the year	4.57	148.21	152.78
Gross block value as at March 31, 2016	4.57	266.79	271.36
Additions during the year	21.68	209.94	231.62
Deletion during the year	-	10.21	10.21
Gross block value as at March 31, 2017	26.25	466.52	492.77
Accumulated depreciation as at April 01, 2015	-	2.29	2.29
Depreciation for the year	-	2.78	2.78
Accumulated depreciation as at March 31, 2016	-	5.07	5.07
Depreciation for the year	-	5.06	5.06
Accumulated depreciation on disposals	-	0.54	0.54
Accumulated depreciation as at March 31, 2017	-	9.59	9.59
Net block as at April 01, 2015	-	116.29	116.29
Net block as at March 31, 2016	4.57	261.72	266.29
Net block as at March 31, 2017	26.25	456.93	483.18

Information regarding income and expenditure of investment properties

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Rental income derived from investment properties	1.31	0.11
Profit arising from investment properties before depreciation and indirect expenses	1.31	0.11
Less – Depreciation	5.06	2.78
Profit arising from investment properties before indirect expenses	(3.75)	(2.67)

The investment properties consist of commercial and residential properties based on the management's assessment of the nature, characteristics and risks of each property. As at March 31, 2017 the fair values of the properties are ₹ 512.21 million. These valuations are based on valuation performed by an accredited independent valuer. The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

NOTES

to financial statements as at and for the year ended March 31, 2017

6. INTANGIBLE ASSETS

(₹ in million)

Particulars	One time license fees	Computer software-including ERP	Total
Gross block value as at April 01, 2015	512.20	189.14	701.34
Additions during the year	733.29	35.74	769.03
Deletion during the year	0.07	-	0.07
Gross block value as at March 31, 2016	1,245.42	224.88	1,470.30
Additions during the year	322.49	8.61	331.10
Gross block value as at March 31, 2017	1,567.91	233.49	1,801.40
Accumulated amortisation as at April 01, 2015	402.40	85.55	487.95
Amortisation for the year	56.20	25.72	81.92
Accumulated amortisation on disposals	-	-	-
Accumulated amortisation as at March 31, 2016	458.60	111.27	569.87
Amortisation for the year	63.35	26.58	89.93
Accumulated amortisation as at March 31, 2017	521.95	137.85	659.80
Net block as at April 01, 2015	109.80	103.59	213.39
Net block as at March 31, 2016	786.82	113.61	900.43
Net block as at March 31, 2017	1,045.96	95.64	1,141.60

Financial Assets

7. INVESTMENTS

(₹ in million)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
A. Investments in subsidiaries (Unquoted, fully paid up, valued at cost):			
(i) Investment in equity shares:			
Nil (March 31, 2016: 1,122,914 and April 01, 2015: 1,122,914) equity shares of ₹ 10 each of I Media Corp Limited	-	10.96	10.96
1,050,500 (March 31, 2016: 45,500 and April 01, 2015: 45,500) equity shares of ₹ 10 each of DB Infomedia Private Limited	10.46	0.46	0.46
(ii) Investment in preference shares:			
681,000 (March 31, 2016: 1,000 and April 01, 2015: 1,000), 7.5 % redeemable preference shares of ₹ 100 each of DB Infomedia Private Limited	68.10	0.10	0.10
(iii) Investment in debentures:			
Nil (March 31, 2016: 1,000,000 and April 01, 2015: Nil) 0.01 % compulsorily convertible debentures of ₹ 10 each of DB Infomedia Private Limited	-	10.00	-

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to financial statements as at and for the year ended March 31, 2017

Particulars	(₹ in million)		
	March 31, 2017	March 31, 2016	April 01, 2015
B. Non - current investments at fair value through OCI (fully paid):			
(a) Quoted investments in equity shares:			
300,000 (March 31, 2016: 300,000 and April 01, 2015: 300,000) equity shares of ₹ 10 each of Ajcon Global Services Limited	5.70	6.48	5.82
52,136 (March 31, 2016: 52,136 and April 01, 2015: 52,136) equity shares of ₹ 10 each of Everonn Education Limited	0.63	1.06	1.17
5,340,000 (March 31, 2016: 5,340,000 and April 01, 2015: 5,340,000) equity shares of ₹ 5 each of DMC Education Limited	3.74	4.27	3.36
665,863 (March 31, 2016: 665,863 and April 01, 2015: Nil) equity shares of ₹ 10 each of Timbor Home Limited	-	-	-
(b) Unquoted investments:			
(i) Investment in equity shares:			
100,000 (March 31, 2016: 100,000 and April 01, 2015: 100,000) equity shares of ₹ 10 each of Dwarkas Gems Limited	-	-	-
375,000 (March 31, 2016: 375,000 and April 01, 2015: 375,000) equity shares of ₹ 10 each of Arvind Coirfoam Private Limited	-	-	-
325,000 (March 31, 2016: 325,000 and April 01, 2015: 325,000) equity shares of ₹ 10 each of Micro Secure Solution Limited	-	-	-
81,085 (March 31, 2016: 81,085 and April 01, 2015: 81,085) equity shares of ₹ 10 each of Naaptol Online Shopping Private Limited	221.77	221.77	221.77
486,825 (March 31, 2016: 486,825 and April 01, 2015: 486,825) equity shares of ₹ 10 each of Neesa Leisure Limited	13.10	13.10	23.10
140,000 (March 31, 2016: 140,000 and April 01, 2015: 140,000) equity shares of ₹ 10 each of Trophic Wellness Private Limited	11.01	11.01	11.01
1,100,917 (March 31, 2016: 1,100,917 and April 01, 2015: 1,100,917) equity shares of ₹ 1 each of Abbee Consumables and Peripherals Sshope Limited	-	-	-
2,434 (March 31, 2016: 2,434 and April 01, 2015: 2,434) equity shares of ₹ 10 each of Koochie Play Systems Private Limited	13.37	13.37	13.37
100 (March 31, 2016: 100 and April 01, 2015: 100) equity shares of ₹ 100 each of United News of India	0.01	0.01	0.01

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to financial statements as at and for the year ended March 31, 2017

Particulars	(₹ in million)		
	March 31, 2017	March 31, 2016	April 01, 2015
10 (March 31, 2016: 10 and April 01, 2015: 10) equity shares of ₹ 100 each of Press Trust of India	0.00	0.00	0.00
(ii) Investment in debentures and warrants: (fully paid)			
200,000 (March 31, 2016: 200,000 and April 01, 2015: 200,000), Zero % fully convertible debentures of ₹ 100 each of Cubit Computers Private Limited	-	-	-
700,935 (March 31, 2016: 700,935 and April 01, 2015: 700,935) convertible warrants of ₹ 53.50 of Edserv Softsystems Limited	-	-	-
1 (March 31, 2016: 1 and April 01, 2015: 1), Zero % fully convertible debenture of ₹ 8,500,000 each of Roxton (Italy) Clothing Private Limited	-	-	-
Nil (March 31, 2016: Nil and April 01, 2015: 1), Zero % fully convertible debenture of ₹ 25,500,000 each of Timbor Home Limited	-	-	3.60
Total non - current investments	347.89	292.59	294.73
C. Current investments at fair value through statement of profit and loss (fully paid):			
(a) Quoted investment in equity shares:			
Nil (March 31, 2016: 5,201,055 and April 01, 2015: 6,054,960) equity shares of ₹ 10 each of Gitanjali Gems Limited	-	169.29	249.46
	347.89	461.88	544.19
Aggregate book value amount of quoted investments	10.07	181.09	259.81
Aggregate market value of quoted investments	10.07	181.09	259.81
Aggregate amount of unquoted investments	337.82	280.79	284.38

Investments at fair value through OCI and statement of profit and loss reflect investment in quoted and unquoted equity and debt securities. Investment in subsidiaries is carried at cost. Refer note 38 for determination of their fair values.

8. OTHER FINANCIAL ASSETS

(Unsecured considered good unless stated otherwise)

Particulars	(₹ in million)					
	Non-current			Current		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Deposit for lease of properties [refer note 28 (b)]	142.82	129.91	113.44	-	-	-
Inter-corporate deposit placed	-	-	322.00	300.00	322.00	200.00
Other bank deposits with original maturity of more than 3 months but less than 12 months	-	-	-	0.03	8.00	2.25
Deposits with original maturity of more than 12 months	2.16	2.18	2.03	-	-	-
Advances to subsidiaries	-	-	-	4.12	38.39	9.56
	144.98	132.09	437.47	304.15	368.39	211.81

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to financial statements as at and for the year ended March 31, 2017

9. OTHER ASSETS

(Unsecured, considered good unless stated otherwise)

(₹ in million)

Particulars	Non-current			Current		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
(a) Capital advances						
Advances for capital goods	56.51	122.20	114.91	-	-	-
(b) Advances for properties						
Considered good	757.15	764.42	685.31	-	-	-
Unsecured considered doubtful	142.40	77.60	71.00	-	-	-
	899.55	842.02	756.31	-	-	-
Less: impairment allowance for doubtful advances	142.40	77.60	71.00	-	-	-
	757.15	764.42	685.31	-	-	-
(c) Other deposits						
Deposit with suppliers and others	404.31	358.59	336.42	-	-	-
(d) Loans and advances to related parties [refer note 28 (b)]						
Advances recoverable in cash or kind or for value to be received	-	-	-	38.66	26.21	39.12
(e) Other loans and advances						
Deposit with government authorities	88.81	86.29	57.34	-	-	-
Balances with statutory / government authorities	5.31	14.50	-	-	5.16	-
Advances to employees	-	-	-	25.61	26.00	21.17
Unsecured considered doubtful						
Advances recoverable in cash or kind or for value to be received	1.10	2.19	2.19	-	-	-
	95.22	102.98	59.53	25.61	31.16	21.17
Less: Impairment Allowance for doubtful advances	1.10	2.19	2.19	-	-	-
	94.12	100.79	57.34	25.61	31.16	21.17
Total other assets	1,312.09	1,346.00	1,193.98	64.27	57.37	60.29

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

(₹ in million)

Particulars	Non-current			Current		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Firm in which directors are partners*						
R.C. Printer	17.90	17.90	17.90	-	-	-
Private companies in which directors are members*						
Writers and Publishers Private Limited	1,473.70	1,473.70	1,473.70	0.01	-	-
Bhaskar Publication and Allied Industries Private Limited	0.40	0.40	0.40	38.54	26.21	38.18
DB Malls Private Limited	1.46	1.46	1.10	-	-	0.94
Bhaskar Industries Private Limited	1.62	1.62	1.62	0.03	-	-
DB Power Limited	-	-	-	0.08	-	-
Bhaskar Infrastructure Private Limited	11.60	11.60	11.60	-	-	-

*These represents amount paid at not amortised cost.

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to financial statements as at and for the year ended March 31, 2017

10. INVENTORIES

Particulars	(₹ in million)		
	March 31, 2017	March 31, 2016	April 01, 2015
Raw materials (at cost)			
Newsprint*	1,624.66	1,326.68	1,099.71
Finished goods	3.77	4.40	4.09
Stores and spares	358.70	343.64	298.16
	1,987.13	1,674.72	1,401.96

* Amount includes newsprint in transit of ₹ 259.41 (March 31, 2016: ₹ 204.72, April 01, 2015: ₹ 173.64)

11. TRADE RECEIVABLES

(Unsecured, considered good unless stated otherwise)

Particulars	(₹ in million)		
	March 31, 2017	March 31, 2016	April 01, 2015
Outstanding for a period exceeding six months from the date they are due for payment			
Considered good	580.74	330.44	219.53
Considered doubtful	467.68	439.41	394.18
	1,048.42	769.85	613.71
Less: Impairment allowance for trade receivables	467.68	439.41	394.18
	580.74	330.44	219.53
Other receivables			
Considered good	3,593.01	3,441.17	3,141.53
	4,173.75	3,771.61	3,361.06

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).

Trade receivables are non-interest bearing and generally on terms of 30 - 90 days.

12. CASH AND CASH EQUIVALENTS

Particulars	(₹ in million)		
	March 31, 2017	March 31, 2016	April 01, 2015
Balances with banks			
On current account	671.00	507.71	584.95
Deposits with original maturity of less than 3 months	751.05	1.01	866.48
Cheques on hand / transit	294.10	328.55	287.34
Cash on hand	16.25	55.05	21.97
	1,732.40	892.32	1,760.74
Other bank balances:			
Unclaimed dividend accounts	0.90	2.28	0.05
	1,733.30	894.60	1,760.79

Short-term deposits are made for varying periods of one day to three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

NOTES

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13. SHARE CAPITAL

Particulars	March 31, 2017		March 31, 2016		April 01, 2015	
	Nos. in million	₹ in million	Nos. in million	₹ in million	Nos. in million	₹ in million
Authorised shares						
a. Equity shares:						
At the end of the year	24.90	2,490.00	24.90	2,490.00	24.90	2,490.00
b. Preference shares:						
At the end of the year	0.01	10.00	0.01	10.00	0.01	10.00
Total authorised share capital (a+b)	24.91	2,500.00	24.91	2,500.00	24.91	2,500.00

Issued, subscribed and fully paid-up share capital

Particulars	March 31, 2017		March 31, 2016		April 01, 2015	
	Nos. in million	₹ in million	Nos. in million	₹ in million	Nos. in million	₹ in million
Equity shares						
At the beginning of the year	183.74	1,837.39	183.65	1,836.49	183.65	1,836.49
Issued during the year for exercise of stock option	0.16	1.56	0.09	0.90	-	-
Total issued, subscribed and fully paid-up share capital	183.90	1,838.95	183.74	1,837.39	183.65	1,836.49

(₹ in million)

(a) Terms/ rights attached to each class of shares

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.

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, if any. The distribution will be in proportion to the number of equity shares held by shareholders.

(b) 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:

Particulars	(Nos. in million)		
	March 31, 2017	March 31, 2016	April 01, 2015
Equity shares:			
Allotted as fully paid up pursuant to Employee Stock Option Schemes ('ESOS')	0.59	0.46	0.40

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

Name of shareholders	March 31, 2017		March 31, 2016		April 01, 2015	
	Nos. in million	% of holding	Nos. in million	% of holding	Nos. in million	% of holding
Equity shares of ₹ 10 each fully paid						
Pawan Agarwal	8.27	4.50	25.15	13.69	25.15	13.69
Sudhir Agarwal	8.27	4.50	23.68	12.89	23.68	12.89
Girish Agarwal	8.27	4.50	22.08	12.02	22.08	12.02
Peacock Trading and Investments Private Limited	89.79	48.83	18.55	10.10	18.55	10.10
Nalanda India Equity Fund Limited	14.99	8.15	14.99	8.16	14.58	7.94
Bhaskar Infrastructure Private Limited	-	-	12.11	6.59	12.11	6.60

NOTES

to financial statements as at and for the year ended March 31, 2017

(d) Shares reserved for issue under options

For detail of shares reserved for issue under the ESOS of the Company (refer note 35).

(e) Distribution made and proposed

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Cash dividends on equity shares declared and paid:		
Final dividend* (March 31, 2016: ₹ 4.25 per share) (March 31, 2015: ₹ 4.25 per share)	781.04	780.79
DDT on final dividend	159.01	156.11
Interim dividend (March 31, 2017: ₹ 4.00 per share) (March 31, 2016: ₹ 6.75 per share)	735.45	1,239.91
DDT on interim dividend	149.72	255.29
	1,825.22	2,432.10

*Final dividend represent ₹ 4.25 per share for the year ended March 31, 2015 and March 31, 2016 proposed by the board in respective years and approved by the shareholders during the year ended March 31, 2016 and March 31, 2017 respectively.

Financial liabilities

14. BORROWINGS

Particulars	(₹ in million)					
	Non-current portion			Current maturities		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
(A) Long-term borrowings						
Foreign currency loans from financial institution (secured) (refer (a) below)	-	253.38	475.01	247.70	252.04	236.85
The above amount includes						
Amount disclosed under the head "Other financial liabilities" (refer note 15)	-	-	-	(247.70)	(252.04)	(236.85)
	-	253.38	475.01	-	-	-

Particulars	(₹ in million)		
	March 31, 2017	March 31, 2016	April 01, 2015
(B) Short-term borrowings			
Secured			
Cash credit facilities availed during the year [refer note (b) below]	-	299.37	-
Buyers' credit from banks [refer note (c) (i) below]	287.68	331.73	477.38
	287.68	631.10	477.38
Unsecured			
Buyers' credit from banks [refer note (c) (ii) below]	273.51	236.28	-
	273.51	236.28	-
Total short-term borrowings	561.19	867.38	477.38

Foreign currency loans from financial institution

(a) Agco Finance GmbH:

The loan carries interest rate @ LIBOR plus 0.68% repayable in equal 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. As at March 31, 2017 the installments are due on August, 2017 and February, 2018 respectively.

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to financial statements as at and for the year ended March 31, 2017

(b) Cash credit facilities:

Cash credit facilities from banks are secured by first pari-passu charge on the entire current assets and second pari-passu charge on the entire movable fixed assets of the Company with other consortium bankers. The cash credit is repayable on demand with interest rates ranging between 9.75% p.a. and 10.00% p.a. (March 31, 2016: between 9.10% p.a. and 10.50% p.a.)

(c) Buyers' credit facilities:

- (i) Secured buyers' credit facilities from banks are secured by first charge on the current assets and second charge on moveable fixed assets of the Company with other consortium bankers. Interest rates for buyers' credit are multiline rates ranging between 1.38% p.a. and 1.72% p.a. (March 31, 2016: between 0.91% p.a. & 1.44% p.a. and April 01, 2015: between 0.66% p.a. & 1.09% p.a.) (as mutually agreed). They are repayable within 90 to 180 days
- (ii) Interest rates for unsecured buyers' credits are multiline rates ranging between 1.41% p.a. and 1.82% p.a. (March 31, 2016: between 0.88% p.a. & 1.39% p.a. and April 01, 2015: between 0.80% p.a. & 0.99% p.a.) (as mutually agreed). They are repayable within 90 to 180 days.

15. OTHER FINANCIAL LIABILITIES

Particulars	(₹ in million)					
	Non-current			Current		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Other current liabilities						
Current maturities of long-term borrowings (refer note 14)	-	-	-	247.70	252.04	236.85
Security deposits from newspaper agencies	481.78	439.64	377.48	53.53	48.85	41.94
Interest accrued but not due on borrowings	-	-	-	23.64	21.07	19.66
Liabilities for forward contracts	-	-	-	7.38	2.34	-
Bank Guarantee Commission	4.22	6.41	8.80	2.19	2.40	2.63
Payables for purchase of capital goods	-	-	-	15.94	22.10	6.22
Accrued expenses	-	-	-	817.26	935.18	660.85
Unclaimed dividend*	-	-	-	0.90	2.28	0.05
	486.00	446.05	386.28	1,168.54	1,286.26	968.20

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

16. DEFERRED TAX LIABILITIES (NET)

Particulars	(₹ in million)		
	Balance Sheet		
	March 31, 2017	March 31, 2016	April 01, 2015
Deferred tax liabilities			
Depreciation	1,086.29	1,073.96	1,027.08
Fair value of investment	38.99	38.99	38.29
Gross deferred tax liability	1,125.28	1,112.95	1,065.37
Deferred tax assets			
Allowance for doubtful trade receivables and advances	214.46	181.24	158.86
Provision for gratuity and compensated absences	91.42	88.87	61.68
Others	38.40	29.84	27.65
Gross deferred tax assets	344.28	299.95	248.19
Deferred tax liabilities (net)	781.00	813.00	817.18

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to financial statements as at and for the year ended March 31, 2017

Deferred tax reconciliation

Particulars	₹ in million	
	March 31, 2017	March 31, 2016
Opening balance	813.00	817.18
Tax during the year recognised in statement of profit and loss	(21.05)	(2.38)
Tax during the year recognised in OCI	(10.95)	(1.80)
Closing balance	781.00	813.00

Tax reconciliation

Particulars	₹ in million	
	March 31, 2017	March 31, 2016
Accounting profit before income tax	5,679.81	4,634.42
At statutory income tax rate of 34.608% (March 31, 2016: 34.608%)	1,965.67	1,603.88
Effect of changes in tax rate	-	2.90
Effect of Non-deductible expenses	35.97	26.13
Effect of items not taxable as business income	(94.89)	44.71
At the effective income tax rate of 33.57% (March 31, 2016: 36.20%)	1,906.75	1,677.62
Income tax expense reported in the statement of profit and loss	1,906.75	1,677.62

17. PROVISIONS

Particulars	₹ in million		
	March 31, 2017	March 31, 2016	April 01, 2015
Provision for employee benefits			
For gratuity (refer note 34)	123.99	112.48	94.80
For compensated absences	94.46	90.78	86.67
	218.45	203.26	181.47

18. OTHER LIABILITIES

Particulars	₹ in million		
	March 31, 2017	March 31, 2016	April 01, 2015
Other payables			
Advances from customers (refer note below)	261.25	347.17	428.69
Statutory liabilities	77.25	73.11	57.55
Other liabilities	-	47.00	-
	338.50	467.28	486.24

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. The unutilised portion of advertisement advances received from these parties as at March 31, 2017 amounting to ₹ 29.89 million (March 31, 2016: ₹ 146.26 million and April 01, 2015: ₹ 299.18 million) is included in 'Advance from customers'.

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to financial statements as at and for the year ended March 31, 2017

19. REVENUE FROM OPERATIONS

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Sale of products		
Sale of newspapers	4,766.37	4,312.23
Sale of magazines	47.53	43.65
	4,813.90	4,355.88
Sale of services		
Advertisement revenue	15,974.12	14,813.46
Printing job charges	1,190.40	1,049.37
	17,164.52	15,862.83
Other operating revenue		
Income from event management	113.58	47.23
Sale of power	4.57	4.10
Net gain / (loss) on fair valuation of investment / sale of investment	231.25	(25.17)
Sale of wastage arising during printing activity	246.45	237.33
	595.85	263.49
Total revenue from operations	22,574.27	20,482.20

20. OTHER INCOME

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Excess liabilities / provisions written back	28.99	49.24
Miscellaneous income	24.71	35.78
	53.70	85.02

21. FINANCE INCOME

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Interest income from:		
Bank deposits	38.15	62.38
Financial assets measured at amortised cost using 'EIR' basis	40.93	37.79
Others	39.35	56.61
	118.43	156.78

22. COST OF RAW MATERIAL CONSUMED

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Newsprint		
Opening inventories	1,326.68	1,099.71
Add: Purchases during the year	6,906.05	6,413.64
	8,232.73	7,513.35
Less: Closing inventories	1,624.66	1,326.68
	6,608.07	6,186.67

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to financial statements as at and for the year ended March 31, 2017

23. EMPLOYEE BENEFIT EXPENSES

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Salaries, wages and bonus	3,804.12	3,469.18
Contribution to provident fund and other contribution plans	205.13	186.95
Employee stock option scheme (refer note 35)	50.65	40.78
Gratuity expenses (refer note 34)	40.66	45.47
Workmen and staff welfare expenses	178.17	155.65
	4,278.73	3,898.03

24. DEPRECIATION AND AMORTISATION EXPENSES

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Depreciation of property, plant and equipment (refer note 4)	766.64	767.01
Depreciation of intangible assets (refer note 6)	89.93	81.92
Depreciation of investment properties (refer note 5)	5.06	2.78
	861.63	851.71

25. FINANCE COSTS

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Interest expense:		
On term loans	7.78	8.52
On banks	10.24	11.17
On others	39.39	36.56
Total interest expenses	57.41	56.25
Foreign exchange difference considered as borrowing cost	17.07	81.93
	74.48	138.18

26. OTHER EXPENSES

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Consumption of stores and spares	1,009.60	1,132.21
Advertisement and publicity	420.07	412.89
Electricity and water charges	416.60	394.71
Rent [refer note 30 (a)]	342.23	316.32
Distribution expenses	307.77	318.76
Repair and maintenance		
Plant and machinery	312.59	257.10
Building	20.47	17.22
Others	69.90	68.44
Traveling and conveyance	244.00	227.56
Business promotion expenses	224.58	260.03
News collection charges	201.10	188.05
Legal and professional charges [refer note 33 (a) and (b)]	185.96	153.77
Survey expenses	146.05	138.01
Event expenses	120.28	47.34
Subcontract charges	101.41	57.83
Corporate social responsibility activities expenditure	73.58	46.15
Printing job work charges	68.97	49.92
Communication expenses	66.27	61.98

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to financial statements as at and for the year ended March 31, 2017

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
License fees	64.95	56.05
Insurance	24.10	23.54
Loss on sale / disposal of property, plant and equipment (net)	21.57	2.80
Royalty [Refer note 29 (a)]	13.64	60.72
Rates and taxes	11.63	1.73
Bad trade receivables written off	57.06	
Less: Already provided	(55.93)	0.63
Impairment allowance for trade receivables	84.21	94.37
Impairment allowance for doubtful advances	68.80	6.60
Miscellaneous expenses	654.09	595.45
	5,275.55	4,990.18

27. EARNINGS PER EQUITY SHARE ('EPS')

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Profit for the year	3,750.66	2,939.25
Weighted average number of equity shares outstanding for basic EPS (no. in million)	183.81	183.70
Effect of dilution:		
On account of shares to be issued under ESOS (no. in million)	0.40	0.28
Weighted average number of Equity Shares outstanding for diluted EPS (no. in million)	184.21	183.98
Nominal value of share (₹)	10.00	10.00
Basic Earnings per share (₹)	20.41	16.00
Diluted Earnings per share (₹)	20.36	15.98

28. (a) Related party disclosures:

Following is the list of related parties:

Particulars	Related Parties
Related parties with whom transactions have taken place during the year	
Related parties where control exists:	I Media Corp Limited DB Infomedia Private Limited
Key Management Personnel	Shri Sudhir Agarwal, Managing Director Shri Pawan Agarwal, Deputy Managing Director Shri Girish Agarwal, Director Shri P.G. Mishra, Chief Financial Officer Smt Anita Gokhale, Company Secretary
Relatives of Key Management Personnel	Late Shri Ramesh Chandra Agarwal, Director (Father of Shri Sudhir Agarwal, Shri Girish Agarwal and Shri Pawan Agarwal) Smt Kasturi Devi Agarwal (Grand Mother of Shri Sudhir Agarwal, Shri Girish 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)

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to financial statements as at and for the year ended March 31, 2017

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 Publications and Allied Industries Private Limited Bhaskar Infrastructure Private Limited Bhaskar Industries Private Limited Decore Exxoils Private Limited Bhaskar Venkatesh Products Private Limited DB Malls Private Limited DB Power Limited DB Infrastructures Private Limited R.C. Printers Writers and Publishers Private Limited Deligent Hotel Corporation Private Limited Peacock Trading and Investments Private Limited Dev Fiscal Services Private Limited Stitex Global Limited Bhopal Financial Services Private Limited Aarkey Investments Private Limited Divya Dev Developers Private Limited Divine Housing Development Company Private Limited Sharda Solvent Limited
Independent directors	Shri Kailash Chandra Chowdhary (upto October 19, 2016) Shri Piyush Pandey Shri Harish Bijoor Shri Ashwani Kumar Singhal Shri Navin Kumar Kshatriya Smt Anupriya Acharya

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. These transactions are approved by the audit committee of board of directors. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. The Company has not recorded any impairment of receivables relating to amounts owed by related parties during the year ended March 31, 2017, March 31, 2016 and April 01, 2015. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

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to financial statements as at and for the year ended March 31, 2017

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

Particulars	(₹ in million)			
	Transactions for the year ended		Amount receivable / (payable) as at	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Advertisement revenue				
Abhivyakti Kala Kendra	0.06	0.16	0.18	0.18
Bhaskar Venkatesh Products Private Limited	5.74	4.66	0.64	3.14
DB Malls Private Limited	3.08	8.28	-	*
DB Power Limited	0.55	0.50	0.10	0.11
Deligent Hotel Corporation Private Limited	2.50	0.23	2.18	1.97
I Media Corp Limited	1.56	1.46	1.07	0.69
R.C. Printers	-	*	-	-
Aarkey Investments Private Limited	-	-	*	*
Divine Housing Development Company Private Limited	0.32	0.81	0.08	0.11
Divya Dev Developers Private Limited	3.48	2.57	1.68	0.65
DB Infrastructures Private Limited	4.40	4.52	13.82	12.04
Bhaskar Publications and Allied Industries Private Limited	19.38	18.08	0.09	0.51
Decore Exxoils Private Limited	-	*	*	*
Bhaskar Industries Private Limited	0.02	-	-	-
Sale of magazines				
Bhaskar Publications and Allied Industries Private Limited	0.13	0.13	0.23	0.09
Printing job charges (income)				
Bhaskar Publications and Allied Industries Private Limited	3.25	3.48	2.12	0.37
DB Infrastructures Private Limited	-	0.38	0.47	1.55
Divya Dev Developers Private Limited	1.00	-	0.98	-
Compensation of key management personnel of the Company				
Shri Sudhir Agarwal	6.75	6.00	-	-
Shri Pawan Agarwal	6.00	4.80	-	-
Shri P.G. Mishra (including perquisite value of shares issued under ESOS)	20.04	17.79	-	-
Short-term employee benefits	0.19	0.19	-	-
Share-based payment transactions	1.72	1.24	-	-
Smt Anita Gokhale	1.53	1.46	-	-
Rent income				
Bhaskar Publications and Allied Industries Private Limited	3.06	3.02	-	-
Rent paid				
Bhaskar Industries Private Limited	0.18	0.17	-	-
Bhaskar Infrastructure Private Limited	4.01	3.99	-	-
Bhaskar Publications and Allied Industries Private Limited	0.15	0.14	-	-
R.C. Printers	15.87	15.74	-	-
Writers and Publishers Private Limited	66.72	66.16	-	-
DB Malls Private Limited	4.50	2.86	(0.02)	-
Decore Exxoils Private Limited	5.03	6.25	-	-

* Represents balance below ₹ 10,000

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to financial statements as at and for the year ended March 31, 2017

(₹ in million)

Particulars	Transactions for the year ended		Amount receivable / (payable) as at	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Advertisement and publicity expenses				
Abhiviyakti Kala Kendra	0.06	0.06	-	-
Bhaskar Publications and Allied Industries Private Limited	23.22	23.77	0.14	-
DB Malls Private Limited	0.65	1.03	-	-
Deligent Hotel Corporation Private Limited	-	1.11	(0.70)	-
Interest income from loans to subsidiary				
DB Infomedia Private Limited	4.02	1.60	3.67	1.44
Legal and professional charges				
DB Malls Private Limited	-	5.49	-	-
Meeting and hotel lodging charges				
Deligent Hotel Corporation Private Limited	8.47	1.94	(0.23)	-
Amount received on issue of shares under ESOS				
Shri P.G. Mishra	0.64	0.61	-	-
Sale of property, plant and equipment				
Bhaskar Publications and Allied Industries Private Limited	0.01	0.08	-	-
Sharda Solvent Limited	-	1.68	-	-
Purchase of property, plant and equipment				
DB Malls Private Limited	-	0.81	-	-
Bhaskar Publications and Allied Industries Private Limited	0.03	0.37	-	-
DB Power Limited	-	1.15	-	-
Abhiviyakti Kala Kendra	-	0.05	-	-
Purchase of goods				
Bhaskar Venkatesh Products Private Limited	-	2.70	-	(2.70)
Bhaskar Industries Private Limited	2.41	-	0.03	-
Advertisement advance repaid				
Writers and Publishers Private Limited	-	-	(12.29)	(12.29)
Security deposit given against lease of properties				
Writers and Publishers Private Limited	-	-	1,473.70	1,473.70
R.C. Printers	-	-	17.90	17.90
Bhaskar Infrastructure Private Limited	-	-	11.60	11.60
Bhaskar Publications and Allied Industries Private Limited	-	-	0.40	0.40
Bhaskar Industries Private Limited	-	-	1.62	1.62
DB Malls Private Limited	0.56	0.37	2.03	1.46

* Represents balance below ₹ 10,000

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to financial statements as at and for the year ended March 31, 2017

Particulars	(₹ in million)			
	Transactions for the year ended		Amount receivable / (payable) as at	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Security deposit received				
Bhaskar Publications and Allied Industries Private Limited	-	-	(10.00)	(10.00)
News print given				
Bhaskar Publications and Allied Industries Private Limited	29.48	19.58	36.21	26.21
Amount paid towards subscription of preference shares				
DB Infomedia Private Limited	68.00	-	-	-
Amount paid towards subscription of 0.01% Compulsorily Convertible Debenture				
DB Infomedia Private Limited	-	10.00	-	-
Loan & Advances given to / (Repaid by) Party				
DB Infomedia Private Limited	19.50	36.90	-	36.90
DB Infomedia Private Limited	(56.40)	-	-	-
Dividend paid				
Bhaskar Infrastructure Private Limited	99.93	133.24	-	-
Bhaskar Publications and Allied Industries Private Limited	24.90	33.20	-	-
Bhopal Financial Services Private Limited	46.67	62.23	-	-
Dev Fiscal Services Private Limited	13.69	18.25	-	-
Peacock Trading and Investments Private Limited	153.03	204.04	-	-
Shri Girish Agarwal	182.18	242.90	-	-
Smt Jyoti Agarwal	40.82	54.43	-	-
Shri Pawan Agarwal	207.46	276.62	-	-
late Shri Ramesh Chandra Agarwal	7.60	10.14	-	-
Shri Sudhir Agarwal	195.33	260.44	-	-
Smt Kasturi Devi Agarwal	0.82	1.10	-	-
Smt Namita Agarwal	53.97	71.96	-	-
Smt Nitika Agarwal	28.69	38.25	-	-
Stitex Global Limited	4.95	6.60	-	-
Director's sitting fees				
late Shri Ramesh Chandra Agarwal	0.04	0.08	-	-
Shri Girish Agarwal	0.08	0.06	-	-
Shri Kailash Chandra Chowdhary	0.05	0.24	-	-
Shri Piyush pandey	0.16	0.05	-	-
Shri Harish Bijoor	0.06	0.10	-	-
Shri Ashwani Kumar Singhal	0.21	0.21	-	-
Shri Naveen Kumar Kshatriya	0.04	-	-	-
Smt Anupriya Acharya	0.07	-	-	-
Balance outstanding at the year end				
Bhaskar Publications and Allied Industries Private Limited	-	-	(0.02)	-
DB Malls Private Limited	-	-	-	(0.02)

* Represents balance below ₹ 10,000

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to financial statements as at and for the year ended March 31, 2017

(₹ in million)

Particulars	Transactions for the year ended		Amount receivable / (payable) as at	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	DB Power Limited	-	-	0.08
I Media Corp Limited	-	-	6.92	6.38
Writers and Publishers Private Limited	-	-	0.01	-
DB Infomedia Private Limited	-	-	0.46	0.05
Bhaskar Samachar Seva	-	-	(2.00)	(2.00)

(c) Corporate guarantee given

The Company has given a corporate guarantee of ₹ 234.04 million, (March 31, 2016: ₹ 293.60 million, April 1, 2015: ₹ 326.50 million) in favor of Export Development Canada on behalf of Decore Exxoils Private Limited towards the credit facility availed by Decore Exxoils Private Limited from Export Development Canada for purchase of assets.

(d) Details as required under Regulation 53 (f) read with Para (A) of Schedule VI of SEBI (Listing Obligation and Disclosure requirements) Regulation, 2015 in respect of loans, advances and investments in companies under the same managements.

(₹ in million)

Name of the Company	Closing balance		Maximum amount outstanding during the year	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	I Media Corp Limited:			
Investments	-	10.96	10.96	10.96
DB Infomedia Private Limited:				
Investments	78.56	10.56	78.56	10.56
Loan	3.67	38.34	60.07	38.34

29. ROYALTY

(a) Indian Performing Rights Society Limited (IPRS)

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. In its Order dated September 20, 2016 the Honorable Supreme Court has upheld the orders of the Honorable Delhi High Court. The Honorable Delhi High Court has reserved its order and the same is yet to be pronounced. During the current year pursuant to favourable decision by the Honorable Supreme Court of India on royalty payable to Indian Performing Rights Society ('IPRS') pertaining to the period before June 21, 2012, the Company has written back provision amounting to ₹ 57.67 million. This had been netted off against royalty expense.

Considering the litigation involved, the Company has provided for royalty based on the best judgment assessment of the case for the period after June 2012. The management believes that the provision made in the books is sufficient to cover the liability for royalty, if any, which would be confirmed only after the final result of the litigation.

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to financial statements as at and for the year ended March 31, 2017

Since the matter is under litigation, the disclosures required as per the provisions of Ind AS 37 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 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, 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 cover 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 Ind AS 37 –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

(a) 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 godown, office and residential premises under operating lease agreements. These are generally renewable by mutual consent.
- Lease payments recognised for the year are ₹ 342.23 million (March 31, 2016: ₹ 316.32 million)
- 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.
- The total of minimum lease payment under non-cancellable operating leases are:

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Within one year	30.41	18.35
After one year but not more than 5 years	44.32	8.40
More than 5 years	-	-
Total	74.73	26.75

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to financial statements as at and for the year ended March 31, 2017

(b) Operating lease (for assets given on lease):

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

- The Company has given plant and machinery and investment property on operating lease arrangement for the period ranging from 1 year to 3 years. The lease arrangement is cancellable with mutual consent.
- Lease income recognised for the year is ₹ 4.30 million (March 31, 2016: ₹ 3.11 million).
- There are no restrictions imposed in the lease agreements and there are no escalation clauses in the agreements.
- The details of assets given on operating lease are as follows:

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Plant and machinery		
Gross carrying amount	52.22	52.22
Accumulated depreciation	22.05	18.24
Depreciation for the year	3.81	3.89
Investment property		
Gross carrying amount	23.13	5.67
Accumulated depreciation	3.42	0.15
Depreciation for the year	0.34	0.11

31. CONTINGENT LIABILITIES

Contingent liabilities not provided for are as follows:

- For details of corporate guarantee given, refer note 28(c).
- 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 ₹ 9.71 million (March 31, 2016: ₹ 9.28 million, April 1, 2015: ₹ 2.78 million). 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.
- Income tax demands from Income tax authorities of ₹ 7.55 million (March 31, 2016: ₹ 13.89 million, April 1, 2015: ₹ 7.47 million) relating to various assessment years is outstanding against the Company. These claims are being contested at various forums by the Company. The management does not expect these claims to succeed and accordingly, no provision for these claims has been recognised in the financial statements.

32. COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 47.28 million (March 31, 2016: ₹ 83.51 million, April 1, 2015: ₹ 213.70 million).

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33. (a) Auditors' remuneration (included in legal and professional charges in note 26):

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
As auditor:		
Audit fees	13.79	13.77
Tax audit fees	0.46	0.46
Other services	-	1.38
Reimbursement of out of pocket expenses	1.15	1.15
Total	15.40	16.76

(b) Legal and professional charges include sitting fees paid to directors ₹ 0.70 million (March 31, 2016: ₹ 0.73 million).

34. EMPLOYEE BENEFITS

As per the payment of Gratuity Act, 1972, 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 of the Company is funded with an insurance company in the form of a qualifying insurance policy.

Management aims to keep annual contribution relatively stable at such a level such that no plan deficits will arise.

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.

Statement of profit and loss- Net employee benefits expense (recognised in employee cost)

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Current service cost	30.01	29.16
Net interest cost	10.65	16.31
Net benefit expense	40.66	45.47

Balance sheet- Details of provision and fair value of plan assets

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Benefit obligation	310.53	251.56
Fair value of plan assets	(186.54)	(139.08)
Net liability	123.99	112.48

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to financial statements as at and for the year ended March 31, 2017

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

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Opening defined benefit obligation	251.56	212.78
Interest cost	19.80	15.56
Current service cost	30.01	29.16
Benefits paid	(21.10)	(12.23)
OCI		
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	16.64	(0.81)
Experience adjustments	13.62	7.10
Closing defined benefit obligation	310.53	251.56

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

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Opening fair value of plan assets	139.08	117.98
Interest Income	9.15	(0.75)
Contributions by employer	60.76	35.00
Benefits paid	(21.10)	(12.23)
OCI		
Return on Plan Assets, excluding interest income	(1.35)	(0.92)
Closing fair value of plan assets	186.54	139.08
Actuarial losses recognised in the year	31.61	7.21

The Company expects to contribute ₹ 25.00 million (March 31, 2016: ₹ 25.00 million) to gratuity fund during the annual period beginning after balance sheet date. As at March 31, 2017 and March 31, 2016 the entire plan assets are held in the form of investments with the insurer.

The principal assumptions used in determining gratuity obligations for the plans of the company are shown below:

Particulars	March 31, 2017	March 31, 2016
Discount rate	7.34%	8.02%
Employee turnover	0-5 years of service-26% 5-10 year of service-9% and for service thereafter-5%	0-5 years of service- 26% 5-10 years of service- 9% and for service thereafter- 5%
Estimated future salary increase	6.00%	6.00%

A quantitative sensitivity analysis for the significant assumption as at March 31, 2017 is as shown below:

Sensitivity analysis (Impact on projected benefit obligation and Current service cost)

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Delta effect of + 1% change in rate of discounting	(23.93)	(18.68)
Delta effect of - 1% change in rate of discounting	27.69	21.59
Delta effect of + 1% change in rate of salary increase	27.79	21.81
Delta effect of - 1% change in rate of salary increase	(24.43)	(19.18)
Delta effect of + 1% change in rate of employee turnover	2.23	2.97
Delta effect of - 1% change in rate of employee turnover	(2.59)	(3.42)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on define benefit obligation as a result of reasonable changes in key assumptions occurring at the end of reporting period.

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35. 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' (issued in five tranches, designated as 'T-1', 'T-2', 'T-3', 'T-4' and 'T-5' hereinafter). During the year ended March 31, 2017, the following schemes were in operation:

Particulars	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	1,238,670
	Options vest over the period of five years from the date of grant as under:		
	Scheme	All schemes except ESOS 2011 (T-5)	ESOS 2011 (T-5)
Vesting period	1 st Year	20%	15%
	2 nd Year	20%	20%
	3 rd Year	20%	20%
	4 th Year	20%	20%
	5 th Year	20%	25%
Exercise period	Within three years from the date of vesting or listing, whichever is later	Within three years from the date of vesting	Within three to five years from the date of vesting
Exercise price	50% discount to the average of first 30 days market price post listing	Discount up to a maximum of 30% to the market price on date of grant.	Discount to the market price on date of grant. between 50.00% and 68.83%
Vesting conditions	Option vest on continued association with the Company and achievement of certain performance parameters		

The details of activity under various stock option schemes are summarised below:

Particulars	March 31, 2017			March 31, 2016		
	(number of options)					
	DBCL – ESOS 2008	DBCL – ESOS 2010	DBCL – ESOS 2011	DBCL – ESOS 2008	DBCL – ESOS 2010	DBCL – ESOS 2011
Outstanding at the beginning of the year	15,335	97,545	945,716	33,925	155,363	193,368
Granted during the year	-	-	-	-	-	801,200
Forfeited / cancelled during the year	-	2,614	80,589	617	9,030	9,570
Exercised during the year	13,095	33,431	109,494	13,362	37,336	39,282
Expired during the year	2,240	12,384	-	4,611	11,452	-
Outstanding at the end of the year	-	49,116	755,633	15,335	97,545	945,716
Exercisable at the end of the year	-	49,116	139,864	15,335	97,545	55,410
*Weighted average exercise price	124	168	95-113	124	168	95-113
Weighted average share price	₹ 373.07			₹ 327.26		
Weighted average remaining contractual life	4.24 years			4.82 years		
Weighted average fair value of options granted	-			₹ 212.52		
Range of exercise prices	₹ 95 - ₹ 168			₹ 95 - ₹ 168		

* 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.

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to financial statements as at and for the year ended March 31, 2017

36. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS PER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

- (a) An amount of ₹ 6.14 million (March 31, 2016: ₹ 12.93 million), (April 1, 2015: ₹ 7.00 million) and ₹ Nil, (March 31, 2016: ₹ Nil), (April 1, 2015: ₹ Nil) was due and outstanding to suppliers as at March 31, 2017 on account of principal and interest respectively.
- (b) No interest was paid during the year to any supplier (March 31, 2016: ₹ Nil), (April 1, 2015: ₹ Nil).
- (c) No interest was paid to any suppliers for payments made beyond the appointed date during the accounting year (March 31, 2016: ₹ Nil), (April 1, 2015: ₹ Nil).
- (d) No claims have been received till the end of the year for interest under Micro, Small and Medium Enterprises Development Act, 2006 (March 31, 2016: ₹ Nil), (April 1, 2015: ₹ Nil).
- (e) No amount of interest was accrued and unpaid at March 31, 2017 (March 31, 2016: ₹ Nil), (April 1, 2015: ₹ 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.

37. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
(a) Gross amount required to be spent by the Company during the year	94.44	85.90
(b) Amount spent during the year:		
Promoting empowering women, setting up old age homes	-	25.78
Rural development program	10.00	-
Promoting education, including special education and employment enhancing vocation skills	59.72	16.26
Ensuring environment sustainability, ecological balance, animal welfare, donation to Army welfare Fund	3.64	2.44
Eradicating hunger, poverty and malnutrition, promoting preventive health care	0.22	1.67
Above amounts are fully paid during the year		

38. FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Company's financial assets and financial liabilities.

Quantitative disclosures fair value measurement hierarchy as at March 31, 2017:

Particulars	(₹ in million)			
	Total	Level 1	Level 2	Level 3
Assets measured at fair value				
FVTOCI financial investments				
- Quoted equity shares	10.07	10.07	-	-
- Unquoted equity shares	259.26	-	-	259.26
Total financial assets measured at fair value	269.33	10.07	-	259.26
Liabilities measured at fair value				
Foreign exchange forward contract	7.38	-	7.38	-

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to financial statements as at and for the year ended March 31, 2017

Quantitative disclosures fair value measurement hierarchy as at March 31, 2016:

Particulars	(₹ in million)			
	Total	Level 1	Level 2	Level 3
FVTOCI financial investments				
- Quoted equity shares	11.81	11.81	-	-
- Unquoted equity shares	259.26	-	-	259.26
FVTPL financial investments				
- Quoted equity shares	169.29	169.29	-	-
Total financial assets measured at fair value	440.36	181.10	-	259.26
Liabilities measured at fair value				
Foreign exchange forward contract	2.34	-	2.34	-

Quantitative disclosures fair value measurement hierarchy as at April 1, 2015:

Particulars	(₹ in million)			
	Total	Level 1	Level 2	Level 3
FVTOCI financial investments				
- Quoted equity shares	10.35	10.35	-	-
- Unquoted equity shares	269.26	-	-	269.26
- Unquoted debentures	3.60	-	-	3.60
FVTPL financial investments				
- Quoted equity shares	249.46	249.46	-	-
Total financial assets measured at fair value	532.67	259.81	-	272.86

The management assessed that cash and cash equivalents, trade receivables, trade payables, short-term borrowings, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further the long-term borrowing has been considered at fair value since it carries a floating rate of interest.

Break up of financial assets carried at amortised cost

Particulars	(₹ in million)		
	March 31, 2017	March 31, 2016	April 01, 2015
Trade receivable (note 11)	4,173.75	3,771.61	3,361.06
Cash and cash equivalents (note 12)	1,733.30	894.60	1,760.79
Other financial assets (note 8)	449.13	500.48	649.28
Total financial assets carried at amortised cost	6,356.18	5,166.69	5,771.13

Break up of financial liabilities carried at amortised cost

Particulars	(₹ in million)		
	March 31, 2017	March 31, 2016	April 01, 2015
Trade Payables	1,274.85	1,177.55	1,214.29
Other financial liabilities	1,647.16	1,729.97	1,354.48
Total financial assets carried at amortised cost	2,922.01	2,907.52	2,568.77

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The Company has used prices from prior transactions / third-party pricing information with relevant adjustment for the valuation of unquoted equity shares. Hence the quantitative information about the significant unobservable inputs have not been disclosed.

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to financial statements as at and for the year ended March 31, 2017

- The Company enters into derivative financial instruments majorly foreign exchange forward contracts with the banks. These foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs.

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds quoted and unquoted investments .

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The senior management reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include deposits, investments, derivative financial instruments and borrowings.

The sensitivity analysis have been prepared on the basis that the proportion of financial instruments in foreign currencies are all constant as at March 31, 2017.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and non-financial assets and liabilities

The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial liabilities held at March 31, 2017 and March 31, 2016

Foreign currency sensitivity

The Company procures newsprint from the international markets after considering the prevailing prices in the domestic and international markets. The Company uses foreign exchange forward contracts to manage some of its transaction exposures. These foreign exchange forward contracts are not designated as cash flow hedges and are entered into for the periods consistent with the foreign currency exposure of the underlying transactions, generally from one to six months.

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

Nature of derivative contract	Nature of underlying exposures	Purpose	(₹ in million)					
			March 31, 2017		March 31, 2016		April 1, 2015	
			\$	₹	\$	₹	\$	₹
Foreign exchange forward contracts	Buyers credit from banks	Purchase of news print	1.49	96.46	1.63	108.00	0.90	56.39
	Trade payables		3.97	257.15	0.65	43.07	-	-

As at balance sheet date, the Company's net foreign currency exposure (payable) that is not hedged is ₹ 1,030.75 million (March 31, 2016: ₹ 1,407.62 million and April 1, 2015: ₹ 1,594.63 million)

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to financial statements as at and for the year ended March 31, 2017

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant.

Particular	(₹ in million)	
	Change in \$	Effect on profit before tax ₹
March 31, 2017	5%	-69.22
	-5%	69.22
	10%	-138.44
	-10%	138.44
March 31, 2016	5%	-77.93
	-5%	77.93
	10%	-155.87
	-10%	155.87

The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The impact on the Company's pre-tax equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges and net investment hedges. The Company's exposure to foreign currency changes for all other currencies is not material.

Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing printing of newspapers and magazines and therefore require a continuous supply of newsprint. The Company's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation. Based on a 12-month forecast of the required newsprint supply, the Company hedges the purchase price using forward commodity purchase contracts. The forecast is deemed to be highly probable.

Credit risk

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

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. At March 31, 2017, the Company had 5 customers (March 31, 2016: 6 customers, April 01, 2015: 9 customers) that owed the Company more than ₹ 50.00 million each and accounted for approximately 12% (March 31, 2016: 12%, April 01, 2015: 17%) of all the receivables outstanding. There were 50 customers (March 31, 2016: 50 customers, April 01, 2015: 37 customers) with balances greater than ₹ 10.00 million accounting for just over 31% (March 31, 2016: 33%, April 01, 2015: 32%) of the total amount receivables.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogeneous Company's and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 11. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of buyer's credit and bank loans. All of the Company's debt will mature in less than one year at March 31, 2017 based on the carrying value of borrowings reflected in the financial statements. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

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to financial statements as at and for the year ended March 31, 2017

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2017:

(₹ in million)					
Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
Borrowings (note 14)	-	-	561.19	-	561.19
Trade and other payables	26.80	759.07	488.98	-	1,274.85
Other financial liabilities	751.41	5.48	409.46	481.78	1,648.13
Total	778.21	764.55	1,459.63	481.78	3,484.17

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2016:

(₹ in million)					
Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
Borrowings (note 14)	-	-	253.38	867.38	1,120.76
Trade and other payables	31.47	1,004.14	141.94	-	1,177.55
Other financial liabilities	805.47	-	478.39	439.64	1,723.50
Total	836.94	1004.14	873.71	1,307.02	4,021.81

Excessive risk concentration

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

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

Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio less than 20%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, as calculated below.

(₹ in million)			
Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Borrowings	808.89	1,374.80	1,189.24
Trade payables	1,274.85	1,177.55	1,214.29
Other payables	1,400.43	1,471.46	1,106.20
Less: Cash and cash equivalents	1,733.30	894.60	1,760.79
Net debt	1,750.87	3,129.21	1,748.94
Equity	15,988.51	13,994.14	13,434.17
Equity and net debt	17,739.38	17,123.35	15,183.11
Gearing ratio	9.87%	18.27%	11.52%

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to financial statements as at and for the year ended March 31, 2017

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2017 and March 31, 2016.

40. DISCLOSURE ON SPECIFIED BANK NOTE (SBNs)

In accordance with MCA notification G.S.R. 308(E) dated March 31, 2017, details of Specified Bank Notes ('SBN') and other denomination notes ('ODNs') held and transacted during the period from November 8, 2016 to December, 30 2016, is given below:

Particulars	(₹ in million)		
	SBNs	ODNs	Total
Closing cash on hand as on November 8, 2016	74.20	4.80	79.00
(+) Permitted receipts	-	264.03	264.03
(-) Permitted payments	0.08	15.39	15.47
(-) Amount deposited in Banks	74.12	244.49	318.61
Closing cash on hand as on December 30, 2016	-	8.95	8.95

As per our report of even date

For **S.R. Batliboi & Associates LLP**
ICAI Firm registration number:
101049W/E300004
Chartered Accountants

For **Gupta Navin K. & Co.**
ICAI Firm registration number:
006263C
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. 075030

Sudhir Agarwal
Managing Director

Pawan Agarwal
Deputy Managing Director

P. G. Mishra
Chief Financial Officer

Anita Gokhale
Company Secretary

Place: Mumbai
Date: May 18, 2017

Place: Mumbai
Date: May 18, 2017

Place: Mumbai
Date: May 18, 2017

INDEPENDENT AUDITORS' REPORT

To the Members of D. B. Corp Limited

REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

We have audited the accompanying consolidated Ind AS financial statements of D. B. Corp Limited (hereinafter referred to as the "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group"), comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated Ind AS financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 (the "Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are

required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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 consolidated financial statements. The procedures selected depend on the auditor's judgment, 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 financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 of the consolidated state of affairs of the Group, as at March 31, 2017, their consolidated profit including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by section 143 (3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation

- of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Group Companies as on March 31, 2017 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India, refer to our separate report in “Annexure 1” to this report; and
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 29 and 31 to the consolidated Ind AS financial statements;
 - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2017;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries; and
 - iv. The Holding Company and its subsidiaries incorporated in India, have provided requisite disclosures in Note 40 to these consolidated Ind AS financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation of the Holding Company regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Group and as produced to us by the Management of the Holding Company.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration
Number: 101049W/E300004

For **Gupta Navin K. & Co.**
Chartered Accountants
ICAI Firm Registration
Number: 006263C

per **Kalpesh Jain**
Partner
Membership Number: 106406

per **Navin K. Gupta**
Partner
Membership Number: 075030

Mumbai
May 18, 2017

Mumbai
May 18, 2017

ANNEXURE 1

referred in our report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

In conjunction with our audit of the consolidated financial statements of D. B. Corp Limited as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of D. B. Corp Limited (hereinafter referred to as the “Holding Company”) and its subsidiary companies incorporated in India, as of that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company, its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, both, issued by ICAI, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial

controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the

maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Holding Company and its subsidiary companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration
Number: 101049W/E300004

For **Gupta Navin K. & Co.**
Chartered Accountants
ICAI Firm Registration
Number: 006263C

per **Kalpesh Jain**
Partner
Membership Number: 106406

per **Navin K. Gupta**
Partner
Membership Number: 075030

Mumbai
May 18, 2017

Mumbai
May 18, 2017

CONSOLIDATED BALANCE SHEET

as at March 31, 2017

(₹ in million)

	Notes	March 31, 2017	March 31, 2016	April 01, 2015
ASSETS				
Non-current assets				
Property, plant and equipment	4	7,458.61	7,750.25	7,704.89
Capital work-in-progress		213.56	458.53	44.93
Investment properties	5	483.18	266.29	116.29
Goodwill		19.13	19.13	19.13
Intangible assets	6	1,141.61	900.44	213.39
Financial assets				
Investments	7	269.33	271.07	283.21
Other financial assets	8	144.98	132.09	437.47
Prepayments		1,148.74	1,194.70	1,267.22
Other assets	9	1,312.34	1,347.10	1,194.57
		12,191.48	12,339.60	11,281.10
Current assets				
Inventories	10	1,987.13	1,674.72	1,401.96
Financial assets				
Investments	7	-	169.29	249.46
Trade receivables	11	4,177.09	3,773.41	3,360.71
Cash and cash equivalents	12	1,743.83	900.24	1,766.94
Other financial assets	8	308.29	345.69	212.75
Prepayments		308.99	252.32	214.44
Other assets	9	64.28	58.47	60.29
		8,589.61	7,174.14	7,266.55
Total		20,781.09	19,513.74	18,547.65
EQUITY AND LIABILITIES				
Equity				
Equity share capital	13	1,838.95	1,837.39	1,836.49
Other equity				
Securities premium		2,515.62	2,472.97	2,451.61
Retained earnings		9,999.31	8,076.97	7,588.33
Other reserves		1,590.03	1,587.71	1,574.71
Total equity attributable to equity holders of the parent		15,943.91	13,975.04	13,451.14
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	14	-	253.38	475.01
Other financial liabilities	15	486.00	446.05	386.28
Deferred tax liabilities (net)	16	780.72	812.72	816.90
		1,266.72	1,512.15	1,678.19
Current liabilities				
Financial liabilities				
Borrowings	14	561.19	867.38	477.38
Trade payables		1,276.07	1,179.79	1,214.54
Other financial liabilities	15	1,169.26	1,287.89	971.08
Liabilities for current tax (net)		7.35	20.41	86.70
Provisions	17	218.58	203.39	181.47
Other liabilities	18	338.01	467.69	487.15
		3,570.46	4,026.55	3,418.32
Total liabilities		4,837.18	5,538.70	5,096.51
Total		20,781.09	19,513.74	18,547.65
Significant accounting policies	2			

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

As per our report of even date

 For **S.R. Batliboi & Associates LLP**
 ICAI Firm registration number:
 101049W/E300004
 Chartered Accountants

 For **Gupta Navin K. & Co.**
 ICAI Firm registration number:
 006263C
 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. 075030

Sudhir Agarwal
 Managing Director

Pawan Agarwal
 Deputy Managing Director

P. G. Mishra
 Chief Financial Officer

Anita Gokhale
 Company Secretary

 Place: Mumbai
 Date: May 18, 2017

 Place: Mumbai
 Date: May 18, 2017

 Place: Mumbai
 Date: May 18, 2017

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2017

	Notes	March 31, 2017	March 31, 2016
(₹ in million)			
INCOME			
Revenue from operations	19	22,580.10	20,493.47
Other income	20	54.30	85.03
Finance income	21	115.39	156.25
Total income		22,749.79	20,734.75
EXPENSES			
Cost of raw material consumed	22	6,608.07	6,186.67
Decrease / (increase) in inventories of finished goods		0.63	(0.31)
Employee benefit expenses	23	4,285.90	3,909.05
Depreciation and amortisation expenses	24	862.86	852.96
Finance costs	25	74.48	138.19
Foreign exchange (gain) / loss (net)		(32.51)	25.12
Other expenses	26	5,296.04	5,024.41
Total expenses		17,095.47	16,136.09
Profit before tax		5,654.32	4,598.66
Income tax expenses			
Current income tax		1,927.80	1,680.35
Deferred tax	16	(21.05)	(2.38)
Total income tax expense		1,906.75	1,677.97
Profit for the year		3,747.57	2,920.69
Attributable to:			
Equity holders of the parent		3,747.57	2,920.69
Other Comprehensive Income ('OCI')			
OCI not to be reclassified to profit or loss in subsequent periods:			
Remeasurement (losses) on defined benefit plans		(31.61)	(7.21)
Income tax effect		10.94	2.50
		(20.67)	(4.71)
Net (loss) on Fair Value Through Other Comprehensive Income ('FVTOCI') equity securities		(1.73)	(12.14)
Income tax effect		-	(0.70)
		(1.73)	(12.84)
Total OCI for the year, net of tax		(22.40)	(17.55)
Total comprehensive income for the year		3,725.17	2,903.14
Attributable to:			
Equity holders of the parent		3,725.17	2,903.14
Earnings per equity share			
[nominal value of share ₹ 10 (March 31, 2016: ₹ 10)]			
Basic		20.27	15.80
Diluted		20.22	15.78

Significant accounting policies

2

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

As per our report of even date

For **S.R. Batliboi & Associates LLP**

ICAI Firm registration number:

101049W/E300004

Chartered Accountants

per **Kalpesh Jain**

Partner

Membership No. 106406

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

ICAI Firm registration number:

006263C

Chartered Accountants

per **Navin K. Gupta**

Partner

Membership No. 075030

For and on behalf of the Board of Directors of

D. B. Corp Limited

Sudhir Agarwal

Managing Director

Pawan Agarwal

Deputy Managing Director

P. G. Mishra

Chief Financial Officer

Anita Gokhale

Company Secretary

Place: Mumbai

Date: May 18, 2017

Place: Mumbai

Date: May 18, 2017

Place: Mumbai

Date: May 18, 2017

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

as at and for the year ended March 31, 2017

Particulars	Reserve and surplus				Items of OCI			Total equity		
	Equity share capital	Securities premium	General reserve	Stock option outstanding	Capital redemption reserve	Retained earnings	Remeasurement (losses) on defined benefit plans		Fair Value of Investment (net)	Total OCI
As at April 1, 2015	1,836.49	2,451.61	1,534.68	39.97	0.01	7,588.38	-	-	-	13,451.14
Equity shares issued on exercise of stock options during the year (refer note 36)	0.90	21.36	-	(10.23)	-	-	-	-	-	12.03
Employee compensation cost net of forfeiture / lapse	-	-	0.85	39.98	-	-	-	-	-	40.83
Final dividend for the year ended March 31, 2015 [refer note 13(e)]	-	-	-	-	-	(780.79)	-	-	-	(780.79)
Interim dividend for the year ended March 31, 2016 [refer note 13(e)]	-	-	-	-	-	(1,239.91)	-	-	-	(1,239.91)
DDT on final and interim dividend [refer note 13 (e)]	-	-	-	-	-	(411.40)	-	-	-	(411.40)
Profit for the year	-	-	-	-	-	2,920.69	-	-	-	2,920.69
Others	-	-	-	-	-	-	(4.71)	(12.84)	(17.55)	(17.55)
As at March 31, 2016	1,837.39	2,472.97	1,535.53	69.72	0.01	8,076.97	(4.71)	(12.84)	(17.55)	13,975.04
Equity shares issued during the year (refer note 36)	1.56	42.65	-	(25.93)	-	-	-	-	-	18.28
Employee compensation cost on exercise of stock options	-	-	-	50.65	-	-	-	-	-	50.65
Final dividend for the year ended March 31, 2016 [refer note 13(e)]	-	-	-	-	-	(781.04)	-	-	-	(781.04)
Interim dividend for the year ended March 31, 2017 [refer note 13 (e)]	-	-	-	-	-	(735.45)	-	-	-	(735.45)
DDT on final and interim dividend [refer note 13 (e)]	-	-	-	-	-	(308.74)	-	-	-	(308.74)
Profit for the year	-	-	-	-	-	3,747.57	-	-	-	3,747.57
Others	-	-	-	-	-	-	(20.67)	(1.73)	(22.40)	(22.40)
As at March 31, 2017	1,838.95	2,515.62	1,535.53	94.44	0.01	9,999.31	(25.38)	(14.57)	(39.95)	15,943.91

Significant accounting policies

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

As per our report of even date

 For **S. R. Batliboi & Associates LLP**

ICAI Firm registration number:

101049W/E300004

Chartered Accountants

 per **Kalpesh Jain**

Partner

Membership No. 106406

Place: Mumbai

Date: May 18, 2017

For and on behalf of the Board of Directors of

D. B. Corp Limited
Sudhir Agarwal
 Managing Director

P. G. Mishra
 Chief Financial Officer

 Place: Mumbai
 Date: May 18, 2017

Pawan Agarwal
 Deputy Managing Director

Anita Gokhale
 Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2017

Particulars	(₹ in million)	
	For the year ended March 31, 2017	For the year ended March 31, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	5,654.32	4,598.66
Adjustments to reconcile profit before tax to net cash flows		
Loss on sale / disposal of Property, plant and equipment (net)	22.49	2.75
Finance costs	74.48	138.19
Finance income	(115.39)	(156.25)
Depreciation and amortisation expense	862.86	852.96
Net (gain) / loss on fair valuation of investment / sale of investment	(230.99)	25.17
Employee stock option scheme	50.65	40.79
Allowance for doubtful advances	68.80	6.60
Bad trade receivables written off	1.13	0.63
Allowance for impairment of trade receivables	84.27	94.39
Unrealised foreign exchange differences	(19.07)	70.57
Operating profit before working capital changes	6,453.55	5,674.46
Changes in working capital		
(Increase) in inventories	(312.41)	(272.76)
(Increase) in trade receivables	(489.08)	(507.71)
(Increase) / decrease in long-term loans and advances including investment properties	(224.85)	45.31
(Increase) in short-term loans and advances	(52.60)	(126.78)
Increase in other long-term liabilities	39.95	59.77
Increase / (decrease) in trade payables	107.22	(27.23)
(Decrease) / increase in other current liabilities	(244.04)	260.81
(Decrease) / increase in short-term provisions	(11.38)	17.06
(Increase) / Decrease in prepayments	(10.71)	34.64
Cash flow generated from operations	5,255.65	5,157.57
Direct taxes paid	(1,940.87)	(1,746.64)
Net cash flow from operating activities (A)	3,314.78	3,410.93
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital work-in-progress and capital advances)	(540.26)	(1,996.24)
Proceeds from sale of property, plant and equipment	14.92	5.42
Proceeds from disposal of investment	400.28	55.00
Purchase of investments of a subsidiary	(0.01)	-
Fixed deposits with maturity period more than three months matured / (placed) (net)	16.80	(13.32)
Finance income	74.46	118.46
Net cash flow used in investing activities (B)	(33.81)	(1,830.68)

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2017

Particulars	(₹ in million)	
	For the year ended March 31, 2017	For the year ended March 31, 2016
C. CASH FLOW FROM FINANCING ACTIVITIES		
Long-term borrowings repaid	(272.17)	(268.45)
Short-term borrowings repaid	(880.91)	(513.30)
Short-term borrowings taken	581.43	871.30
Dividend paid	(1,517.87)	(2,018.47)
Dividend distribution tax ('DDT')	(308.74)	(411.40)
Finance cost	(56.02)	(120.88)
Proceeds from issue of shares under ESOS	18.28	12.02
Net cash flow used in financing activities (C)	(2,436.00)	(2,449.18)
Net increase / (decrease) in cash and cash equivalents (A)+(B)+(C)	844.97	(868.93)
Cash and cash equivalents at the beginning of the year	897.96	1,766.89
Cash and cash equivalents at the end of the year	1,742.93	897.96
Net increase / (decrease) in cash and cash equivalents	844.97	(868.93)
For details of components of cash and cash equivalents, refer note 12.		

Significant accounting policies

2

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

As per our report of even date

 For **S.R. Batliboi & Associates LLP**

ICAI Firm registration number:

101049W/E300004

Chartered Accountants

 per **Kalpesh Jain**

Partner

Membership No. 106406

Place: Mumbai

Date: May 18, 2017

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

ICAI Firm registration number:

006263C

Chartered Accountants

 per **Navin K. Gupta**

Partner

Membership No. 075030

Place: Mumbai

Date: May 18, 2017

For and on behalf of the Board of Directors of

D. B. Corp Limited
Sudhir Agarwal

Managing Director

P. G. Mishra

Chief Financial Officer

Place: Mumbai

Date: May 18, 2017

Pawan Agarwal

Deputy Managing Director

Anita Gokhale

Company Secretary

NOTES

to consolidated financial statements as at and for the year ended March 31, 2017

1. NATURE OF OPERATIONS

D. B. Corp Limited (the 'Company') and its subsidiaries (together hereinafter referred to as the 'Group') is in the business of publishing newspapers, radio broadcasting, providing integrated internet and mobile interactive services and event management. The Company is a public limited company domiciled in India and was incorporated under the provisions of the Companies Act, 1956. The major brands in publishing business are 'Dainik Bhaskar' (Hindi daily), 'Divya Bhaskar' and 'Saurashtra Samachar' (Gujarati dailies), 'Divya Marathi' (Marathi daily), and 'DB Post' (English daily), and monthly magazines such as 'Aha Zindagi', 'Bal Bhaskar', etc. Presently, the Company's radio station is on air in 30 cities under the brand name 'My FM'. The frequency allotted to the Company's radio station is 94.3. Internet business includes the websites of dainikbhaskar.com, divyabhaskar.com, dailybhaskar.com, divyamarathi.com, and homeonline.com.

The Group 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.

The consolidated financial statements ('CFS') comprise the financial statements of the Group for the year ended March 31, 2017. The Company's registered office is located at Plot No.280, Sarkhej-Gandhinagar Highway, Near YMCA Club, Makarba, Ahmedabad, Gujarat, India. Effective January 19, 2017, the Company has transferred its entire shareholding in I Media Corp Limited to DB Infomedia Private Limited ('DBIPL') and pursuant to this, I Media Corp Limited ('IMCL') is a wholly owned subsidiary of DB Infomedia Private Limited.

The subsidiaries considered in the preparation of the CFS and the shareholdings of the Company in these companies are as follows:

Name of subsidiary companies	Country of incorporation	Principal activity	Percentage of ownership interest as at		
			March 31, 2017	March 31, 2016	April 1, 2015
DB Infomedia Private Limited	India	Digital Marketing	100	90.09	100
I Media Corp Limited	India	Event Management	100*	100	100

The CFS for the year ended March 31, 2017 has been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 18, 2017.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of accounting and preparation

The Group's CFS have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 under the provision of the Companies Act, 2013 (the 'Act') and subsequent amendments thereof.

For all periods up to and including the year ended March 31, 2016, the Group prepared its CFS in accordance accounting standards notified under the section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Indian GAAP' or 'Previous GAAP'). These financial statements for the year ended March 31, 2017 are the first Ind AS Financial Statements that the Group has prepared in accordance with Ind AS.

Refer to note 3 for information on how the Group adopted Ind AS.

The CFS are prepared on a going concern basis are presented in INR and all values are rounded to the nearest million ₹ (000,000) except when otherwise indicated. The CFS have been prepared under the historical cost basis except for derivative financial instruments and certain other financial assets and liabilities that have been measured at fair value.

All the companies in the Group follow uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of all entities used for the purpose of consolidation are drawn up to the same reporting date as that of the parent company, i.e., year ended on March 31.

NOTES

to consolidated financial statements as at and for the year ended March 31, 2017

Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified period of twelve months as its operating cycle.

2.2 Basis of consolidation and consolidation procedures:

The CFS comprise the financial statements of the Company and its subsidiaries as at March 31, 2017. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and

- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the CFS from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidation procedures:

- (i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiaries are based on the amounts of the assets and liabilities recognised in the CFS at the acquisition date.
- (ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- (iii) Eliminate in full intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and Property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the CFS. Ind AS12 applies to temporary differences that arise from the elimination of profits and losses resulting from intra group transactions.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.3 Property, plant and equipment

Freehold land is carried at historical cost. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying

NOTES

to consolidated financial statements as at and for the year ended March 31, 2017

amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Capital work in progress is stated at cost. Capital work-in-progress comprises of plant and machinery, office equipment, electrical installation which are not ready to use and expenditure incurred for construction of building.

In respect of its interests in jointly controlled assets, the Group recognises its share of the jointly controlled assets in its financial statements, classifying the jointly controlled asset as per its nature.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit and loss when the asset is derecognised.

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.

2.4 Goodwill and Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation

period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss when the asset is derecognised.

Goodwill

Goodwill is not amortised but tested for impairment in accordance with the accounting policy stated in para 2.7 below

2.5 Investment property

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

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

Depreciation on building component of investment property is calculated on a straight-line basis using the rate arrived at based on the useful life estimated by the management which is 60 years.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

2.6 Depreciation and amortisation

The Group provides depreciation on property, plant and equipment, investment properties 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

NOTES

to consolidated financial statements as at and for the year ended March 31, 2017

the corresponding rates prescribed in Schedule II to the Act. Further, Group provides amortisation of intangible asset using the straight line method at the rates computed based on estimated useful lives of the assets as estimated by the management

The Group has used the following lives to provide depreciation and amortization:

Category	Useful lives (in years)
Factory buildings – freehold	30
Office buildings – freehold	60
Plant and machineries	15
Office equipments	5
Vehicles	8
Furniture and Fixtures	10
Electrical Fittings, Fans and Coolers	10
Computers and servers	3 to 6
One time license fees for radio stations	15
Computer software including ERP	5

Leasehold land and buildings are depreciated on a straight line basis over the period of lease specified in agreements restricted to the expected economic useful life of asset, i.e. lease period which ranges from 30 years to 99 years in case of leasehold land and up to 60 years in case of leasehold buildings. Leasehold improvements are depreciated 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.

The residual values, useful lives and methods of depreciation and amortisation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.7 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ('CGU') fair value less costs of disposal and its value in use. 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. When 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.

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

Goodwill is tested for impairment annually as at reporting date, and when circumstances indicate that the carrying amount may be impaired.

2.8 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Where the 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 consolidated statement of profit and loss on a straight-line basis over the lease term.

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Where the Group is the lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

2.9 Inventories

Inventories are valued as follows:

Raw materials (Newsprint and stores and spares) - Lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Finished goods (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 the estimated costs necessary to make the sale.

2.10 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. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Sales tax / value added tax ('VAT') and service tax is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity / services by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Advertisement revenue

Revenue is recognised as and when advertisement is published in newspaper / aired on radio / displayed on website in accordance with the terms of the contract with customer and is disclosed net of trade discounts and service tax, wherever applicable.

Sale of newspapers, magazines, wastage 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 charges

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 taxes.

Portal and wireless revenue

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

Income from event management

Revenue from event management is recognised and when the event management services are rendered as per the terms of agreement.

Interest

For all debt instruments measured either at amortised cost, interest income is recorded using the effective interest rate ('EIR'). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the consolidated statement of profit and loss.

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Dividend income

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

2.11 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.

The receivable relating to property barter agreements is grouped as advance for properties and included under the head 'Other assets'.

2.12 Foreign currency transactions

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised as income or expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.13 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 expenses, 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 Group makes contributions to a trust administered and managed by an insurance company to fund the gratuity liability. Under this

scheme, the obligation to pay gratuity remains with the Group, although the insurance company administers the scheme.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss - Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and net interest expense or income

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the consolidated balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

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.

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2.14 Income taxes

Current income tax

Current income tax liabilities are measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.15 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of profit and loss net of any reimbursement, if any.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.16 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 arises from past events but 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.

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2.17 Borrowing 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 the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. These exchange differences are presented in finance cost to the extent which the exchange loss does not exceed the differences between the cost of borrowing in functional currency when compared to the cost of borrowing in a foreign currency.

2.18 Earnings per equity share ('EPS')

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

2.19 Cash and cash equivalents

Cash and cash equivalent in the consolidated balance sheet and consolidated cash flow statement comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.20 Employee stock compensation cost

The cost of equity-settled transactions for unvested grants as at April 01, 2015 is determined by the fair value at the date when the grant is made using Black and Scholes valuation model. The cost is recognised, together with a corresponding increase in "Stock options outstanding" reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. 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 Group's best estimate of the number of equity instruments that will ultimately vest. The consolidated statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is disclosed under employee benefits expense.

No expense is recognised for awards that remain unvested because service conditions have not been met. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.21 Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.22 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are recognised when the Group becomes a party to the contractual provisions of the

instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets.

Subsequent measurement

Financial assets at amortised cost

For purposes of subsequent measurement, financial assets are classified in three categories:

- Debt instruments at amortised cost
- Derivatives and equity instruments at Fair Value Through Profit or Loss ('FVTPL')
- Equity instruments measured at FVTOCI

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost using the effective interest rate ('EIR') method if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest ('SPPI') on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables, deposits and advances.

Derivative financial instruments

The Group uses forward currency contracts, to hedge its foreign currency risks. Such forward currency contracts are initially recognised at fair value on the date on which a forward currency contracts is entered into and as at balance sheet date any gains or losses arising from changes in the fair value of derivatives are taken directly to consolidated statement of profit and loss.

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Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in OCI subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit or loss.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss ('ECL') model for measurement and recognition of impairment loss on the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL at each reporting date, right from its initial recognition. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from

initial recognition in which case those are measured at lifetime ECL. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the consolidated statement of profit and loss. This amount is reflected under the head 'other expenses' in the consolidated statement of profit and loss.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated financial instruments as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the

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recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

2.23 Significant accounting judgments, estimates and assumptions:

The preparation of the Group's CFS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Significant judgment:

Operating lease commitments – Group as lessee

The Group has entered into commercial property leases for its offices and premises. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it does not retain all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Estimates

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. The mortality rate is based on publicly

available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes.

Share-based payments

The Group initially measures the cost of equity-settled transactions with employees using Black and Scholes model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.24 Recent accounting pronouncements

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting

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Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Group from April 1, 2017.

Amendment to Ind AS 7

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The Group is evaluating the requirements of the amendment and the effect on the CFS is being evaluated.

Amendment to Ind AS 102

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes. The Group does not have any cash settled award as at March 31, 2017.

3. FIRST TIME ADOPTION OF IND AS

These CFS, for the year ended March 31, 2017, are the first financial statements that the Group has prepared in accordance with Ind AS together with the comparative period data as at and for the year ended March 31, 2016. In preparing these CFS, the Group's opening balance sheet was prepared as at April 01, 2015, the Group's date of transition to Ind AS. This note explains the adjustments

made by the Group in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2015 and the financial statements as at and for the year ended March 31, 2016.

Following exemptions and / or election applied to the group for the first Ind AS financial statements

- (a) The Group elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. For Business combination occurring before the transition date have not been restated and continued as per Indian GAAP
- (b) Ind AS 102 has not been applied to equity instruments in share-based payment transactions that vested before April 01, 2015.
- (c) The Group has designated unquoted equity instruments held at April 01, 2015 as FVTOCI investments.
- (d) The estimates at April 01, 2015 and at March 31, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:
 - a) FVTOCI – unquoted equity shares
 - b) FVTPL – quoted equity shares
 - c) FVTOCI – debt securities
 - d) Impairment of financial assets based on expected credit loss model

The estimates used by the Group to present these amounts in accordance with Ind AS reflect conditions at April 01, 2015, the date of transition to Ind AS and as of March 31, 2016.

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Reconciliation of equity as per previous GAAP and Ind AS for year ended March 31, 2016 and as at April 01, 2015 is as under:

Particulars	Notes	(₹ in million)	
		March 31, 2016	April 01, 2015
Equity as per previous GAAP		13,466.26	12,881.78
Add:			
Dividends (including dividend distribution tax) not recognised as liability on declared basis	5	940.05	936.90
Finance income recognised on effective interest rate basis	6	68.53	73.01
Effect of measuring financial instruments at fair value through profit & loss and OCI	2	18.95	43.27
Deferred tax Impact on above adjustments (net)	9	28.81	14.80
Others		0.35	-
Less:			
Exchange loss on long term foreign currency loan (net of related depreciation)	1	(241.84)	(220.64)
Rent recognised over lease period	6	(208.46)	(177.73)
Allowance on account of ECL	3	(88.80)	(88.80)
Income from corporate guarantee given	7	(8.81)	(11.45)
Equity as per Ind AS		13,975.04	13,451.14

Reconciliation of total comprehensive income as previously reported under IGAAP to Ind AS

Particulars	Notes	(₹ in million)	
		March 31, 2016	
Net profit as per previous GAAP		2,966.38	
Add:			
Interest income recognised on effective interest rate basis	6	37.79	
Recognition of income on corporate guarantee given	7	2.64	
Exchange loss on long term foreign currency loan (Net of related depreciation)	1	(21.20)	
Actuarial loss on defined employee benefit plans recognised through OCI	10	7.21	
Others		0.84	
Less:			
Expense recognised on fair value of security and other deposits	6	(73.01)	
Gain (net) on fair valuation / sale of financial instruments	2	(12.17)	
Tax expense on above	9	12.21	
Net profit as per Ind AS		2,920.69	
OCI		(17.55)	
Total comprehensive income		2,903.14	

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Notes:

1. Under the previous GAAP, the Group capitalised exchange differences arising on translation / settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the respective asset and depreciated over the remaining life of the asset. Under Ind AS the exchange difference upto April 1, 2015 is adjusted against the opening balance of retained earnings and for subsequent periods it is recorded in the consolidated statement of profit and loss.
2. As per Ind AS, equity instruments to be measured at fair value either through OCI or consolidated statement of profit and loss. The Company has designated all the equity investments as FVTOCI investments except for one of the investments which is designated as Fair Value through Profit and Loss ('FVTPL') as it was held for trading.
3. Under the previous GAAP, the Company had created provision for impairment of receivables only in respect of specific amount for incurred losses. Under Ind AS 109, impairment allowance has been determined based on Expected Credit Loss model ('ECL').
4. The fair value of foreign exchange forward contracts is recognised under Ind AS which was not recognised under the previous GAAP. Under the previous GAAP forward contracts were accounted under AS 11 whereby the premium was recognised to profit and loss over the period of the forward contract.
5. Under the previous GAAP, proposed dividends including DDT were recognised as a liability in the period to which they relate, irrespective of when they are declared. As per Ind AS, dividend is recognised in the period in which it is approved.
6. Under the previous GAAP, interest free lease security deposits (those are refundable on completion for the lease term) and other deposits were recorded at transactional values. Under Ind AS, these security deposits are recognised initially at the fair value. The difference between the fair value and the transaction value of these security deposits has been recognised as prepaid rent. Subsequently, these lease security deposits are measured at amortised cost using the effective interest rate ('EIR').
7. Under the previous GAAP, this financial guarantee was not recorded. As per Ind AS, the Group has recognised unearned income for financial guarantee under other financial liability.
8. Under the previous GAAP, the cost of ESOS were recognised using the intrinsic value method. Under Ind AS the cost of ESOS is recognised based on the fair value of the options as at the grant date only for options unvested as at transition date.
9. Adjustments to deferred taxes has been made in accordance, for the above mentioned line items.
10. Other comprehensive income: Under previous GAAP, the Group has not presented OCI separately. Hence, it has reconciled previous GAAP profit to total comprehensive income as per Ind AS.
11. The transition from previous GAAP to Ind AS has not had a material impact on the statement of cash flows.
12. In line with the requirements of Ind AS the Company has reclassified certain assets and liabilities as at April 1, 2015 and March 31, 2016. These majorly includes reclassification between current and non-current investments, security deposits and prepayments, investments and investment properties .

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4 PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold land	Leasehold land	Freehold buildings	Leasehold buildings	Leasehold improvements	Plant and machinery (refer note 1 and 2 below)	Office equipments	Vehicles	Furniture and fixtures	Electric fittings, fans and coolers	Computers and servers	Total
Gross block value as at April 01, 2015	74.84	31.18	996.29	831.31	262.71	7,559.86	283.32	36.90	364.13	426.58	578.32	11,447.44
Additions during the year	-	125.57	38.18	3.09	32.89	440.61	30.15	8.33	23.89	55.69	63.34	821.74
Deletions during the year	-	-	0.01	-	-	9.93	4.25	0.70	1.97	0.20	29.72	46.78
Gross block value as at March 31, 2016	74.84	156.75	1,034.46	834.40	295.60	7,990.54	309.22	46.53	386.05	482.07	611.94	12,222.40
Additions during the year	-	-	1.14	4.57	35.40	323.35	27.50	13.10	19.20	21.86	57.53	513.65
Deletions during the year	-	-	0.01	-	3.18	45.32	7.87	5.13	4.08	2.64	14.07	82.30
Gross block value as at March 31, 2017	74.84	156.75	1,045.59	838.97	327.82	8,268.57	328.85	54.50	401.17	501.29	655.40	12,653.75
Accumulated depreciation as at April 01, 2015	-	3.22	146.97	40.28	81.38	2,513.35	186.63	21.87	178.34	154.36	416.15	3,742.55
Depreciation for the year	-	2.39	32.28	13.82	25.57	498.19	36.93	3.51	36.13	50.64	68.80	768.26
Accumulated depreciation on disposals	-	-	0.00	-	-	4.70	3.61	0.63	1.65	0.11	27.96	38.66
Accumulated depreciation as at March 31, 2016	-	5.61	179.25	54.10	106.95	3,006.84	219.95	24.75	212.82	204.89	456.99	4,472.15
Depreciation for the year	-	2.74	31.49	13.84	28.10	501.98	28.04	4.41	35.35	52.95	68.98	767.88
Accumulated depreciation on disposals	-	-	0.00	-	0.97	18.29	4.32	3.38	3.06	1.70	13.17	44.89
Accumulated depreciation as at March 31, 2017	-	8.35	210.74	67.94	134.08	3,490.53	243.67	25.78	245.11	256.14	512.80	5,195.14
Net block as at April 01, 2015	74.84	27.96	849.32	791.03	181.33	5,046.51	96.69	17.03	185.79	272.22	162.17	7,704.89
Net block as at March 31, 2016	74.84	151.14	855.21	780.30	188.65	4,983.70	89.27	21.78	173.23	277.18	154.95	7,750.25
Net block as at March 31, 2017	74.84	148.40	834.85	771.03	193.74	4,778.04	85.18	28.72	156.06	245.15	142.60	7,458.61

Notes

- Expenses relating to construction or acquisition of property, plant and equipment capitalised during the year ₹ 33.23 million (March 31, 2016: ₹ 4.25 million and April 1, 2015: ₹ 2.10 million)
- Plant and machinery above includes common transmission infrastructure used in Radio business by the Group which are jointly controlled assets as at March 31, 2017: Gross block - ₹ 165.07 million (March 31, 2016: ₹ 122.37 million and April 1, 2015: ₹ 122.39 million)
Net block - ₹ 69.56 million (March 31, 2016: ₹ 31.42 million and April 1, 2015: ₹ 35.30 million)
% of Ownership - 27.72% (March 31, 2016: 30.26% and April 1, 2015: 30.26%)
- For assets pledge refer note 14.

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to consolidated financial statements as at and for the year ended March 31, 2017

5 INVESTMENT PROPERTIES

(₹ in million)			
Particulars	Land	Building	Total
Gross block value as at April 01, 2015	-	118.58	118.58
Additions during the year	4.57	148.21	152.78
Gross block value as at March 31, 2016	4.57	266.79	271.36
Additions during the year	21.68	209.94	231.62
Deletion during the year	-	10.21	10.21
Gross block value as at March 31, 2017	26.25	466.52	492.77
Accumulated depreciation as at April 01, 2015	-	2.29	2.29
Depreciation for the year	-	2.78	2.78
Accumulated depreciation as at March 31, 2016	-	5.07	5.07
Depreciation for the year	-	5.05	5.05
Accumulated depreciation on disposals	-	0.53	0.53
Accumulated depreciation as at March 31, 2017	-	9.59	9.59
Net block as at April 01, 2015	-	116.29	116.29
Net block as at March 31, 2016	4.57	261.72	266.29
Net block as at March 31, 2017	26.25	456.93	483.18

Information regarding income and expenditure of investment properties

(₹ in million)		
Particulars	March 31, 2017	March 31, 2016
Rental income derived from investment properties	1.31	0.11
Profit arising from investment properties before depreciation and indirect expenses	1.31	0.11
Less – Depreciation	5.05	2.78
Profit arising from investment properties before indirect expenses	(3.74)	(2.67)

The investment properties consist of commercial and residential properties based on the management's assessment of the nature, characteristics and risks of each property. As at March 31, 2017 the fair values of the properties are ₹ 512.21 million. These valuations are based on valuations performed by an accredited independent valuer. The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

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to consolidated financial statements as at and for the year ended March 31, 2017

6 INTANGIBLE ASSETS

Particulars	(₹ in million)		
	One time license fees	Computer software-including ERP	Total
Gross block value as at April 01, 2015	512.20	189.21	701.41
Additions during the year	733.29	35.75	769.04
Deletions during the year	0.07	-	0.07
Gross block value as at March 31, 2016	1,245.42	224.96	1,470.38
Additions during the year	322.49	8.61	331.10
Gross block value as at March 31, 2017	1,567.91	233.57	1,801.48
Accumulated amortisation as at April 01, 2015	402.40	85.62	488.02
Amortisation for the year	56.20	25.72	81.92
Accumulated amortisation on disposals	-	-	-
Accumulated amortisation as at March 31, 2016	458.60	111.34	569.94
Amortisation for the year	63.35	26.58	89.93
Accumulated amortisation as at March 31, 2017	521.95	137.92	659.87
Net block as at April 01, 2015	109.80	103.59	213.39
Net block as at March 31, 2016	786.82	113.62	900.44
Net block as at March 31, 2017	1,045.96	95.65	1,141.61

Financial Assets

7 INVESTMENTS

Particulars	(₹ in million)		
	March 31, 2017	March 31, 2016	April 01, 2015
A Non - current investments at fair value through OCI (fully paid):			
(a) Quoted investment in equity shares:			
300,000 (March 31, 2016: 300,000 and April 01, 2015: 300,000) equity shares of ₹ 10 each of Ajcon Global Services Limited	5.70	6.48	5.82
52,136 (March 31, 2016: 52,136 and April 01, 2015: 52,136) equity shares of ₹ 10 each of Everonn Education Limited	0.63	1.06	1.17
5,340,000 (March 31, 2016: 5,340,000 and April 01, 2015: 5,340,000) equity shares of ₹ 5 each of DMC Education Limited	3.74	4.27	3.36
665,863 (March 31, 2016: 665,863 and April 01, 2015: Nil) equity shares of ₹ 10 each of Timbor Home Limited	-	-	-
(b) Unquoted investments:			
(i) Investment in equity shares:			
100,000 (March 31, 2016: 100,000 and April 01, 2015: 100,000) equity shares of ₹ 10 each of Dwarkas Gems Limited	-	-	-
375,000 (March 31, 2016: 375,000 and April 01, 2015: 375,000) equity shares of ₹ 10 each of Arvind Coirfoam Private Limited	-	-	-
325,000 (March 31, 2016: 325,000 and April 01, 2015: 325,000) equity shares of ₹ 10 each of Micro Secure Solution Limited	-	-	-

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to consolidated financial statements as at and for the year ended March 31, 2017

7 INVESTMENTS (CONTD.)

Particulars	(₹ in million)		
	March 31, 2017	March 31, 2016	April 01, 2015
81,085 (March 31, 2016: 81,085 and April 01, 2015: 81,085) equity shares of ₹ 10 each of Naaptol Online Shopping Private Limited	221.77	221.77	221.77
486,825 (March 31, 2016: 486,825 and April 01, 2015: 486,825) equity shares of ₹ 10 each of Neesa Leisure Limited	13.10	13.10	23.10
140,000 (March 31, 2016: 140,000 and April 01, 2015: 140,000) equity shares of ₹ 10 each of Trophic Wellness Private Limited	11.01	11.01	11.01
1,100,917 (March 31, 2016: 1,100,917 and April 01, 2015: 1,100,917) equity shares of ₹ 1 each of Abbee Consumables and Peripherals Sshope Limited	-	-	-
2,434 (March 31, 2016: 2,434 and April 01, 2015: 2,434) equity shares of ₹ 10 each of Koochie Play Systems Private Limited	13.37	13.37	13.37
100 (March 31, 2016: 100 and April 01, 2015: 100) equity shares of ₹ 100 each of United News of India	0.01	0.01	0.01
10 (March 31, 2016: 10 and April 01, 2015: 10) equity shares of ₹ 100 each of Press Trust of India	0.00	0.00	0.00
(ii) Investment in debentures and warrants (fully paid) :			
200,000 (March 31, 2016: 200,000 and April 01, 2015: 200,000), Zero % fully convertible debentures of ₹ 100 each of Cubit Computers Private Limited	-	-	-
700,935 (March 31, 2016: 700,935 and April 01, 2015: 700,935) convertible warrants of ₹ 53.50 of Edserv Softsystems Limited	-	-	-
1 (March 31, 2016: 1 and April 01, 2015: 1), Zero % fully convertible debenture of ₹ 8,500,000 each of Roxton (Italy) Clothing Private Limited	-	-	-
Nil (March 31, 2016: Nil and April 01, 2015: 1), Zero % fully convertible debenture of ₹ 25,500,000 each of Timbor Home Limited	-	-	3.60
Total non - current investments	269.33	271.07	283.21
B Current investments at fair value through consolidated statement of profit and loss (fully paid):			
(a) Quoted investment in equity shares:			
Nil (March 31, 2016: 5,201,055 and April 01, 2015: 6,054,960) equity shares of ₹ 10 each of Gitanjali Gems Limited	-	169.29	249.46
	269.33	440.36	532.67
Aggregate book value amount of quoted investments	10.07	181.10	259.81
Aggregate market value of quoted investments	10.07	181.10	259.81
Aggregate amount of unquoted investments	259.26	259.26	272.86

Investments at fair value through OCI and consolidated statement of profit and loss reflect investment in quoted and unquoted equity and debt securities. Refer note 37 for determination of their fair values.

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to consolidated financial statements as at and for the year ended March 31, 2017

8 OTHER FINANCIAL ASSETS

(Unsecured considered goods unless stated otherwise)

(₹ in million)

Particulars	Non-current			Current		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Deposit for lease of properties [refer note 28(b)]	142.82	129.91	113.44	-	-	-
Inter-corporate deposit placed	-	-	322.00	300.00	322.00	200.00
Other bank deposits with original maturity of more than 3 months but less than 12 months	-	-	-	8.29	23.69	12.75
Deposits with original maturity of more than 12 months	2.16	2.18	2.03	-	-	-
	144.98	132.09	437.47	308.29	345.69	212.75

9 OTHER ASSETS

(Unsecured, considered good unless stated otherwise)

(₹ in million)

Particulars	Non-current			Current		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
a Capital advances						
Advances for capital goods	56.51	122.20	114.91	-	-	-
b Advances for properties						
Considered good	757.15	764.42	685.31	-	-	-
Unsecured considered doubtful	142.40	76.00	71.00	-	-	-
	899.55	840.42	756.31	-	-	-
Less: Impairment allowance for doubtful advances	142.40	76.00	71.00	-	-	-
	757.15	764.42	685.31	-	-	-
c Other deposits						
Deposit with suppliers and others	404.56	359.69	337.01	-	-	-
d Loans and advances to related parties [refer note 28 (b)]						
Advances recoverable in cash or kind or for value to be received	-	-	-	38.66	26.21	39.12
e Other loans and advances						
Deposit with government authorities	88.81	86.29	57.34	-	-	-
Balances with statutory / government authorities	5.31	14.50	-	-	6.26	-
Advances to employees	-	-	-	25.62	26.00	21.17
Unsecured considered doubtful	-	-	-	-	-	-
Advances recoverable in cash or kind or for value to be received	1.10	2.19	2.19	-	-	-
	95.22	102.98	59.53	25.62	32.26	21.17
Less: Impairment Allowance for doubtful advances	1.10	2.19	2.19	-	-	-
	94.12	100.79	57.34	25.62	32.26	21.17
Total other assets	1,312.34	1,347.10	1,194.57	64.28	58.47	60.29

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to consolidated financial statements as at and for the year ended March 31, 2017

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

(₹ in million)

Particulars	Non-current			Current		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Firm in which directors are partner *						
R.C. Printer	17.90	17.90	17.90	-	-	-
Private companies in which directors are member *						
Writers and Publishers Private Limited	1,473.70	1,473.70	1,473.70	-	-	-
Bhaskar Publication and Allied Industries Private Limited	0.40	0.40	0.40	-	26.21	38.18
DB Malls Private Limited	1.46	1.46	1.10	-	-	0.94
Bhaskar Industries Private Limited	1.62	1.62	1.62	-	-	-
DB Power Limited	-	-	-	0.08	-	-
Bhaskar Infrastructure Private Limited	11.60	11.60	11.60	-	-	-

*These represents amount paid and not amortised cost.

10 INVENTORIES

(₹ in million)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Raw materials (at cost)			
Newsprint*	1,624.66	1,326.68	1,099.71
Finished goods	3.77	4.40	4.09
Stores and spares	358.70	343.64	298.16
	1,987.13	1,674.72	1,401.96

*Amount includes newsprint in transit of ₹ 259.41 (March 31, 2016: ₹ 204.72, April 01, 2015: ₹ 173.64)

11 TRADE RECEIVABLES

(Unsecured, considered good unless stated otherwise)

(₹ in million)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Outstanding for a period exceeding six months from the date they are due for payment			
Considered good	580.86	330.44	219.53
Considered doubtful	468.47	440.15	394.91
	1,049.33	770.59	614.44
Less: Impairment allowance	468.47	440.15	394.91
	580.86	330.44	219.53
Other receivables			
Considered good	3,596.23	3,442.97	3,141.18
	4,177.09	3,773.41	3,360.71

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).

Trade receivables are non-interest bearing and generally on terms of 30 - 90 days.

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12 CASH AND CASH EQUIVALENTS

Particulars	(₹ in million)		
	March 31, 2017	March 31, 2016	April 01, 2015
Balances with banks			
On current account	681.25	513.35	591.10
Deposits with original maturity of less than 3 months	751.33	1.01	866.48
Cheques on hand / transit	294.10	328.55	287.34
Cash on hand	16.25	55.05	21.97
	1,742.93	897.96	1,766.89
Other bank balances:			
Unclaimed dividend accounts	0.90	2.28	0.05
	1,743.83	900.24	1,766.94

Short-term deposits are made for varying periods of one day to three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

13 SHARE CAPITAL

Particulars	March 31, 2017		March 31, 2016		April 01, 2015	
	Nos. in million	₹ in million	Nos. in million	₹ in million	Nos. in million	₹ in million
Authorised share capital						
a. Equity shares:						
At the end of the year	249.00	2,490.00	249.00	2,490.00	249.00	2,490.00
b. Preference shares:						
At the end of the year	0.00	10.00	0.00	10.00	0.00	10.00
Total authorised share capital (a+b)	249.00	2,500.00	249.00	2,500.00	249.00	2,500.00

Issued, subscribed and fully paid-up share capital

Particulars	March 31, 2017		March 31, 2016		April 01, 2015	
	Nos. in million	₹ in million	Nos. in million	₹ in million	Nos. in million	₹ in million
Equity shares						
At the beginning of the year	183.74	1,837.39	183.65	1,836.49	183.65	1,836.49
Issued during the year for exercise of stock option	0.16	1.56	0.09	0.90	-	-
Total issued, subscribed and fully paid-up share capital	183.90	1,838.95	183.74	1,837.39	183.65	1,836.49

(a) Terms/ rights attached to each class of shares

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.

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, if any. The distribution will be in proportion to the number of equity shares held by shareholders.

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to consolidated financial statements as at and for the year ended March 31, 2017

- (b) 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:

Particulars	(Nos. in million)		
	March 31, 2017	March 31, 2016	April 01, 2015
Equity shares :			
Allotted as fully paid up pursuant to Employee Stock Option Schemes ('ESOS')	0.59	0.46	0.40

- (c) Details of shareholders holding more than 5% shares of the Company

Name of shareholders	March 31, 2017		March 31, 2016		April 01, 2015	
	Nos. in million	% of holding	Nos. in million	% of holding	Nos. in million	% of holding
Equity shares of ₹ 10 each fully paid						
Pawan Agarwal	8.27	4.50	25.15	13.69	25.15	13.69
Sudhir Agarwal	8.27	4.50	23.68	12.89	23.68	12.89
Girish Agarwal	8.27	4.50	22.08	12.02	22.08	12.02
Peacock Trading and Investments Private Limited	89.79	48.83	18.55	10.10	18.55	10.10
Nalanda India Equity Fund Limited	14.99	8.15	14.99	8.16	14.58	7.94
Bhaskar Infrastructure Private Limited	-	-	12.11	6.59	12.11	6.60

- (d) Shares reserved for issue under options

For detail of shares reserved for issue under the ESOS of the Company (refer note 36).

- (e) Distribution made and proposed

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Cash dividends on equity shares declared and paid:		
Final dividend* (March 31, 2016: ₹ 4.25 per share) (March 31, 2015: ₹ 4.25 per share)	781.04	780.79
DDT on final dividend	159.02	156.11
Interim dividend (March 31, 2017: ₹ 4.00 per share) (March 31, 2016: ₹ 6.75 per share)	735.45	1,239.91
DDT on interim dividend	149.72	255.29
	1,825.23	2,432.10

*Final dividend represent ₹ 4.25 per share for the year ended March 31, 2015 and March 31, 2016 proposed by the board in respective years and approved by the shareholders during the year ended March 31, 2016 and March 31, 2017 respectively

Financial liabilities

14 BORROWINGS

Particulars	(₹ in million)					
	Non-current portion			Current maturities		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
(A) Long-term borrowings						
Foreign currency loans from financial institution (secured) (refer (a) below)	-	253.38	475.01	247.70	252.04	236.85
The above amount includes						
Amount disclosed under the head "Other financial liabilities" (refer note 15)	-	-	-	(247.70)	(252.04)	(236.85)
	-	253.38	475.01	-	-	-

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to consolidated financial statements as at and for the year ended March 31, 2017

Particulars	(₹ in million)		
	March 31, 2017	March 31, 2016	April 01, 2015
(B) Short-term borrowings			
Secured			
Cash credit facilities availed during the year [refer note (b) below]	-	299.37	-
Buyers' credit from banks [refer note (c) (i) below]	287.68	331.73	477.38
	287.68	631.10	477.38
Unsecured			
Buyers' credit from banks [refer note (c) (ii) below]	273.51	236.28	-
	273.51	236.28	-
Total short-term borrowings	561.19	867.38	477.38

(a) Foreign currency loans from financial institution

Agco Finance GmbH:-

The loan carries interest rate @ LIBOR plus 0.68% repayable in equal 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. As at March 31, 2017 the installments are due on August, 2017 and February, 2018 respectively.

(b) Cash credit facilities:

Cash credit facilities from banks are secured by first pari-passu charge on the entire current assets and second pari-passu charge on the entire movable fixed assets of the Company with other consortium bankers. The cash credit is repayable on demand with interest rates ranging between 9.75% p.a. and 10.00% p.a. (March 31, 2016: between 9.10% p.a. and 10.50% p.a.)

(c) Buyers' credit facilities:

(i) Secured buyers' credit facilities from banks are secured by first charge on the current assets and second charge on moveable fixed assets of the Company with other consortium bankers. Interest rates for buyers' credit are multiline rates ranging between 1.38% p.a. and 1.72% p.a. (March 31, 2016: between 0.91% p.a. & 1.44% p.a. and April 01, 2015: between 0.66% p.a. & 1.09% p.a.) (as mutually agreed). They are repayable within 90 to 180 days

(ii) Interest rates for unsecured buyers' credits are multiline rates ranging between 1.41% p.a. and 1.82% p.a. (March 31, 2016: between 0.88% p.a. & 1.39% p.a. and April 01, 2015: between 0.80% p.a. & 0.99% p.a.) (as mutually agreed). They are repayable within 90 to 180 days.

15 OTHER FINANCIAL LIABILITIES

Particulars	(₹ in million)					
	Non-current			Current		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Current maturities of long term borrowings (refer note 14)	-	-	-	247.70	252.04	236.85
Security deposits from newspaper agencies	481.78	439.64	377.48	53.53	48.85	41.94
Interest accrued but not due on borrowings	-	-	-	23.64	21.07	19.66
Liabilities for forward contracts	-	-	-	7.38	2.34	-
Bank guarantee commission	4.22	6.41	8.80	2.19	2.40	2.63
Payables for purchase of capital goods	-	-	-	15.94	22.10	6.68
Accrued expenses	-	-	-	817.98	936.81	663.27
Unclaimed dividend*	-	-	-	0.90	2.28	0.05
	486.00	446.05	386.28	1,169.26	1,287.89	971.08

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

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16 DEFERRED TAX LIABILITIES (NET)

Particulars	(₹ in million)		
	Consolidated balance sheet		
	March 31, 2017	March 31, 2016	April 01, 2015
Deferred tax liabilities			
Depreciation	1,086.29	1,073.96	1,027.08
Fair value of investment	38.99	38.99	38.29
Gross deferred tax liabilities	1,125.28	1,112.95	1,065.37
Deferred tax assets			
Allowance for impairment of trade receivables and doubtful advances	214.74	181.52	159.14
Provision for gratuity and compensated absences	91.42	88.87	61.68
Others	38.40	29.84	27.65
Gross deferred tax assets	344.56	300.23	248.47
Deferred tax liabilities (net)	780.72	812.72	816.90

Deferred tax reconciliation

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Opening balance	812.72	816.90
Tax during the year recognised in consolidated statement of profit and loss	(21.05)	(2.38)
Tax during the year recognised in OCI	(10.95)	(1.80)
Closing balance	780.72	812.72

Tax reconciliation

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Accounting profit before income tax	5,654.32	4,598.66
At statutory income tax rate of 34.608% (March 31, 2016 : 34.608%)	1,956.85	1,591.50
Deferred tax assets not recognised on unabsorbed depreciation and business losses carried forward of subsidiaries	8.83	12.38
Effect of changes in tax rate	-	2.90
Effect of non-deductible expenses	35.96	26.48
Effect of items not taxable as business income	(94.89)	44.71
At the effective income tax rate of 33.72% (March 31, 2016: 36.49%)	1,906.75	1,677.97
Income tax expense reported in the consolidated statement of profit and loss	1,906.75	1,677.97

The Group has ₹ 67.06 millions (March 31, 2016: ₹ 62.41 millions, April 1, 2015: ₹ 24.26 millions) of carried forward tax losses and unabsorbed depreciation as at March 31, 2017. These losses relate to subsidiaries that have a history of losses, expire in 8 years and may not be used to offset taxable income elsewhere in the Group. The subsidiaries neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

If the Group was able to recognise all unrecognised deferred tax assets, profit and equity would have increased by ₹ 8.40 millions and ₹ 23.21 millions respectively.

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17 PROVISIONS

Particulars	(₹ in million)		
	March 31, 2017	March 31, 2016	April 01, 2015
Provision for employee benefits			
For gratuity (refer note 33)	124.12	112.61	94.80
For compensated absences	94.46	90.78	86.67
	218.58	203.39	181.47

18 OTHER LIABILITIES

Particulars	(₹ in million)		
	March 31, 2017	March 31, 2016	April 01, 2015
Other payable			
Advances from customers (refer note below)	261.69	347.73	429.44
Statutory liabilities	76.32	72.96	57.71
Other liabilities	-	47.00	-
	338.01	467.69	487.15

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. The unutilised portion of advertisement advances received from these parties as at March 31, 2017 amounting to ₹ 29.89 million (March 31, 2016: ₹ 146.26 million and April 01, 2015: ₹ 299.18 million) is included in 'Advance from customers'.

19 REVENUE FROM OPERATIONS

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Sale of products		
Sale of newspapers	4,766.37	4,312.23
Sale of magazines	47.54	43.64
	4,813.91	4,355.87
Sale of services		
Advertisement revenue	15,972.59	14,812.00
Printing job charges	1,190.40	1,049.37
Portal and wireless revenue	0.09	-
	17,163.08	15,861.37
Other operating revenue		
Income from event management	121.10	59.97
Sale of power	4.57	4.10
Net gain / (loss) on fair valuation of investment / sale of investment	230.99	(25.17)
Sale of wastage arising during printing activity	246.45	237.33
	603.11	276.23
Total revenue from operations	22,580.10	20,493.47

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20 OTHER INCOME

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Excess liabilities / provisions written back	29.59	49.24
Miscellaneous income	24.71	35.79
	54.30	85.03

21 FINANCE INCOME

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Interest income from:		
Bank deposits	39.14	63.44
Financial assets measured at amortised cost using effective interest rate basis	40.93	37.79
Others	35.32	55.02
	115.39	156.25

22 COST OF RAW MATERIALS CONSUMED

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Newsprint		
Opening inventories	1,326.68	1,099.71
Add: Purchases during the year	6,906.05	6,413.64
	8,232.73	7,513.35
Less: Closing inventories	1,624.66	1,326.68
	6,608.07	6,186.67

23 EMPLOYEE BENEFIT EXPENSES

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Salaries, wages and bonus	3,810.58	3,478.53
Contribution to provident fund and other contribution plans	205.45	187.48
Employee stock option scheme (refer note 36)	50.65	40.79
Gratuity expenses (refer note 33)	40.66	45.60
Workmen and staff welfare expenses	178.56	156.65
	4,285.90	3,909.05

24 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Depreciation of property, plant and equipment (refer note 4)	767.88	768.26
Depreciation of intangible assets (refer note 6)	89.93	81.92
Depreciation of investment properties (refer note 5)	5.05	2.78
	862.86	852.96

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25 FINANCE COSTS

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Interest expense:		
On term loans	7.78	8.52
On banks	10.24	11.17
On others	39.39	36.57
Total interest expenses	57.41	56.26
Foreign exchange difference considered as borrowing cost	17.07	81.93
	74.48	138.19

26 OTHER EXPENSES

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Consumption of stores and spares	1,009.60	1,132.21
Advertisement and publicity	420.07	412.92
Electricity and water charges	417.17	395.40
Rent [refer note 30 (a)]	343.83	318.85
Distribution expenses	307.82	318.76
Repair and maintenance		
Plant and machinery	312.59	257.18
Building	20.47	17.29
Others	69.99	68.65
Traveling and conveyance	244.74	230.13
Business promotion expenses	224.61	260.53
News collection charges	201.10	188.05
Legal and professional charges	193.98	164.08
Survey expenses	148.84	142.23
Event expenses	122.02	52.33
Subcontract charges	101.41	57.83
Corporate social responsibility activities expenditure	73.58	46.15
Printing job work charges	68.97	49.92
Communication expenses	66.66	62.55
License fees	64.95	56.05
Insurance	24.14	23.57
Loss on sale / disposal of property, plant and equipment (net)	22.49	2.75
Royalty [Refer note 29(a)]	13.64	60.72
Rates and taxes	11.63	1.73
Bad trade receivables written off	57.08	
Less: Already provided	(55.95)	0.63
Allowance for impairment of trade receivables	84.27	94.39
Allowance for doubtful advances	68.80	6.60
Miscellaneous expenses	657.54	602.91
	5,296.04	5,024.41

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to consolidated financial statements as at and for the year ended March 31, 2017

27. EARNINGS PER EQUITY SHARE ('EPS')

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Profit for the year	3,725.17	2,903.14
Weighted average number of equity shares outstanding for basic EPS (no. in million)	183.81	183.70
Effect of dilution:		
On account of shares to be issued under ESOS (no. in million)	0.40	0.28
Weighted average number of equity shares outstanding for diluted EPS (no. in million)	184.21	183.98
Nominal value of share (₹)	10.00	10.00
Basic earnings per share (₹)	20.27	15.80
Diluted earnings per share (₹)	20.22	15.78

28. (a) Related party disclosures:

Following is the list of related parties:

Particulars	Related parties
Related parties with whom transactions 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 • Shri Girish Agarwal, Director • Shri P.G. Mishra, Chief Financial Officer • Smt Anita Gokhale, Company Secretary
Relatives of key management personnel	<ul style="list-style-type: none"> • Late Shri Ramesh Chandra Agarwal, Director (Father of Shri Sudhir Agarwal, Shri Girish Agarwal and Shri Pawan Agarwal) • Smt Kasturi Devi Agarwal (Grand Mother of Shri Sudhir Agarwal, Shri Girish 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 Publications and Allied Industries Private Limited • Bhaskar Infrastructure Private Limited • Bhaskar Industries Private Limited • Decore Exxoils Private Limited • Bhaskar Venkatesh Products Private Limited • DB Malls Private Limited • DB Power Limited • DB Infrastructures Private Limited • R.C. Printers • Writers and Publishers Private Limited • Deligent Hotel Corporation Private Limited • Peacock Trading and Investments Private Limited • Dev Fiscal Services Private Limited • Stitex Global Limited • Bhopal Financial Services Private Limited • Aarkey Investments Private Limited • Divya Dev Developers Private Limited • Divine Housing Development Company Private Limited • Sharda Solvent Limited

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to consolidated financial statements as at and for the year ended March 31, 2017

Independent directors	<ul style="list-style-type: none"> • Shri Kailash Chandra Chowdhary (upto October 19, 2016) • Shri Piyush Pandey • Shri Harish Bijoor • Shri Ashwani Kumar Singhal • Shri Navin Kumar Kshatriya • Smt Anupriya Acharya
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Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. These transactions are approved by the audit committee of board of directors. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. The Group has not recorded any impairment of receivables relating to amounts owed by related parties during the year ended March 31, 2017, March 31, 2016 and April 01, 2015. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

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

Particulars	Transactions for the year ended		Amount receivable / (payable)	
			as at	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Advertisement revenue				
Abhivyakti Kala Kendra	0.06	0.16	0.18	0.18
Bhaskar Venkatesh Products Private Limited	5.74	4.66	0.64	3.14
DB Malls Private Limited	3.08	8.28	-	*
DB Power Limited	0.55	0.50	0.10	0.11
Deligent Hotel Corporation Private Limited	2.50	0.23	2.18	1.97
R.C. Printers	-	*	-	-
Aarkey Investments Private Limited	-	-	*	*
Divine Housing Development Company Private Limited	0.32	0.81	0.08	0.11
Divya Dev Developers Private Limited	3.48	2.57	1.68	0.65
DB Infrastructures Private Limited	4.40	4.52	13.82	12.04
Bhaskar Publications and Allied Industries Private Limited	19.38	18.08	0.09	0.51
Decore Exxoils Private Limited	-	*	*	*
Bhaskar Industries Private Limited	0.02	-	-	-
Sale of magazines				
Bhaskar Publications and Allied Industries Private Limited	0.13	0.13	0.23	0.09
Printing job charges (income)				
Bhaskar Publications and Allied Industries Private Limited	3.25	3.48	2.12	0.37
DB Infrastructures Private Limited	-	0.38	0.47	1.55
Divya Dev Developers Private Limited	1.00	-	0.98	-
Compensation of key management personnel of the Group				
Shri Sudhir Agarwal	6.75	6.00	-	-
Shri Pawan Agarwal	6.00	4.80	-	-
Shri P.G. Mishra (including perquisite value of shares issued under ESOS)	20.04	17.79	-	-

* Represents balance below ₹ 10,000

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to consolidated financial statements as at and for the year ended March 31, 2017

(₹ in million)

Particulars	Transactions for the year ended		Amount receivable / (payable)	
			as at	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Short-term employee benefits	0.19	0.19	-	-
Share-based payment transactions	1.72	1.24	-	-
Smt Anita Gokhale	1.53	1.46	-	-
Rent income				
Bhaskar Publications and Allied Industries Private Limited	3.06	3.02	-	-
Rent paid				
Bhaskar Industries Private Limited	0.18	0.17	-	-
Bhaskar Infrastructure Private Limited	4.01	3.99	-	-
Bhaskar Publications and Allied Industries Private Limited	0.15	0.14	-	-
R.C. Printers	15.87	15.74	-	-
Writers and Publishers Private Limited	66.72	66.16	-	-
DB Malls Private Limited	4.50	2.86	(0.02)	-
Decore Exxoils Private Limited	5.03	6.25	-	-
Advertisement and publicity expenses				
Abhivyakti Kala Kendra	0.06	0.06	-	-
Bhaskar Publications and Allied Industries Private Limited	23.22	23.77	0.14	-
DB Malls Private Limited	0.65	1.03	-	-
Deligent Hotel Corporation Private Limited	-	1.11	(0.70)	-
Legal and professional charges				
DB Malls Private Limited	-	5.49	-	-
Meeting and hotel lodging charges				
Deligent Hotel Corporation Private Limited	8.47	1.94	(0.23)	-
Amount received on issue of shares under ESOS				
Shri P.G. Mishra	0.64	0.61	-	-
Sale of property, plant and equipment				
Bhaskar Publications and Allied Industries Private Limited	0.01	0.08	-	-
Sharda Solvent Limited	-	1.68	-	-
Purchase of property, plant and equipment				
DB Malls Private Limited	-	0.81	-	-
Bhaskar Publications and Allied Industries Private Limited	0.03	0.37	-	-
DB Power Limited	-	1.15	-	-
Abhivyakti Kala Kendra	-	0.05	-	-
Purchase of goods				
Bhaskar Venkatesh Products Private Limited	-	2.70	-	(2.70)
Bhaskar Industries Private Limited	2.41	-	0.03	-
Advertisement advance repaid				
Writers and Publishers Private Limited	-	-	(12.29)	(12.29)
Security deposit given against lease of properties				
Writers and Publishers Private Limited	-	-	1,473.70	1,473.70
R.C. Printers	-	-	17.90	17.90
Bhaskar Infrastructure Private Limited	-	-	11.60	11.60
Bhaskar Publications and Allied Industries Private Limited	-	-	0.40	0.40
Bhaskar Industries Private Limited	-	-	1.62	1.62
DB Malls Private Limited	0.56	0.37	2.03	1.46

* Represents balance below ₹ 10,000

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(₹ in million)

Particulars	Transactions for the year ended		Amount receivable / (payable)	
			as at	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Security deposit received				
Bhaskar Publications and Allied Industries Private Limited	-	-	(10.00)	(10.00)
News print given				
Bhaskar Publications and Allied Industries Private Limited	29.48	19.58	36.21	26.21
Dividend paid				
Bhaskar Infrastructure Private Limited	99.93	133.24	-	-
Bhaskar Publications and Allied Industries Private Limited	24.90	33.20	-	-
Bhopal Financial Services Private Limited	46.67	62.23	-	-
Dev Fiscal Services Private Limited	13.69	18.25	-	-
Peacock Trading & Investments Private Limited	153.03	204.04	-	-
Shri Girish Agarwal	182.18	242.90	-	-
Smt Jyoti Agarwal	40.82	54.43	-	-
Shri Pawan Agarwal	207.46	276.62	-	-
Late Shri Ramesh Chandra Agarwal	7.60	10.14	-	-
Shri Sudhir Agarwal	195.33	260.44	-	-
Smt Kasturi Devi Agarwal	0.82	1.10	-	-
Smt Namita Agarwal	53.97	71.96	-	-
Smt Nitika Agarwal	28.69	38.25	-	-
Stitex Global Limited	4.95	6.60	-	-
Director's sitting fees				
Late Shri Ramesh Chandra agarwal	0.04	0.08	-	-
Shri Girish Agarwal	0.08	0.06	-	-
Shri Kailash Chandra Chowdhary	0.05	0.24	-	-
Shri Piyush pandey	0.16	0.05	-	-
Shri Harish Bijoor	0.06	0.10	-	-
Shri Ashwani Kumar Singhal	0.21	0.21	-	-
Shri Naveen Kumar Kshatriya	0.04	-	-	-
Smt Anupriya Acharya	0.07	-	-	-
Balance outstanding at the year end				
Bhaskar Publications and Allied Industries Private Limited	-	-	(0.02)	-
DB Malls Private Limited	-	-	-	(0.02)
DB Power Limited	-	-	0.08	-
Writers and Publishers Private Limited	-	-	0.01	-
Bhaskar Samachar Seva	-	-	(2.00)	(2.00)

* Represents balance below ₹ 10,000

(c) Corporate guarantee given

The Group has given a corporate guarantee of ₹ 234.04 million, (March 31, 2016: ₹ 293.06 million, April 1, 2015: ₹ 326.50 million) in favor of Export Development Canada on behalf of Decore Exxoils Private Limited towards the credit facility availed by Decore Exxoils Private Limited from Export Development Canada for purchase of assets.

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29. ROYALTY

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

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. In its Order dated September 20, 2016 the Honorable Supreme Court has upheld the orders of the Honorable Delhi High Court. The Honorable Delhi High Court has reserved its order and the same is yet to be pronounced. During the current year pursuant to favourable decision by the Honorable Supreme Court of India on royalty payable to Indian Performing Rights Society ('IPRS') pertaining to the period before June 21, 2012, the Company has written back provision amounting to ₹ 57.67 million. This had been netted off against royalty expense.

Considering the litigation involved, the Company has provided for royalty based on the best judgment assessment of the case for the period after June 2012. The management believes that the provision made in the books is sufficient to cover 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 Ind AS 37 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 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, 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 cover 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 Ind AS 37 –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

(a) Operating lease (for assets taken on lease):

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

- a) The Group has taken various godown, office and residential premises under operating lease agreements. These are generally renewable by mutual consent.
- b) Lease payments recognised for the year are ₹ 343.83 million (March 31, 2016: ₹318.85 million).
- 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.

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- d) The total of minimum lease payment under non-cancellable operating leases are:

Particulars	₹ in million	
	March 31, 2017	March 31, 2016
Within one year	30.41	18.35
After one year but not more than 5 years	44.32	8.40
More than 5 years	-	-
Total	74.73	26.75

(b) Operating lease (for assets given on lease):

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

- a) The Group has given plant and machinery and investment property on operating lease arrangement for the period ranging from 1 year to 3 years. The lease arrangement is cancellable with mutual consent.
- b) Lease income recognised for the year is ₹ 4.30 million (March 31, 2016: ₹ 3.11 million).
- c) There are no restrictions imposed in the lease agreements and there are no escalation clauses in the agreements.
- d) The details of assets given on operating lease are as follows:

Particulars	₹ in million	
	March 31, 2017	March 31, 2016
Plant and machinery		
Gross carrying amount	52.22	52.22
Accumulated depreciation	22.05	18.24
Depreciation for the year	3.81	3.89
Investment property		
Gross carrying amount	23.13	5.67
Accumulated depreciation	3.42	0.15
Depreciation for the year	0.34	0.11

31. CONTINGENT LIABILITIES

Contingent liabilities not provided for are as follows:

- a) For details of corporate guarantee given, refer note 28(c).
- b) There are several defamation and other legal cases pending against the Group and its directors. These include criminal and civil cases. There are certain employee related cases also pending against the Group. 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 Group in respect of these cases is ₹ 9.71 million (March 31, 2016: ₹ 9.28 million, April 1, 2015: ₹ 2.78 million). 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 Group believes that there is no present obligation in respect of the above and hence no provision is considered necessary against the same.
- c) Income tax demands from income tax authorities of ₹ 7.55 million (March 31, 2016: ₹ 13.89 million, April 1, 2015: ₹ 7.47 million) relating to various assessment years is outstanding against the Group. These claims are being contested at various forums by the Group. The management does not expect these claims to succeed and accordingly, no provision for these claims has been recognised in the consolidated financial statements.

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32. COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 47.28 million (March 31, 2016: ₹ 83.51 million, April 1, 2015: ₹ 213.70 million).

33. EMPLOYEE BENEFITS

As per the payment of Gratuity Act, 1972, 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 Group is funded with an insurance company in the form of a qualifying insurance policy. Management aims to keep annual contribution relatively stable at such a level such that no plan deficits will arise.

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

Consolidated statement of profit and loss - Net employee benefits expense (recognised in employee benefits)

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Current service cost	30.00	29.29
Net interest cost	10.66	16.31
Net benefit expense	40.66	45.60

Balance sheet- Details of benefit obligation and fair value of plan assets

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Benefit obligation	310.65	251.69
Fair value of plan assets	(186.53)	(139.08)
Net liability	124.12	112.61

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

Particulars	(₹ in million)	
	March 31, 2017	March 31, 2016
Opening defined benefit obligation	251.69	212.78
Interest cost	19.80	15.56
Current service cost	30.00	29.29
Benefits paid	(21.10)	(12.23)
OCI		
Actuarial changes arising from changes in financial assumptions	16.64	(0.81)
Experience adjustments	13.62	7.10
Closing defined benefit obligation	310.65	251.69

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

Particulars	₹ in million	
	March 31, 2017	March 31, 2016
Opening fair value of plan assets	139.08	117.98
Interest Income	9.14	(0.75)
Contributions by employer	60.76	35.00
Benefits paid	(21.10)	(12.23)
OCI		
Return on plan assets, excluding interest income	(1.35)	(0.92)
Closing fair value of plan assets	186.53	139.08
Actuarial losses recognised in the year	31.61	7.21

The Group expects to contribute ₹ 25.00 million (March 31, 2016: ₹ 25.00 million) to gratuity fund during the annual period beginning after balance sheet date. As at March 31, 2017 and March 31, 2016 the entire plan assets are held in the form of investments with the insurer.

The principal assumptions used in determining gratuity obligations for the plans of the companies are shown below:

Particulars	March 31, 2017	March 31, 2016
Discount rate	7.34%	8.02%
Employee turnover	0-5 years of service-26% 5-10 years of service 9% and for service thereafter-5%	0-5 years of service- 26% 5-10 years of service- 9% and for service thereafter- 5%
Estimated future salary increase	6.00%	6.00%

A quantitative sensitivity analysis for the significant assumption as at March 31, 2017 is as shown below:

Sensitivity analysis (Impact on projected benefit obligation and current service cost)

Particulars	₹ in million	
	March 31, 2017	March 31, 2016
Delta effect of + 1% change in rate of discounting	(23.93)	(18.68)
Delta effect of - 1% change in rate of discounting	27.69	21.59
Delta effect of + 1% change in rate of salary increase	27.79	21.81
Delta effect of - 1% change in rate of salary increase	(24.43)	(19.18)
Delta effect of + 1% change in rate of employee turnover	2.23	2.97
Delta effect of - 1% change in rate of employee turnover	(2.59)	(3.42)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on define benefit obligation as a result of reasonable changes in key assumptions occurring at the end of reporting period.

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to consolidated financial statements as at and for the year ended March 31, 2017

34. SEGMENT INFORMATION:

For management purposes, the Group is organised into business units based on its services and has following reportable segments:

- Printing / publishing segment includes newspaper, magazines, printing job work, etc.
 - Radio segment includes broadcasting of Radio.
 - Event includes event management.
 - Internet segment includes integrated internet and mobile interactive services.
 - Power includes generation of wind energy
- No operating segments have been aggregated to form the above reportable operating segments.

(i) - Segment Information

Particulars	Printing / Publishing		Radio		Event		Internet		Power		Inter segment elimination		Total	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Revenue													
External revenue	20,620.29	18,899.79	1,269.90	1,073.43	121.10	59.97	564.24	456.18	4.57	4.10	-	-	22,580.10	20,493.47
Inter segmental revenue	1.19	0.60	2.13	1.54	-	-	-	-	-	-	(3.32)	(2.14)	-	-
Total	20,621.48	18,900.39	1,272.03	1,074.97	121.10	59.97	564.24	456.18	4.57	4.10	(3.32)	(2.14)	22,580.10	20,493.47
Segment results	5,625.39	4,661.04	380.18	314.87	(7.82)	0.66	(249.14)	(274.61)	2.23	(13.75)	(0.26)	(0.01)	5,750.58	4,688.20
Less : Unallocated corporate expenses													96.23	69.77
Operating profit													5,654.35	4,618.43
Less : Finance costs													74.48	138.19
Add: Unallocable income													74.45	118.42
Less : Tax expenses													1,906.75	1,677.97
Profit for the year													3,747.57	2,920.69
Other Information														
Depreciation and amortisation expenses	742.45	731.49	99.65	85.09	-	0.10	20.18	23.55	0.58	12.73	-	-	862.86	852.96
Non - cash expenses other than depreciation	144.31	105.27	3.83	0.95	0.06	0.02	6.00	0.06	-	-	-	-	154.20	106.30
Segment assets	18,534.27	18,224.25	2,215.69	1,985.76	20.33	8.44	274.31	224.72	17.71	19.47	(1,363.01)	(1,319.19)	19,699.30	19,143.45
Unallocated corporate assets													1,081.79	370.29
Total Assets	2,191.20	2,413.68	884.07	1,012.39	10.00	10.40	357.58	295.74	0.01	0.10	(776.28)	(922.52)	20,781.09	19,513.74
Segmental liabilities													2,666.58	2,809.79
Unallocated corporate liabilities													2,170.60	2,728.91
Total Liabilities													4,837.18	5,538.70
Capital expenditure	370.18	896.45	218.63	1,079.94	-	-	10.77	27.98	-	-	-	-	599.78	2,004.37

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to consolidated financial statements as at and for the year ended March 31, 2017

35. IMPAIRMENT TESTING OF GOODWILL

Goodwill acquired through business combinations has been allocated to the integrated internet and mobile interactive services segment, which is an operating and reportable segments, for impairment testing.

The carrying value of goodwill allocated to integrated internet and mobile interactive services cash generating unit is ₹ 19.13 million (March 31, 2016: ₹ 19.13 million, April 01, 2015: ₹ 19.13 million)

The recoverable amount of the goodwill is determined based on a value in use calculated using cash flow projections from financial budgets approved by senior management covering a period of five year period. The pre-tax discount rate applied to the cash flow projections for impairment testing during the current year is 10% (March 31, 2016: 10%, April 01, 2015: 10%). The growth rate used to extrapolate the cash flows of the unit beyond the five-year period is 10% (March 31, 2016: 10%, April 01, 2015: 10%). Based on the result of the analysis, management did not identify any impairment for goodwill.

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' (issued in five tranches, designated as 'T-1', 'T-2', 'T-3', 'T-4' and 'T-5' hereinafter). During the year ended March 31, 2017, the following schemes were in operation:

Particulars	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	1,238,670
	Options vest over the period of five years from the date of grant as under:		
	Scheme	All schemes except ESOS 2011 (T-5)	ESOS 2011 (T-5)
Vesting period	1 st Year	20%	15%
	2 nd Year	20%	20%
	3 rd Year	20%	20%
	4 th Year	20%	20%
	5 th Year	20%	25%
Exercise period	Within three years from the date of vesting or listing, whichever is later	Within three years from the date of vesting	Within three to five years from the date of vesting
Exercise price	50% discount to the average of first 30 days market price post listing	Discount up to a maximum of 30% to the market price on date of grant.	Discount to the market price on date of grant. between 50.00% and 68.83%
Vesting conditions	Option vest on continued association with the Company and achievement of certain performance parameters		

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to consolidated financial statements as at and for the year ended March 31, 2017

The details of activity under various stock option scheme are summarised below:

Particulars	March 31, 2017			March 31, 2016		
	(number of options)					
	DBCL - ESOS 2008	DBCL - ESOS 2010	DBCL - ESOS 2011	DBCL -ESOS 2008	DBCL - ESOS 2010	DBCL - ESOS 2011
Outstanding at the beginning of the year	15,335	97,545	945,716	33,925	155,363	193,368
Granted during the year	-	-	-	-	-	801,200
Forfeited / cancelled during the year	-	2,614	80,589	617	9,030	9,570
Exercised during the year	13,095	33,431	109,494	13,362	37,336	39,282
Expired during the year	2,240	12,384	-	4,611	11,452	-
Outstanding at the end of the year	-	49,116	755,633	15,335	97,545	945,716
Exercisable at the end of the year	-	49,116	139,864	15,335	97,545	55,410
*Weighted average exercise price	124	168	95-113	124	168	95-113
Weighted average share price	₹ 373.07			₹ 327.26		
Weighted average remaining contractual life	4.24 years			4.82 years		
Weighted average fair value of options granted	-			₹ 212.52		
Range of exercise prices	₹ 95 - ₹ 168			₹ 95 - ₹ 168		

*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.

37. FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Group's financial assets and financial liabilities.

Quantitative disclosures fair value measurement hierarchy as at March 31, 2017:

Particulars	(₹ in million)			
	Total	Level 1	Level 2	Level 3
Assets measured at fair value				
FVTOCI financial investments				
- Quoted equity shares	10.07	10.07	-	-
- Unquoted equity shares	259.26	-	-	259.26
Total financial assets measured at fair value	269.33	10.07	-	259.26
Liabilities measured at fair value				
- Foreign exchange forward contracts	7.38	-	7.38	-

Quantitative disclosures fair value measurement hierarchy as at March 31, 2016:

Particulars	(₹ in million)			
	Total	Level 1	Level 2	Level 3
Assets measured at fair value				
FVTOCI financial investments				
- Quoted equity shares	11.81	11.81	-	-
- Unquoted equity shares	259.26	-	-	259.26
FVTPL financial investments				
- Quoted equity shares	169.29	169.29	-	-
Total financial assets measured at fair value	440.36	181.10	-	259.26
Liabilities measured at fair value				
- Foreign exchange forward contracts	2.34	-	2.34	-

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to consolidated financial statements as at and for the year ended March 31, 2017

Quantitative disclosures fair value measurement hierarchy as at April 1, 2015:

Particulars	(₹ in million)			
	Total	Level 1	Level 2	Level 3
Assets measured at fair value				
FVTOCI financial investments				
- Quoted equity shares	10.35	10.35	-	-
- Unquoted equity shares	269.26	-	-	269.26
- Unquoted debentures	3.60	-	-	3.60
FVTPL financial investments				
- Quoted equity shares	249.46	249.46	-	-
Total financial assets measured at fair value	532.67	259.81	-	272.86

The management assessed that cash and cash equivalents, trade receivables, trade payables, short-term borrowings, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further the long-term borrowing has been considered at fair value since it carries a floating rate of interest.

Break up of financial assets carried at amortised cost

Particulars	(₹ in million)		
	March 31, 2017	March 31, 2016	April 01, 2015
Trade receivable (note 11)	4,177.09	3,773.41	3,360.71
Cash and cash equivalents (note 12)	1,743.83	900.24	1,766.94
Other financial assets (note 8)	453.27	477.78	650.22
Total financial assets carried at amortised cost	6,374.19	5,151.43	5,777.87

Break up of financial liabilities carried at amortised cost

Particulars	(₹ in million)		
	March 31, 2017	March 31, 2016	April 01, 2015
Trade Payables	1,276.07	1,179.79	1,214.54
Other financial liabilities	1,647.88	1,731.60	1,357.36
Total financial assets carried at amortised cost	2,923.95	2,911.39	2,571.90

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The Group has used prices from prior transactions / third-party pricing information with relevant adjustments for the valuation of unquoted equity shares. Hence the quantitative information about the significant unobservable inputs have not been disclosed.
- The Group enters into derivative financial instruments majorly foreign exchange forward contracts with the banks. These foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs.

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to consolidated financial statements as at and for the year ended March 31, 2017

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities, other than derivatives, comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group also holds quoted and unquoted investments.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management ensures that the Group's financial risk activities are governed by appropriate policies so that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The senior management reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two type of risk: currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include deposits, investments, derivative financial instruments and borrowings.

The sensitivity analysis have been prepared on the basis that the proportion of financial instruments in foreign currencies are all constant as at March 31, 2017.

The analysis exclude the impact of movements in market variables on the carrying values of gratuity; and the non-financial assets and liabilities.

The following assumption have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial liabilities held at March 31, 2017 and March 31, 2016

Foreign currency sensitivity

The Group procures newsprint from the international markets after considering the prevailing prices in the domestic and international markets. The Group uses foreign exchange forward contracts to manage some of its transaction exposures. These foreign exchange forward contracts are not designated as cash flow hedges and are entered into for the periods consistent with the foreign currency exposure of the underlying transactions, generally from one to six months.

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

Nature of derivative contract	Nature of underlying exposures	Purpose	(₹ in million)					
			March 31, 2017		March 31, 2016		April 1, 2015	
			\$	₹	\$	₹	\$	₹
Foreign exchange forward contracts	Buyers credit from banks	Purchase of news print	1.49	96.46	1.63	108.00	0.90	56.39
	Trade payables		3.97	257.15	0.65	43.07	-	-

As at balance sheet date, the Group's net foreign currency exposure (payable) that is not hedged in ₹ 1,030.75 million (March 1, 2016: ₹ 1,407.62 million and April 1, 2015: ₹ 1,594.63 million)

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant.

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to consolidated financial statements as at and for the year ended March 31, 2017

Particulars	(₹ in million)	
	Change in	Effect on profit before tax
	\$	₹
March 31, 2017	5%	-69.22
	-5%	69.22
	10%	-138.44
	-10%	138.44
March 31, 2016	5%	-77.93
	-5%	77.93
	10%	-155.87
	-10%	155.87

The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. There is no impact on the Group's pre-tax equity as there are no forward exchange contracts designated as cash flow hedges or net investment hedges. The Group's exposure to foreign currency changes for all other currencies is not material.

Commodity price risk

The Group is affected by the price volatility of certain commodities. Its operating activities require the ongoing printing of newspapers and magazines and therefore require a continuous supply of newsprint. The Group's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation. Based on a 12-month forecast of the required newsprint supply, the Group hedges the purchase price using forward commodity purchase contracts. The forecast is deemed to be highly probable.

Credit risk

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

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored: At March 31, 2017, the Group had 5 customers (March 31, 2016: 6 customers, April 01, 2015: 9 customers) that owed the Group more than ₹ 50.00 million each and accounted for approximately 12% (March 31, 2016: 12%, April 01, 2015: 17%) of all the receivables outstanding. There were 50 customers (March 31, 2016: 50 customers, April 01, 2015: 37 customers) with balances greater than ₹ 10 million accounting for just over 31% (March 31, 2016: 33%, April 01, 2015: 32%) of the total amounts receivables.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are Grouped into homogeneous Groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 11. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of buyer's credit and bank loans. All of the Group's debt will mature in less than one year at March 31, 2017 (March 31, 2016: 23%) based

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to consolidated financial statements as at and for the year ended March 31, 2017

on the carrying value of borrowings reflected in the financial statements. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2017:

(₹ in million)					
Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
Borrowings (note 14)	-	-	561.19	-	561.19
Trade payables	26.80	760.29	488.98	-	1,276.07
Other financial liabilities	751.41	6.20	409.46	481.78	1,648.85
Total	778.21	766.49	1,459.63	481.78	3,486.11

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2016:

(₹ in million)					
Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
Borrowings (note 14)	-	-	253.38	867.38	1,120.76
Trade payables	31.48	1,006.38	141.93	-	1,179.79
Other financial liabilities	805.61	-	479.88	439.64	1,725.13
Total	837.09	1,006.38	875.19	1,307.02	4,025.68

Excessive risk concentration

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

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

Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio less than 20%. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, as calculated below:

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to consolidated financial statements as at and for the year ended March 31, 2017

Particulars	(₹ in million)		
	March 31, 2017	March 31, 2016	April 01, 2015
Borrowings	808.89	1,374.80	1,189.24
Trade payables	1,276.07	1,179.79	1,214.54
Other payables	1,398.75	1,474.09	1,109.08
Less: cash and cash equivalents	1,743.83	900.24	1,766.94
Net debt	1,739.88	3,128.44	1,745.92
Equity	15,943.91	13,975.04	13,451.14
Equity and net debt	17,683.79	17,103.48	15,197.06
Gearing ratio	9.84%	18.29%	11.49%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2017 and March 31, 2016.

39. STATUTORY INFORMATION

Name of the subsidiary companies (Indian)	March 31, 2017			
	Net assets i.e., total assets minus total liabilities		Share in profit / (loss)	
	As a % consolidated assets	₹ in million	As a % consolidated profit and loss	₹ in million
I Media Corp Limited	0.09	13.83	(0.01)	(0.63)
DB Infomedia Private Limited	0.08	12.22	(0.65)	(24.62)

Name of the subsidiary companies (Indian)	March 31, 2016			
	Net assets i.e., total assets minus total liabilities		Share in profit / (loss)	
	As a % consolidated assets	₹ in million	As a % consolidated profit and loss	₹ in million
I Media Corp Limited	0.10	14.45	0.05	1.47
DB Infomedia Private Limited	(0.29)	(41.16)	(1.42)	(41.72)

40. DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

In accordance with MCA notification G.S.R. 308 (E) dated March 31, 2017, details of Specified Bank Notes ('SBN') and other denomination notes ('ODNs') held and transacted during the period from November 8, 2016 to December, 30 2016 is given below:

Particulars	(₹ in million)		
	SBNs	ODNs	Total
Closing cash on hand as on November 8, 2016	74.20	4.80	79.00
(+) Permitted receipts	-	264.03	264.03
(-) Permitted payments	0.08	15.39	15.47
(-) Amount deposited in Banks	74.12	244.49	318.61
Closing cash on hand as on December 30, 2016	-	8.95	8.95

As per our report of even date

For **S.R. Batliboi & Associates LLP**
ICAI Firm registration number:
101049W/E300004
Chartered Accountants

For **Gupta Navin K. & Co.**
ICAI Firm registration number:
006263C
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. 075030

Sudhir Agarwal
Managing Director

Pawan Agarwal
Deputy Managing Director

P. G. Mishra
Chief Financial Officer

Anita Gokhale
Company Secretary

Place: Mumbai
Date: May 18, 2017

Place: Mumbai
Date: May 18, 2017

Place: Mumbai
Date: May 18, 2017

FORM AOC-I

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

PART "A": SUBSIDIARIES

		(In ₹)	
1	Sl. No.	1	2
2	Name of the subsidiary/ies	I Media Corp Limited	DB Infomedia Private Limited
3	The date since when subsidiary was acquired	29 th September, 2006	16 th February, 2015
4	Reporting period for the subsidiary concerned, if different from the Holding Company's reporting period	N.A.	N.A.
5	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	N.A.	N.A.
6	Share Capital	1,12,29,140	1,05,05,000
7	Reserves & Surplus	25,97,934	(84,10,646)
8	Total Assets	2,31,50,592	1,67,64,042
9	Total Liabilities	93,23,518	1,46,69,688
10	Investments	Nil	Nil
11	Turnover	91,67,412	Nil
12	Profit / (Loss) before taxation	(6,27,587)	(2,46,21,978)
13	Provision for taxation	Nil	-
14	Profit / (Loss) after taxation	(6,27,587)	(2,46,21,978)
15	Proposed Dividend	Nil	Nil
16	Extent of shareholding (in percentage)	100%*	100%*
17	Names of subsidiaries which are yet to commence operations		Nil
18	Names of subsidiaries which have been liquidated or sold during the year		Nil**

* Including % of shareholding held by subsidiaries / nominees.

** The Company has sold its entire share holding held in I Media Corp Limited to DB Infomedia Private Limited. Accordingly, I Media Corp Limited is a step-down subsidiary of the Company.

PART "B": ASSOCIATES AND JOINT VENTURES

[Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures]

NOT APPLICABLE

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

Sudhir Agarwal
Managing Director

Pawan Agarwal
Dy. Managing Director

Place: Mumbai
Date: 18th May, 2017

P G Mishra
Chief Financial Officer

Anita Gokhale
Company Secretary

BOARD'S REPORT

**To the Members,
DB Infomedia Pvt. Ltd.**

Your Directors have pleasure in presenting the 2nd Annual Report, together with the Balance Sheet and the Statement of Profit and Loss of the Company for the year ended 31st March, 2017.

FINANCIAL HIGHLIGHTS

The financial results of your Company for the period ended on 31st March, 2017 are as under:

Particulars	(in ₹ Mn.)	
	2016-17	For the period from February 16, 2015 to March 31, 2016
Income	0.09	-
Expenditure	24.71	41.77
Loss for the period before tax	(24.62)	(41.77)
Less: Tax (including deferred tax)	-	-
Loss after tax	(24.62)	(41.77)
Net worth	2.09	31.18

REVIEW OF PERFORMANCE

Your Company has successfully completed 2 years of its existence. The operations of your Company have started to gain momentum during the year 2016-17. Your Company could generate revenue of ₹ 0.09 million during the second year and also keep a strict check on its overheads. The Company managed to run its website, www.postpickle.com with reasonable user base thereby ensuring a commensurate performance.

The Board of Directors is positive about the Company's future prospects and is putting all efforts to flourish its business.

FUTURE PROSPECTS

Your Company aims at creating interesting and engaging content with ideation and distributing our content to relevant users. It expects to do well in coming years with focused attention on user experience.

DIVIDEND

In view of losses for the period under review, your Directors do not recommend any dividend for the financial period 2016-17. Further, your Company does not propose any amount to be transferred to the reserves of the Company for the financial period 2016-17.

DIRECTORS

The Company's operations continued to be managed under the able guidance of Mr. Rajeev Chaturvedi and Mr. Manoj Garg, Directors of the Company. There were no appointments or cessations from the directorship during the year.

RESTRUCTURING OF CAPITAL

- a. Pursuant to provisions of Sections 42, 55 and 62 of the Companies Act, 2013 read with rules made thereunder, the Board of Directors of your Company under the authority given by the shareholders of the Company by way of special resolution passed at the Extra Ordinary General Meeting of the Company held on 2nd January, 2017, allotted 6,80,000 (Six Lakh Eighty Thousand) 7.5% Redeemable Preference Shares of face value of ₹ 100/- (Rupees One Hundred) each aggregating to ₹ 6,80,00,000/- (Rupees Six Crore Eighty Lakh Only) on private placement basis to M/s. D. B. Corp Limited ('DBCL'), the Holding Company. The said allotment was made in order to mobilise funds for the general business purposes of the Company.
- b. As per the terms of Share Subscription and Shareholders' Agreement executed with DBCL and a minority shareholder, DBCL had subscribed to 10,00,000 (Ten Lakh) 0.01% Compulsorily Convertible Debentures ('CCDs') of ₹ 10/- each in the past. As per the terms of issue, the said CCDs were converted into equivalent number of equity shares and accordingly 10,00,000 equity shares of face value of ₹ 10/- each were allotted to DBCL.
- c. During the year, 5,000 shares held by the minority shareholder were transferred in the name of DBCL in accordance with the terms of Share Subscription and Shareholders' Agreement dated 16th April, 2015 executed by your Company with the minority shareholder and DBCL. Consequent to the transfer, your Company has become wholly-owned subsidiary of DBCL.

INFORMATION PERTAINING TO HOLDING & SUBSIDIARY COMPANY

As reported above, the Company has become a wholly-owned subsidiary of D. B. Corp Limited by virtue of acquisition of 5,000 shares by D. B. Corp Limited from minority shareholder pursuant to the terms of Share Subscription and Shareholders' Agreement dated 16th April, 2015.

Also, D. B. Corp Limited has sold its entire shareholding held in I Media Corp Limited ('IMCL') to your Company for a lumpsum consideration. Consequently, IMCL is now a wholly owned subsidiary of your Company.

IMCL which is housing the event business recorded a total income of ₹ 9.1 million and EBIDTA Loss of ₹ 0.6 million for the year under consideration.

COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION BETWEEN I MEDIA CORP LIMITED (TRANSFEROR COMPANY), DB INFOMEDIA PRIVATE LIMITED (DEMERGED COMPANY / TRANSFEREE COMPANY) AND D. B. CORP LIMITED (RESULTING COMPANY)

During the year under review, the Board at its meeting held on 19th January, 2017 approved a Composite Scheme of Arrangement and Amalgamation between your Company ('Demerged Company / Transferee Company'), D. B. Corp Limited ('DBCL / Resulting Company') and I Media Corp Limited ('IMCL / Transferor Company'). Under the said Composite Scheme, IMCL was proposed to be amalgamated into your Company and thereafter, the internet business of your Company was proposed to be hived-off / demerged into DBCL, the Holding Company.

Later the Board at its meeting held on 17th May, 2017 reconsidered its above proposal and was of the opinion that in the changed business scenario, the proposed Scheme of Arrangement and Amalgamation will no longer give any extra benefits to the Company and its stakeholders and hence, the proposal was withdrawn by the Board.

BOARD MEETINGS

During the year under review, the Board met 8 (eight) times on 1st April, 2016, 19th May, 2016, 6th August, 2016, 25th November, 2016, 29th December, 2016, 1st January, 2017, 19th January, 2017 and 24th January, 2017. The intervening gap between the meetings was well within the limits prescribed under the Companies Act, 2013.

Both the directors were present at all the 8 meetings held during the year.

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in Form MGT 9 is annexed as 'Annexure A' with this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirements under Section 134(3)(c) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed:

1. that in the preparation of the annual accounts for the year ended 31st March, 2017, the applicable accounting standards 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, 2017 and of the losses 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, 2013 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 period ended 31st March, 2017, on a "going concern" basis;
5. that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws, and that such systems were adequate and operating effectively.

STATUTORY AUDITORS

At the First Annual General Meeting of the Company held on 26th December, 2016, the members had approved the appointment of M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, Mumbai as the Statutory Auditors of the Company (Firm Registration No. 101049W/E300004) for a period of 5 (five) years i.e. from the conclusion of the First Annual General Meeting until the conclusion of the Sixth Annual General Meeting of the Company.

Pursuant to Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, the aforesaid appointment needs to be ratified by the members at every Annual General Meeting ('AGM'). Accordingly, the ratification of appointment of M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, Mumbai, to hold office from the conclusion of the ensuing AGM until the conclusion of the next AGM is recommended to the members of the Company.

M/s. S. R. Batliboi & Associates LLP, Chartered Accountants have furnished a certificate of their eligibility and consent for appointment as required under Section 139 of the Companies Act, 2013 read with the rules made thereunder.

AUDITORS' REPORT

The Auditors' Report does not contain any qualifications, reservations or adverse remarks.

INTERNAL CONTROLS SYSTEMS

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition, and to ensure that all transactions are authorized, recorded and reported correctly and adequately. These systems ensure that financial transactions are carried out, archived and reported in an accurate and lawful manner.

DEPOSITS

Your Company has not invited and / or accepted any deposits, within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, as amended from time to time.

DETAILS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Full particulars of loans and guarantees given and investments made under Section 186 of the Companies Act, 2013 have been given separately in the financial statements of the Company read with Note No. 20 in the Notes to Accounts which may be read in conjunction with this Report.

Necessary approval of the shareholders was obtained at the Extra-Ordinary General Meeting of the Company held on 2nd January, 2017 thereby enabling the Company to give loans / provide guarantee or security / make an investment over and above the limits specified in Section 186(2) of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as 'Annexure B' to the Board's report.

RISK MANAGEMENT POLICY

Your Company places key emphasis on the risk management and believes in establishing a structured and disciplined approach to risk management. Your Company has subscribed to and adopted the Risk Management policy framed by its Holding Company, D. B. Corp Limited. Your Company reviews various business and operational risks as laid down in the plan and considers instituting proper control procedures to mitigate the same.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Since your Company does not own any manufacturing facility, the Company was not required to take any steps with regard to conservation of energy, technology absorption or other related items as stipulated under the Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

There were neither foreign exchange earnings nor any foreign exchange outgo during the year under consideration.

PARTICULARS OF EMPLOYEES

Your Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

During the year, no complaints on sexual harassment were received by the Company.

No. of complaints received : None

No. of complaints disposed off : Not Applicable

MATERIAL CHANGES AND COMMITMENTS

As reported above, the Board of Directors at the meeting held on 17th May, 2017, decided to withdraw the Composite Scheme of Arrangement and Amalgamation between the Company, D. B. Corp Limited and I Media Corp Limited which was earlier approved by the Board on 19th January, 2017. Accordingly, the scheme will not to be acted upon further.

GENERAL

Your Directors state that no disclosure is required in respect of the following matters as there were no transactions in relation thereto, during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of sweat equity shares.
3. Non-exercise of voting rights directly by the employees in respect of shares purchased under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant and material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

ACKNOWLEDGEMENT

Your Directors wish to express their grateful appreciation for the valuable co-operation and support received from the Company's bankers, business associates, customers, suppliers and shareholders during the year under review and look forward to the same in greater measure in coming years.

Your 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
DB Infomedia Private Limited

Rajeev Chaturvedi

Director

DIN: 06478140

Manoj Garg

Director

DIN: 00809382

Place: Bhopal

Date: 17th May, 2017

ANNEXURE A

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2017

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

I. REGISTRATION AND OTHER DETAILS

i. CIN	U74300MP2015PTC033850
ii. Registration Date	16/02/2015
iii. Name of the Company	DB Infomedia Private Limited
iv. Category / Sub-Category of the Company	Company having Share Capital / Non-Govt. Company
v. Address of the Registered office and contact details	Office Block 1A, 5 th Floor, DB City Corporate Park, Arera Hills, Opp. M.P. Nagar, Zone – I, Bhopal – 462016, Madhya Pradesh. Tel No: 0755-6665622
vi. Whether listed company	No
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name and description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Operating and managing websites	99843990	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	D. B. Corp Limited Plot No. 280, Sarkhej-Gandhinagar Highway, Nr. YMCA Club, Makarba, Ahmedabad – 380051, Gujarat.	L22210GJ1995PLC047208	Holding	100%	2(46)
2.	I Media Corp Limited 6, Press Complex, MP Nagar, Zone I, Bhopal 462011.	U64202MP2006PLC018676	Subsidiary	100%	2(87)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS A PERCENTAGE OF TOTAL EQUITY)

i. Category-wise Shareholding

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) INDIAN									
a. Individual /HUF	0	10	10	0.02%	0	60	60	0.01%	-0.01%
b. Central Govt.	0	0	0	0	0	0	0	0	N.A.
c. State Govt.(s)	0	0	0	0	0	0	0	0	N.A.
d. Bodies Corporate	0	45490	45490	90.08%	0	1050440	1050440	99.99%	+9.91%
e. Banks / FI	0	0	0	0	0	0	0	0	N.A.
f. Any Other	0	0	0	0	0	0	0	0	N.A.
Sub-Total A(1) :	0	45500	45500	90.10%	0	1050500	1050500	100.00%	+9.90%

Board's Report - DB Infomedia Private Limited

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
(2) FOREIGN									
a. NRIs - Individuals	0	0	0	0	0	0	0	0	N.A.
b. Others – Individuals	0	0	0	0	0	0	0	0	N.A.
c. Bodies Corporate	0	0	0	0	0	0	0	0	N.A.
d. Banks / FI	0	0	0	0	0	0	0	0	N.A.
e. Any Other	0	0	0	0	0	0	0	0	N.A.
Sub-Total A(2):	0	0	0	0	0	0	0	0	N.A.
Total Shareholding of Promoters A=A(1)+A(2)	0	45500	45500	90.10%	0	1050500	1050500	100.00%	+9.90%
B. Public Shareholding									
1. INSTITUTIONS									
a. Mutual Funds	0	0	0	0	0	0	0	0	N.A.
b. Banks / FI	0	0	0	0	0	0	0	0	N.A.
c. Central Govt.	0	0	0	0	0	0	0	0	N.A.
d. State Govt.(s)	0	0	0	0	0	0	0	0	N.A.
e. Venture Capital Funds	0	0	0	0	0	0	0	0	N.A.
f. Insurance Companies	0	0	0	0	0	0	0	0	N.A.
g. FIs	0	0	0	0	0	0	0	0	N.A.
h. Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	N.A.
i. Others (specify)	0	0	0	0	0	0	0	0	N.A.
Sub-Total B(1) :	0	0	0	0	0	0	0	0	N.A.
2. NON-INSTITUTIONS									
a. Bodies Corporate	0	0	0	0	0	0	0	0	N.A.
i. Indian	-	-	-	-	-	-	-	-	N.A.
ii. Overseas	-	-	-	-	-	-	-	-	N.A.
b. Individuals									
i. Individual shareholders holding nominal share capital upto ₹ 1 lakh	0	5000	5000	9.90%	0	0	0	0	-9.90%
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	0	0	0	0	0	0	0	0	N.A.
c. Others (specify)	0	0	0	0	0	0	0	0	N.A.
Sub-Total B(2) :	0	5000	5000	9.90%	0	0	0	0	-9.90%
Total Public Shareholding B=B(1)+B(2):	0	5000	5000	9.90%	0	0	0	0	-9.90%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	N.A.
Grand Total (A+B+C):	0	50500	50500	100.00%	0	1050500	1050500	100.00%	0.00%

ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of Shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of Shares pledged / encumbered to total shares	
1.	D. B. Corp Limited*	45500	90.10%	Nil	1050500	100.00%	Nil	+9.90%
	Total	45500	90.10%	Nil	1050500	100.00%	Nil	+9.90%

*Shareholding includes shares held along with nominee shareholders of D. B. Corp Limited

iii. Change in Promoters' Shareholding

Sr. No.	Shareholding at the beginning of the year	Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company
1.	D. B. Corp Limited		
	At the beginning of the year	45500	90.10%
	Date wise Increase (+) / Decrease (-) in Promoters shareholding during the year		
	19.01.2017 – Allotment of equity shares pursuant to conversion of Compulsorily Convertible Debentures	+1000000	+95.19%
	19.01.2017 – Transfer of equity shares from minority shareholder	+5000	+0.48%
	At the end of the year	1050500	100.00%

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	For each of the top ten shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year				
	Date wise Increase (+) / Decrease (-) in shareholding during the year				
	At the end of the year				

N.A.

v. Shareholding of Directors and Key Managerial Personnel *

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year				
	Date wise Increase (+) / Decrease (-) in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity, etc)				
	At the end of the year				

NIL

* None of the Directors hold any shares in the Company. Also, the provisions of Section 203 of the Companies Act, 2013 are not applicable. Hence, the Company has not appointed any KMP.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	4,69,00,000	-	4,69,00,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	14,91,194	-	14,91,194
Total (i+ii+iii)	-	4,83,91,194	-	4,83,91,194
Change in Indebtedness during the financial year				
• Addition	-	2,31,17,692	-	2,31,17,692
• Reduction	-	(6,78,37,787)	-	(6,78,37,787)
Net Change	-	(4,47,20,095)	-	(4,47,20,095)
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	36,71,099	-	36,71,099
Total (i+ii+iii)	-	36,71,099	-	36,71,099

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Company does not pay any remuneration and / or sitting fees to any of its Directors.

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	Gross Salary	N.A.	
a.	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961		
b.	Value of perquisites under Section 17(2) of Income Tax Act, 1961		
c.	Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961		
2.	Stock Options		
3.	Sweat Equity		
4.	Commission		
	- as a % of Profit		
	- others, specify		
5.	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

B. Remuneration to other Directors

Sr. No.	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Director	NIL	
	- Fee for attending Board / Committee Meetings		
	- Commission		
	- Others, please specify		
	Total (1)		
2.	Other Non-Executive Directors		
	- Fee for attending Board / Committee Meetings		
	- Commission		
	- Others, please specify		
	Total (2)		
	Total B = (1+2)		
	Total Managerial Remuneration		
	Overall ceiling as per the Act		

C. Remuneration to Key Managerial Personnel other than MD / Manager/ WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total Amount
1. Gross Salary		N.A.			
a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961					
b. Value of perquisites under Section 17(2) of the Income Tax Act, 1961					
c. Profit in lieu of salary under Section 17(3) of the Income Tax Act, 1961					
2. Stock Options					
3. Sweat Equity					
4. Commission					
- as a % of Profit					
- others, please specify					
5. Others, please specify					
Total					

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
A. Company			NIL		
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers in Default					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors of

DB Infomedia Private Limited
Rajeev Chaturvedi

Director

DIN: 06478140

Manoj Garg

Director

DIN: 00809382

Place: Bhopal

 Date: 17th May, 2017

ANNEXURE B

FORM NO. AOC- 2

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

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

During financial year 2016-17, the Company has not entered into any contract or arrangement or transaction with its related parties which is/are not at arm's length basis.

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

Sr. No.	Particulars	Details
1	Name(s) of the related party and nature of relationship	D. B. Corp Limited, Holding Company
2	Nature of contracts / arrangements / transactions	Purchase of equity shares
3	Duration of the contracts / arrangements / transactions	N.A.
4	Salient terms of the contracts or arrangements or transactions including the value, if any	Purchase of 11,22,914 equity shares of ₹ 10/- each of M/s. I Media Corp Limited amounting to ₹ 1,12,29,140/- from M/s. D. B. Corp Limited
5	Date(s) of approval by the Board, if any	19 th January, 2017
6	Amount paid as advances, if any	Nil

For and on behalf of the Board of Directors of

DB Infomedia Private Limited

Rajeev Chaturvedi

Director

DIN: 06478140

Manoj Garg

Director

DIN: 00809382

Place: Bhopal

Date: 17th May, 2017

INDEPENDENT AUDITORS' REPORT

To the Members of DB Infomedia Private Limited

REPORT ON THE IND AS FINANCIAL STATEMENTS

We have audited the accompanying Ind AS financial statements of DB Infomedia Private Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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 Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS 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, of the state of affairs of the Company as at March 31, 2017, its losses, its cash flows and the changes in equity for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's report) Order, 2016 (the "Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position in its Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - iv. As per books of accounts of the Company and as represented by the management of the Company, the Company did not have cash balance as on November 8, 2016 and December 30, 2016 and has no cash dealings during this period.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Kalpesh Jain**
Partner
Membership Number: 106406

Mumbai
May 17, 2017

ANNEXURE 1

referred to in paragraph 1 under Report on Other Legal and Regulatory Requirements of our audit report of even date

Re: DB Infomedia Private Limited (the “Company”)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company’s business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, service tax and other statutory dues applicable to it. The provisions relating to duty of excise, sales-tax, duty of custom, value added tax, employee state insurance 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, income tax, service tax, cess and other 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 duty of excise, sales-tax, duty of custom, value added tax, employee state insurance are not applicable to the Company.
- (c) According to the information and explanations 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 duty of excise, sales-tax, duty of custom, value added tax, employee state insurance are not applicable to the Company.
- (viii) In our opinion and according to the information and explanations given by the management, the Company has not taken any loans from any financial institution or bank. The Company has not defaulted in repayment of dues to debenture holders.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given by the management, the Company has complied with provisions of section 42 of the Act in respect of the private placement of preference shares during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.
- For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004
- per **Kalpesh Jain**
Partner
Membership Number: 106406
- Mumbai
May 17, 2017

ANNEXURE 2

referred in our report of even date

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE "ACT")

We have audited the internal financial controls over financial reporting of DB Infomedia Private Limited (the "Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial

reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Kalpesh Jain**

Partner

Membership Number: 106406

Mumbai

May 17, 2017

BALANCE SHEET

as at March 31, 2017

		(₹)	
	Notes	March 31, 2017	March 31, 2016
ASSETS			
Non-current assets			
Property, plant and equipment	6 (a)	3,065,376	5,284,561
Intangible assets	6 (b)	7,935	9,619
Financial assets			
Investments	7	11,229,140	-
Other assets	9	249,700	1,105,000
		14,552,151	6,399,180
Current assets			
Financial assets			
Cash and cash equivalents	8	220,486	1,022,450
Other assets	9	1,991,405	1,655,749
		2,211,891	2,678,199
Total		16,764,042	9,077,379
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	10,505,000	505,000
Other equity			
Equity component of Compound Financial Instruments		57,977,369	10,081,636
Retained earnings		(66,388,015)	(41,766,037)
Total equity attributable to equity holders		2,094,354	(31,179,401)
Liabilities			
Non-current liabilities			
Financial liabilities			
Long-term borrowings	11	10,122,631	18,364
Current liabilities			
Financial liabilities			
Short-term borrowings	12	4,126,719	38,391,194
Other financial liabilities	13	367,154	1,451,150
Other liabilities	14	53,184	396,072
		4,547,057	40,238,416
Total		16,764,042	9,077,379

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/E300004

Chartered Accountants

 per **Kalpesh Jain**

Partner

Membership No. 106406

Place: Mumbai

Date: May 17, 2017

For and on behalf of the Board of Directors of

DB Infomedia Private Limited
Rajeev Chaturvedi

Director

Place: Bhopal

Date: May 17, 2017

Manoj Garg

Director

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2017

	Notes	For the year ended March 31, 2017	For the period from February 16, 2015 to March 31, 2016
(₹)			
INCOME			
Revenue from operations	15	93,000	-
Total income		93,000	-
EXPENSES			
Employee benefit expenses	16	6,912,330	11,025,041
Depreciation and amortisation expenses	6 (a) & (b)	1,234,268	1,169,626
Finance costs	18	4,021,271	1,666,590
Other expenses	17	12,547,109	27,904,780
Total expense		24,714,978	41,766,037
Loss for the year / period		(24,621,978)	(41,766,037)
Attributable to:			
Equity holders		(24,621,978)	(41,766,037)
Other Comprehensive Income ('OCI')		-	-
Total comprehensive income for the year / period			
Attributable to:			
Equity holders		(24,621,978)	(41,766,037)
Loss per equity share	19		
[nominal value of share ₹ 10]			
Basic and diluted		(99.38)	(827.05)
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/E300004

Chartered Accountants

per **Kalpesh Jain**

Partner

Membership No. 106406

Place: Mumbai

Date: May 17, 2017

For and on behalf of the Board of Directors of

DB Infomedia Private Limited

Rajeev Chaturvedi

Director

Manoj Garg

Director

Place: Bhopal

Date: May 17, 2017

STATEMENT OF CHANGE IN EQUITY

as at and for the year ended March 31, 2017

(₹)

Particulars	Equity share capital	Equity component of compound financial instrument	Reserve and surplus	Total
			Retained earnings	
Shares issued during the year	505,000	-	-	505,000
1,000,000 0.01% Compulsorily convertible debentures ("CCD")	-	9,996,500	-	9,996,500
1,000 7.5% redeemable preference share	-	85,136	-	85,136
Loss for the period	-	-	(41,766,037)	(41,766,037)
As at March 31, 2016	505,000	10,081,636	(41,766,037)	(31,179,401)
Loss for the year	-	-	(24,621,978)	(24,621,978)
Conversion of Compulsorily convertible debentures ("CCD")	10,000,000	(9,996,500)	-	3,500
680,000 7.5% redeemable preference share	-	57,892,233	-	57,892,233
As at March 31, 2017	10,505,000	57,977,369	(66,388,015)	2,094,354

Summary of significant accounting policies

3

As per our report of even date

 For **S.R. Batliboi & Associates LLP**

ICAI Firm registration number:

101049W/E300004

Chartered Accountants

 per **Kalpesh Jain**

Partner

Membership No. 106406

Place: Mumbai

Date: May 17, 2017

For and on behalf of the Board of Directors of

DB Infomedia Private Limited
Rajeev Chaturvedi

Director

Place: Bhopal

Date: May 17, 2017

Manoj Garg

Director

CASH FLOW STATEMENT

for the year ended March 31, 2017

(₹)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the year / period	(24,621,978)	(41,766,037)
Adjustments to reconcile loss for the period to net cash flows		
Loss on sale / disposal of property, plant and equipments (net)	998,272	-
Finance costs	4,021,271	1,656,884
Depreciation and amortisation expenses	1,234,268	1,169,626
Operating loss before working capital changes	(18,368,167)	(38,939,527)
Changes in working capital		
Decrease / (increase) in other current asset	519,644	(2,760,749)
(Decrease) / increase in other financial liabilities	(1,030,342)	1,451,150
(Decrease) / increase in other current financial liabilities	(342,888)	396,072
Cash used in operations	(853,586)	(913,527)
Net cash used in operating activities (A)	(19,221,753)	(39,853,054)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipments	(88,865)	(6,463,806)
Proceeds from sale of property, plant and equipments	77,194	-
Purchase of shares in subsidiary company	(11,229,140)	-
Net cash used in investing activities (B)	(11,240,811)	(6,463,806)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	-	10,000,000
Proceeds from short-term borrowings	19,500,000	36,900,000
(Repayment) of short-term borrowings	(56,400,000)	-
Proceeds from issue of equity shares	-	505,000
Proceeds from issue of preference shares	68,000,000	100,000
Finance cost	(1,439,400)	(165,690)
Net cash generated from financing activities (C)	29,660,600	47,339,310
Net (decrease) / increase in cash and cash equivalents (A)+(B)+(C)	(801,964)	1,022,450
Cash and cash equivalents at the beginning of the year	1,022,450	-
Cash and cash equivalents at the end of the year	220,486	1,022,450
Net (decrease) / increase in cash and cash equivalents	(801,964)	1,022,450

For details of components of cash and cash equivalents, refer note 8.

As per our report of even date

For **S.R. Batliboi & Associates LLP**

ICAI Firm registration number:

101049W/E300004

Chartered Accountants

per **Kalpesh Jain**

Partner

Membership No. 106406

Place: Mumbai

Date: May 17, 2017

For and on behalf of the Board of Directors of

DB Infomedia Private Limited

Rajeev Chaturvedi

Director

Place: Bhopal

Date: May 17, 2017

Manoj Garg

Director

NOTES

to financial statements as at and for the year ended March 31, 2017

1. NATURE OF OPERATIONS:

DB Infomedia Private Limited (the 'Company') is a Company registered under the Companies Act, 2013 (the 'Act') and is limited by shares. The Company is engaged in the business of operating, managing and hosting websites / personal pages or otherwise providing audio-visual content in the domain of entertainment.

The financial statements comprise the financial statements of the Company for the year ended March 31, 2017. The Company's registered office is office Block 1A, 5th Floor, DB City Corporate Park, Arera Hills, Opp. M.P. Nagar, Zone-I, Bhopal-462042, Madhya Pradesh, India.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 17, 2017.

2. BASIS OF ACCOUNTING AND PREPARATION

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 under the provision of the Companies Act, 2013 (the 'Act') and subsequent amendments thereof

For all periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2017 are the first financial statements that the Company has prepared in accordance with Ind AS. Refer to note 5 for information on how the Company adopted Ind AS.

The financial statements have been prepared under the historical cost basis except for financial assets and liabilities that have been measured at fair value (refer accounting policy regarding financial instruments). The financial statements have been prepared on a going concern basis.

The financial statements are presented in ₹ except when otherwise indicated.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Current versus non-current classification

The Company presents assets and liabilities in

the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or Cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified period of twelve months as its operating cycle.

b. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Repair and maintenance costs are recognised in profit or loss as incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset

NOTES

to financial statements as at and for the year ended March 31, 2017

(calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

c. Depreciation and amortisation

The Company provides depreciation on property, plant and equipment 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 II to the Act. Further, Company provides amortization of intangible asset using the straight line method at the rates computed based on the estimated useful life of the assets as estimated by the management.

The Company has used the following lives to provide depreciation and amortisation on fixed assets:

Category	Useful lives (in years)
Office equipment	5
Furniture and fixtures	10
Electrical fittings and coolers	10
Computers and Servers	3 to 6
Computer Software	5

Leasehold improvements are depreciated 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.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

d. Intangible assets :

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

e. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's ('CGU') fair value less costs of disposal and its value in use. 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 Company of assets. When 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.

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

f. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Where the Company 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

NOTES

to financial statements as at and for the year ended March 31, 2017

a straight-line basis over the lease term.

g. 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. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Sales tax / value added tax (VAT) and service tax is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Portal and wireless revenue

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

h. Foreign currency transactions

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

i. 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 expenses, when an employee renders the related service.

j. Income taxes

Current income tax

Current income tax liabilities are measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit and loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

k. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

l. 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 arises from past events but 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.

NOTES

to financial statements as at and for the year ended March 31, 2017

m. Earnings per equity share ('EPS')

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

n. Cash and cash equivalents

Cash and cash equivalent in the balance sheet and cash flow statement comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

o. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset.

Subsequent measurement

Financial assets at amortised cost

For purposes of subsequent measurement, financial assets which include debt instruments are measured at amortised cost.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss, loans and borrowings, payables, or as derivatives financial instruments, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS:

Significant judgement:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates

Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets.

Operating lease commitments – Company as lessee

The Company has entered into commercial property leases for its offices and premises. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership

NOTES

to financial statements as at and for the year ended March 31, 2017

of these properties and accounts for the contracts as operating leases.

5. FIRST TIME ADOPTION OF IND AS

These financial statements, for the year ended March 31, 2017, are the first Ind AS financial statements that the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ended on March 31, 2017, together with the comparative period data as at and for the year ended March 31, 2016 as described in the summary of significant accounting policies.

Exemptions and exceptions applied

The estimates at March 31, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- a) Impairment of financial assets based on expected credit loss model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions as of March 31, 2016.

Recent accounting pronouncements

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from April 1, 2017.

Amendment to Ind AS 7

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statement is being evaluated.

Amendment to Ind AS 102

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

The Company does not have any cash settled award as at March 31 2017.

Reconciliation of equity as per IGAAP and Ind AS for the year ended March 31, 2016:

There is no difference between the equity as per the Indian GAAP and Ind AS.

NOTES

to financial statements as at and for the year ended March 31, 2017

6 (a) Property, plant and equipments

Particulars	Leasehold improvements	Office equipments	Furniture and fixtures	Electric fittings, fans and coolers	Computers	Total
Additions during the period	647,747	1,809,405	702,929	513,154	2,779,940	6,453,175
Gross block value as at March 31, 2016	647,747	1,809,405	702,929	513,154	2,779,940	6,453,175
Additions during the year	-	53,497	-	-	35,368	88,865
Deletion during the year	(647,747)	(53,399)	(442,877)	(36,663)	(92,100)	(1,272,786)
Gross block value as at March 31, 2017	-	1,809,503	260,052	476,491	2,723,208	5,269,254
Depreciation for the period	40,351	313,167	50,000	47,690	717,406	1,168,614
Accumulated depreciation as at March 31, 2016	40,351	313,167	50,000	47,690	717,406	1,168,614
Depreciation for the year	36,086	345,252	49,269	47,067	754,909	1,232,584
Accumulated depreciation on disposals	(76,437)	(15,790)	(51,836)	(5,587)	(47,669)	(197,320)
Accumulated depreciation as at March 31, 2017	-	642,629	47,433	89,170	1,424,646	2,203,878
Net block as at March 31, 2016	607,396	1,496,238	652,929	465,464	2,062,534	5,284,561
Net block as at March 31, 2017	-	1,166,874	212,619	387,321	1,298,562	3,065,376

6 (b) Intangible assets:

Particulars	Computer software	Total
Additions during the period	10,631	10,631
Gross block value as at March 31, 2016	10,631	10,631
Gross block value as at March 31, 2017	10,631	10,631
Depreciation for the period	1,012	1,012
Accumulated depreciation as at March 31, 2016	1,012	1,012
Depreciation for the year	1,684	1,684
Accumulated depreciation as at March 31, 2017	2,696	2,696
Net block as at March 31, 2016	9,619	9,619
Net block as at March 31, 2017	7,935	7,935

NOTES

to financial statements as at and for the year ended March 31, 2017

Financial Assets

7. INVESTMENTS:

Particulars	(₹)	
	March 31, 2017	March 31, 2016
Non-trade investments (fully paid up, valued at cost unless stated otherwise)		
In subsidiaries:		
Unquoted investment in equity shares:		
1,122,914 (March 31, 2016: Nil) equity shares of ₹ 10/- each of I Media Corp Ltd.	11,229,140	-
	11,229,140	-

8. CASH AND CASH EQUIVALENTS:

Particulars	(₹)	
	March 31, 2017	March 31, 2016
Balances with banks:		
On current account	220,486	1,022,450
	220,486	1,022,450

9. OTHER ASSETS:

(Unsecured, considered good unless stated otherwise)

Particulars	(₹)			
	Non-current		Current	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
a Security deposits:				
Deposit with others	249,700	1,105,000	-	-
	249,700	1,105,000	-	-
b Other loans and advances :				
Balances with statutory / government authorities	-	-	1,111,739	772,804
Advances recoverable in cash or kind or for value to be received	-	-	879,666	882,945
	249,700	1,105,000	1,991,405	1,655,749

10. SHARE CAPITAL:

Particulars	(₹)	
	March 31, 2017	March 31, 2016
Authorised shares:		
4,100,000 (March 31, 2016: 100,000) equity shares of ₹ 10 each	41,000,000	1,000,000
1,000,000 (March 31, 2016: 1,400,000) 7.5% redeemable preference shares of ₹ 100 each	100,000,000	140,000,000
	141,000,000	141,000,000
Issued, subscribed and fully paid-up shares		
1,050,500 equity shares (March 31, 2016: 50,500) of ₹ 10 each fully paid up [refer note (a) and (b) below]	10,505,000	505,000
	10,505,000	505,000

NOTES

to financial statements as at and for the year ended March 31, 2017

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

Equity shares:

Particulars	March 31, 2017		March 31, 2016	
	Nos.	₹	Nos.	₹
At the beginning of the year	50,500	505,000	-	-
Shares Issued during the year	1,000,000	10,000,000	50,500	505,000
Outstanding at the end of the year	1,050,500	10,505,000	50,500	505,000

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

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 has converted debentures of ₹ 1 crore into 1,000,000 equity shares of face value of ₹ 10 each for the value of ₹ 1 crore.

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 holding company and shareholders holding more than 5% shares of the Company

Name of shareholders	March 31, 2017		March 31, 2016	
	Nos.	% of holding	Nos.	% of holding
Equity share of ₹ 10 each fully paid				
D.B. Corp Limited, the holding company and it's nominees	1,050,500	100.00	45,500	90.09
Varun Malhotra	-	-	5,000	9.91

11. LONG-TERM BORROWINGS:

Particulars	(₹)	
	March 31, 2017	March 31, 2016
Nil (March 31, 2016: 1,000,000) 0.01% Compulsorily convertible debentures ("CCD")* [refer note 20 (b)]	-	3,500
681,000 (March 31, 2016: 1,000) 7.5% redeemable preference share of ₹ 100 each**	10,122,631	14,864
	10,122,631	18,364

*The Company has converted CCDs in to 1,000,000 equity shares of face value of ₹ 10 each for the value of ₹ 1 crore during the financial year ended March 31, 2017.

**The Company has issued only one class of 7.5% redeemable preference shares having face value of ₹ 100 per share which are redeemable at par, at any time at the option of shareholder but before completion of 20 years from date of issue. Each shareholder is entitled to one vote per share.

NOTES

to financial statements as at and for the year ended March 31, 2017

12. SHORT-TERM BORROWINGS:

Particulars	(₹)	
	March 31, 2017	March 31, 2016
Loan from holding company [refer note 20 (b)]	4,126,719	38,391,194
	4,126,719	38,391,194

13. OTHER FINANCIAL LIABILITIES:

Particulars	(₹)	
	March 31, 2017	March 31, 2016
Accrued expenses	367,154	1,451,150
	367,154	1,451,150

14. OTHER LIABILITIES:

Particulars	(₹)	
	March 31, 2017	March 31, 2016
Other payables:		
Statutory liabilities	53,184	396,072
	53,184	396,072

NOTES

to financial statements as at and for the year ended March 31, 2017

(₹)

Particulars	For the year ended March 31, 2017	For the period from February 16, 2015 to March 31, 2016
15 REVENUE FROM OPERATIONS:		
Portal revenue	93,000	-
	93,000	-
16 EMPLOYEE BENEFIT EXPENSES:		
Salaries, wages and bonus	6,199,943	9,120,454
Contribution to provident fund and other contribution plans	321,480	534,497
Workmen and staff welfare expenses	390,907	1,370,090
	6,912,330	11,025,041
17 OTHER EXPENSES:		
Subcontracting charges	2,992,154	5,825,510
Survey expenses	2,785,951	4,218,822
Rent (refer note 24)	1,603,868	2,655,560
Video recording expenses	1,366,869	4,266,208
Traveling and conveyance	744,470	2,672,261
Online subscription charges	813,692	847,415
Communication expenses	342,578	525,707
Legal and professional charges (refer note 23)	148,130	3,385,916
Business promotion expenses	22,020	498,111
Electricity and water charges	241,827	381,373
Repair and maintenance:-		
Machinery	550	88,594
Building	-	72,805
Others	89,300	504,889
Loss on sale / disposal of property, plant and equipment (net)	998,272	-
Miscellaneous expenses	397,428	1,961,609
	12,547,109	27,904,780
18 FINANCE COSTS:		
Interest expense:		
On others	4,021,271	1,666,590
	4,021,271	1,666,590

NOTES

to financial statements as at and for the year ended March 31, 2017

19. LOSS PER EQUITY SHARE:

Particulars	For the year ended March 31, 2017	For the period from February 16, 2015 to March 31, 2016
Net loss for the year / period (₹)	(24,621,978)	(41,766,037)
Weighted average number of equity shares outstanding for EPS (nos)	247,760	50,500
Weighted average number of equity shares outstanding for diluted EPS (nos)	247,760	859,719
Basic earnings per share (₹)	(99.38)	(827.05)
Diluted earnings per share (₹)	(99.38)	(827.05)
Face value per share (₹)	10	10

20. RELATED PARTY DISCLOSURE

(a) Following is the list of related parties:

Particulars	Related parties
Related parties where control exists	
Holding Company	D. B. Corp Limited
Subsidiary Company	I Media Corp Limited (with effect from January 19, 2017)
Related parties with whom transaction have taken place during the year	
Holding Company	D. B. Corp Limited

(b) Details of transactions with related parties:

Particulars	Transactions for the year ended		Amount payable as at	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
D. B. Corp Limited				
Interest expenses	4,019,658	1,656,884	(3,671,099)	(1,437,787)
Subscription of equity shares	-	455,000	-	-
Subscription of preference shares	68,000,000	100,000	-	-
Subscription of 0.01% compulsorily convertible debentures	-	10,000,000	-	-
Conversion of 0.01% compulsorily convertible debentures	10,000,000	-	-	-
Purchase of equity of IMCL	11,229,140	-	-	-
Loan taken from holding company	19,500,000	36,900,000	-	(36,900,000)
Loan repaid to holding company	(56,400,000)	-	-	-
Other outstanding balances	-	-	(455,620)	(53,408)

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. These transactions are approved by the board of directors. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. The Company has not recorded any impairment of receivables relating to amounts owed by related parties during the year ended March 31, 2017 and March 31, 2016. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTES

to financial statements as at and for the year ended March 31, 2017

21. SEGMENT INFORMATION

Since there is only one business and one geographical segment, separate segment disclosure is not provided.

22. 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.

23. AUDITORS' REMUNERATION [INCLUDED IN LEGAL AND PROFESSIONAL FEES (UNDER NOTE 17)]:

Particulars	(₹)	
	March 31, 2017	March 31, 2016
As Auditor		
Audit fees	50,000	50,000

24. 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 Company has taken office premises under operating lease agreements. This is renewable on mutual consent.
- b) Lease payments recognized for the year are ₹ 1,603,868 (March 31, 2016 ₹ 2,655,560).

There are no restrictions imposed in these lease agreements. There are no purchase options. There are no sub leases.

As per our report of even date

For **S.R. Batliboi & Associates LLP**
ICAI Firm registration number:
101049W/E300004
Chartered Accountants

per **Kalpesh Jain**
Partner
Membership No. 106406
Place: Mumbai
Date: May 17, 2017

For and on behalf of the Board of Directors of
DB Infomedia Private Limited

Rajeev Chaturvedi
Director

Place: Bhopal
Date: May 17, 2017

Manoj Garg
Director

BOARD'S REPORT

**To the Members,
I Media Corp Ltd.**

Your Directors have pleasure in presenting the 11th Annual Report, together with the Balance Sheet and the Statement of Profit and Loss of the Company for the year ended 31st March, 2017.

FINANCIAL HIGHLIGHTS

The financial results of your Company for the year ended 31st March, 2017 are as under:

Particulars	(in ₹ Mn.)	
	FY 2016-17	FY 2015-16
Income	9.17	13.84
Expenditure	9.79	12.02
Profit / (Loss) for the year before tax	(0.63)	1.82
Less: Tax (including deferred tax)	-	0.35
Profit / (Loss) after tax	(0.63)	1.47
Net worth	13.83	14.45

REVIEW OF PERFORMANCE

The year 2016-17 was a challenging year for the Company. The Company's events business witnessed a stagnating phase as many of the major events planned during the year failed to materialize. As a result, the Company's operations could not scale up to its quantifiable extent for this year. Your management is trying hard to re-generate profits and is hopeful about better performance by the Company in the years to come.

FUTURE PROSPECTS

The event business continues to be the prime focus of your Company and several initiatives are being taken to enhance the business. Special attention is being given to the tailor-made events as per client's requirements so as to add value to their business. Clients have shown positive response to this initiative and the Company plans to work in tandem and create new opportunities.

This effort has already been initiated and will witness maximum thrust in 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.

DIVIDEND

In view of loss incurred for the year under review, your Directors do not recommend any dividend for the financial year 2016-17. Further, your Company does not propose any amount to be transferred to the reserves of the Company for the financial year 2016-17.

DIRECTORS

Pursuant to provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Sudhir Agarwal, Director of the Company (DIN: 00051407) 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.

The Board with deep regret noted the sad demise of Mr. Ramesh Chandra Agarwal, Director (DIN: 00051310) on 12th April, 2017. On account of his death, the Board has lost a visionary leader.

Mr. Rajendra Joshi (DIN: 07048137) and Mr. Pramod Maheshwari (DIN: 02702158) were appointed as 'Additional – Non Executive Directors' of the Company w.e.f. 19th December, 2016. Pursuant to provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, they hold 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 their candidature for the office of Director, liable to retire by rotation.

BOARD MEETINGS

During the year under review, the Board met 5 (five) times on 19th May, 2016, 6th August, 2016, 21st November, 2016, 19th December, 2016 and 19th January, 2017. The intervening gap between the meetings was well within the limit prescribed under the Companies Act, 2013.

Board's Report - I Media Corp Limited

The details regarding number of meetings attended by the Directors for FY 2016-17 are as follows:

Names of Directors	No. of Board meetings attended
(Late) Mr. Ramesh Chandra Agarwal	5
Mr. Sudhir Agarwal	4
Mr. Pawan Agarwal	5
Mr. Rajendra Joshi	2*
Mr. Pramod Maheshwari	2*

* Attended the meeting held on 19th December, 2016 by invitation.

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in Form MGT 9 is annexed to this Report as 'Annexure A'.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirements under Section 134(3)(c) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed:

- that in the preparation of the annual accounts for the year ended 31st March, 2017, the applicable accounting standards had been followed, along with proper explanation relating to material departures;
- 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, 2017 and of the loss of the Company for the year ended as on that date;
- 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, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the directors had prepared the annual accounts for the financial year ended 31st March, 2017, on a "going concern" basis;
- that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws, and that such systems were adequate and operating effectively.

STATUTORY AUDITORS

At the Ninth Annual General Meeting of the Company held on 30th September, 2015, the members had approved the appointment of M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, Mumbai as the Statutory Auditors of the Company (Firm Registration No. 101049W/E300004) for a period of 5 (five) years i.e. from the conclusion of the

Ninth Annual General Meeting until the conclusion of the Fourteenth Annual General Meeting of the Company.

Pursuant to Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, the aforesaid appointment needs to be ratified by the members at every Annual General Meeting ('AGM'). Accordingly, the ratification of appointment of M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, Mumbai, to hold office from the conclusion of the ensuing AGM until the conclusion of the next AGM is recommended to the members of the Company.

AUDITORS' REPORT

The Auditors' Report does not contain any qualifications, reservations or adverse remarks.

INTERNAL CONTROLS SYSTEMS

Your Company has built up robust internal controls commensurate with the size of its operations. The internal control is designed to ensure that financial and other records are reliable for preparing financial information and for maintaining accountability of assets. Through sound internal control, the Board ensures the reliability of Company's reporting and its compliance with legislation, regulations, applicable accounting policies and the Company's business principles.

INFORMATION PERTAINING TO HOLDING COMPANY

During the year under review, D. B. Corp Limited, the erstwhile Holding Company; has sold its entire shareholding in the Company to its another subsidiary company viz. M/s. DB Infomedia Pvt. Ltd. Consequently, the Company is now a wholly-owned subsidiary of M/s. DB Infomedia Pvt. Ltd. and a step-down subsidiary of D. B. Corp Limited.

COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION BETWEEN I MEDIA CORP LIMITED (TRANSFEROR COMPANY), DB INFOMEDIA PRIVATE LIMITED (DEMERGED COMPANY / TRANSFeree COMPANY) AND D. B. CORP LIMITED (RESULTING COMPANY)

During the year under review, the Board at its meeting held on 19th January, 2017 approved a Composite Scheme of Arrangement and Amalgamation between the Company ('Transferor Company'), DB Infomedia Private Limited ('DBIPL / Demerged Company / Transferee Company') and D. B. Corp Limited ('DBCL / Resulting Company'). Under the said Composite Scheme, the Company was proposed to be amalgamated into DBIPL, the Holding Company and thereafter, the internet business was proposed to be hived-off / demerged in to DBCL, the ultimate Holding Company.

Later the Board at its meeting held on 17th May, 2017 reconsidered its above proposal and was of the opinion that in the changed business scenario, the proposed Scheme of Arrangement and Amalgamation will no longer give any extra benefits to the Company and its stakeholders and hence, the proposal was withdrawn by the Board.

DEPOSITS

Your Company has not invited and / or accepted any deposits, within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, as amended from time to time.

DETAILS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Your Company has not given any loans / guarantees / securities or made any investments, which may attract the provisions of Section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as Annexure B to the Board's report.

RISK MANAGEMENT POLICY

Your Company places key emphasis on the risk management and believes in establishing a structured and disciplined approach to risk management. Your Company has subscribed to and adopted the Risk Management policy framed by its ultimate Holding Company, D. B. Corp Limited. Your Company reviews various business and operational risks as laid down in the plan and considers instituting proper control procedures to mitigate the same.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Since your Company does not own any manufacturing facility, the Company was not required to take any steps with regard to conservation of energy, technology absorption or other related items as stipulated under the Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

There were neither foreign exchange earnings nor any foreign exchange outgo during the year under consideration as only event business continued in the Company.

PARTICULARS OF EMPLOYEES

Your Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

During the year, no complaints on sexual harassment were received by the Company.

No. of complaints received : None

No. of complaints disposed off : Not Applicable

MATERIAL CHANGES AND COMMITMENTS

As reported above, the Board of Directors at the meeting held on 17th May, 2017, decided to withdraw the Composite Scheme of Arrangement and Amalgamation between the Company, D. B. Corp Limited and DB Infomedia Private Limited which was earlier approved by the Board on 19th January, 2017. Accordingly, the scheme will not to be acted upon further.

GENERAL

Your Directors state that no disclosure is required in respect of the following matters as there were no transactions in relation thereto, during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of sweat equity shares.
3. Non-exercise of voting rights directly by the employees in respect of shares purchased under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant and material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

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.

Your 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

Sudhir Agarwal

Director

DIN: 00051407

Pawan Agarwal

Director

DIN: 00465092

Place: Bhopal

Date: 17th May, 2017

ANNEXURE A

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2017

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

I. REGISTRATION AND OTHER DETAILS

i. CIN	U64202MP2006PLC018676
ii. Registration Date	01-06-2006
iii. Name of the Company	I Media Corp Limited
iv. Category / Sub-Category of the Company	Company having Share Capital / Non-Govt. Company
v. Address of the Registered office and contact details	6, Press Complex, MP Nagar, Zone I, Bhopal 462011. Tel No: 755 - 3988884
vi. Whether listed company	No
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Pvt. Ltd. Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500 032. Ph : 040-6716 2222 Fax : 040- 2300 1153 Email: einward.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Event Business	8230	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	DB Infomedia Pvt. Ltd. Office Block 1A, 5 th Floor, DB City Corporate Park, Arera Hills, Opp. M.P. Nagar, Zone - I, Bhopal - 462016, Madhya Pradesh.	U74300MP2015PTC033850	Holding Company	100%	2(46)
2	D. B. Corp Limited Plot no. 280, Sarkhej-Gandhinagar Highway, Nr. YMCA Club, Makarba, Ahmedabad - 380051, Gujarat.	L22210GJ1995PLC047208	Ultimate Holding Company	100%*	2(46)

*Effective 19th January, 2017, D. B. Corp Limited, then Holding Company has transferred its entire shareholding held in the Company to DB Infomedia Private Limited ('DBIPL'). Accordingly, D. B. Corp Limited through its wholly owned subsidiary, DBIPL holds entire share capital of the Company.

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS A PERCENTAGE OF TOTAL EQUITY)
i. Category-wise Shareholding

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) INDIAN									
a. Individual /HUF	0	5	5	0.00%	0	5	5	0.00%	N.A.
b. Central Govt.	0	0	0	0	0	0	0	0	N.A.
c. State Govt.(s)	0	0	0	0	0	0	0	0	N.A.
d. Bodies Corporate	1122908	1	1122909	99.99%	1122908	1	1122909	99.99%	N.A.
e. Banks / FI	0	0	0	0	0	0	0	0	N.A.
f. Any Other	0	0	0	0	0	0	0	0	N.A.
Sub-Total A(1) :	1122908	6	1122914	100.00%	1122908	6	1122914	100.00%	N.A.
(2) FOREIGN									
a. NRIs - Individuals	0	0	0	0	0	0	0	0	N.A.
b. Others – Individuals	0	0	0	0	0	0	0	0	N.A.
c. Bodies Corporate	0	0	0	0	0	0	0	0	N.A.
d. Banks / FI	0	0	0	0	0	0	0	0	N.A.
e. Any Other	0	0	0	0	0	0	0	0	N.A.
Sub-Total A(2) :	0	0	0	0	0	0	0	0	N.A.
Total Shareholding of Promoters	1122908	6	1122914	100.00%	1122908	6	1122914	100.00%	N.A.
A=A(1)+A(2)									
B. Public Shareholding									
1. INSTITUTIONS									
a. Mutual Funds	0	0	0	0	0	0	0	0	N.A.
b. Banks / FI	0	0	0	0	0	0	0	0	N.A.
c. Central Govt.	0	0	0	0	0	0	0	0	N.A.
d. State Govt.(s)	0	0	0	0	0	0	0	0	N.A.
e. Venture Capital Funds	0	0	0	0	0	0	0	0	N.A.
f. Insurance Companies	0	0	0	0	0	0	0	0	N.A.
g. FIs	0	0	0	0	0	0	0	0	N.A.
h. Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	N.A.
i. Others (specify)	0	0	0	0	0	0	0	0	N.A.
Sub-Total B(1) :	0	0	0	0	0	0	0	0	N.A.
2. NON-INSTITUTIONS									
a. Bodies Corporate	0	0	0	0	0	0	0	0	N.A.
i. Indian	-	-	-	-	-	-	-	-	N.A.
ii. Overseas	-	-	-	-	-	-	-	-	N.A.
b. Individuals									
i. Individual shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0	0	0	0	0	N.A.
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	0	0	0	0	0	0	0	0	N.A.
c. Others (specify)	0	0	0	0	0	0	0	0	N.A.
Sub-Total B(2) :	0	0	0	0	0	0	0	0	N.A.
Total Public Shareholding	0	0	0	0	0	0	0	0	N.A.
B=B(1)+B(2) :									
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	N.A.
Grand Total (A+B+C) :	1122908	6	1122914	100.00%	1122908	6	1122914	100.00%	N.A.

ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year*			Shareholding at the end of the year*			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
1	D. B. Corp Limited	1122914	100.00%	Nil	0	0.00%	Nil	-100.00%
2	DB Infomedia Pvt. Ltd.	0	0.00%	Nil	1122914	100.00%	Nil	+100.00%
	Total	1122914	100.00%	Nil	1122914	100.00%	Nil	100.00%

* Shareholding includes shares held along with their respective nominee shareholders.

iii. Change in Promoters' Shareholding

Sr. No.	Shareholding at the beginning of the year	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1. D. B. Corp Limited	At the beginning of the year	1122914	100.00%	1122914	100.00%
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year				
	19.01.2017 – Transfer of equity shares to DB Infomedia Pvt. Ltd.	-1122914	-100.00%	0	0.00%
	At the end of the year	0	0.00%	0	0.00%
2. DB Infomedia Private Limited	At the beginning of the year	0	0.00%	0	0.00%
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year				
	19.01.2017 – Transfer of equity shares from D. B. Corp Limited	+1122914	+100.00%	1122914	100.00%
	At the end of the year	1122914	100.00%	1122914	100.00%

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	For each of the top ten shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year				
	Date wise Increase (+) / Decrease (-) in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus / sweat equity, etc)				
	At the end of the year				

N.A.

v. Shareholding of Directors and Key Managerial Personnel*

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Sudhir Agarwal – Director				
	At the beginning of the year - as a nominee of D. B. Corp Limited	1	0.00%	1	0.00%
	Date wise Increase (+) / Decrease (-) in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus / sweat equity, etc)				
	19.01.2017 – Change in nomination from ‘Nominee of D. B. Corp Limited’ to ‘Nominee of DB Infomedia Private Limited’ on account of transfer.	-1	-0.00%	0	0.00%
	At the end of the year - as a nominee of DB Infomedia Private Limited	1	0.00%	1	0.00%
2.	Pawan Agarwal – Director				
	At the beginning of the year - as a nominee of D. B. Corp Limited	1	0.00%	1	0.00%
	Date wise Increase (+) / Decrease (-) in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus / sweat equity, etc)				
	19.01.2017 – Change in nomination from ‘Nominee of D. B. Corp Limited’ to ‘Nominee of DB Infomedia Private Limited’ on account of transfer.	-1	-0.00%	0	0.00%
	At the end of the year - as a nominee of DB Infomedia Private Limited	1	0.00%	1	0.00%
3.	(Late) Ramesh Chandra Agarwal – Director [@]				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase (+) / Decrease (-) in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus / sweat equity, etc)	-	-	-	-
	At the end of the year	NIL	NIL	NIL	NIL
4.	Rajendra Joshi - Director				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase (+) / Decrease (-) in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus / sweat equity, etc)	-	-	-	-
	At the end of the year	NIL	NIL	NIL	NIL
5.	Pramod Maheshwari – Director				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase (+) / Decrease (-) in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus / sweat equity, etc)	-	-	-	-
	At the end of the year	NIL	NIL	NIL	NIL

* The provisions of Section 203 of the Companies Act, 2013 are not applicable. Hence, the Company has not appointed any KMP.

@ Ceased to be a Director w.e.f. 12th April, 2017 on account of death.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in indebtedness during the financial year				
• Addition				
• Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Company does not pay any remuneration and / or sitting fees to any of its Directors.

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1. Gross Salary			
a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961			
b. Value of perquisites under Section 17(2) of the Income Tax Act, 1961			
c. Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961			
2. Stock Options			
3. Sweat Equity			
4. Commission			
- as a % of Profit			
- others, specify			
5. Others, please specify			
Total (A)			
Ceiling as per the Act			

N.A.

B. Remuneration to other Directors

Sr. No.	Particulars of Remuneration	Name of Directors	Total Amount
1. Independent Director			
- Fee for attending Board / Committee Meetings			
- Commission			
- Others, please specify			
Total (1)			
2. Other Non-Executive Directors			
- Fee for attending Board / Committee Meetings			
- Commission			
- Others, please specify			
Total (2)			
Total B = (1+2)			
Total Managerial Remuneration			
Overall ceiling as per the Act			

NIL

C. Remuneration to Key Managerial Personnel other than MD / Manager/ WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total Amount
1. Gross Salary		N.A.			
a.	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961				
b.	Value of perquisites under Section 17(2) of the Income Tax Act, 1961				
c.	Profit in lieu of salary under Section 17(3) of the Income Tax Act, 1961				
2. Stock Options					
3. Sweat Equity					
4. Commission					
	- as a % of Profit				
	- others, please specify				
5. Others, please specify					
Total					

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
A. Company					
		Penalty			
		Punishment			
		Compounding			
B. Directors					
		Penalty			
		Punishment			
		Compounding			
C. Other Officers in Default					
		Penalty			
		Punishment			
		Compounding			

For and on behalf of the Board of Directors of

I Media Corp Limited
Sudhir Agarwal

Director

DIN: 00051407

Pawan Agarwal

Director

DIN: 00465092

Place: Bhopal

 Date: 17th May, 2017

ANNEXURE B

FORM NO. AOC- 2

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

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

During financial year 2016-17, the Company has not entered into any contract or arrangement or transaction with its related parties which is/are not at arm's length basis.

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

Sr. No.	Particulars	Details
1	Name(s) of the related party and nature of relationship	D. B. Corp Limited, ultimate Holding Company
2	Nature of contracts / arrangements / transactions	Sales and marketing expenses
3	Duration of the contracts / arrangements / transactions	N.A. as the transactions are entered on a need basis
4	Salient terms of the contracts or arrangements or transactions including the value, if any	Sales and marketing expenses incurred on invoicing basis for promotion of Company's business on FM radio channels run by D. B. Corp Limited
5	Date(s) of approval by the Board, if any	Not applicable, since the contract was entered into in the ordinary course of business and on arm's length basis
6	Amount paid as advances, if any	Nil

For and on behalf of the Board of Directors of

I Media Corp Limited

Sudhir Agarwal

Director

DIN: 00051407

Pawan Agarwal

Director

DIN: 00465092

Place: Bhopal

Date: 17th May, 2017

INDEPENDENT AUDITORS' REPORT

To the Members of I Media Corp Limited

REPORT ON THE IND AS FINANCIAL STATEMENTS

We have audited the accompanying Ind AS financial statements of I Media Corp Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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 Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS 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, of the state of affairs of the Company as at March 31, 2017, its losses, its cash flows and the changes in equity for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's report) Order, 2016 (the "Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books;
- (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position in its Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - iv. As per books of accounts of the Company and as represented by the management of the Company, the Company did not have cash balance as on November 8, 2016 and December 30, 2016 and has no cash dealings during this period.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Kalpesh Jain**

Partner

Membership Number: 106406

Mumbai

May 17, 2017

ANNEXURE 1

referred to in paragraph 1 under Report on Other Legal and Regulatory Requirements of our audit 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) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company’s business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, service tax and other statutory dues applicable to it. The provisions relating to duty of excise, sales-tax, duty of custom, value added tax, employee state insurance 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, income tax, service tax, cess and other 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 duty of excise, sales-tax, duty of custom, value added tax, employee state insurance are not applicable to the Company.
- (c) According to the information and explanations 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 duty of excise, sales-tax, duty of custom, value added tax, employee state insurance are not applicable to the Company.
- (viii) In our opinion and according to the information and explanations given by the management, the Company has not taken any loans from any financial institution or bank. The Company did not have any outstanding debentures during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible

debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and not commented upon.

- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Kalpesh Jain**

Partner

Membership Number: 106406

Mumbai

May 17, 2017

ANNEXURE 2

referred in our report of even date

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE "ACT")

We have audited the internal financial controls over financial reporting of I Media Corp Limited (the "Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial

reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Kalpesh Jain**

Partner

Membership Number: 106406

Mumbai

May 17, 2017

BALANCE SHEET

as at March 31, 2017

		(₹)		
	Notes	March 31, 2017	March 31, 2016	April 01, 2015
ASSETS				
Non-current assets				
Property, plant and equipment	6	-	17,918	152,807
Other assets	9	1,522,928	1,534,974	-
		1,522,928	1,552,892	152,807
Current assets				
Financial assets				
Trade receivables	7	2,521,832	2,494,906	1,453,106
Cash and cash equivalents	8	10,027,572	4,620,294	5,596,680
Other financial asset	9	8,543,646	15,693,877	10,493,153
Other current assets	10	255,350	217,563	1,900,673
Deferred tax assets (net)	11	279,264	279,264	279,264
		21,627,664	23,305,904	19,722,876
Total		23,150,592	24,858,796	19,875,683
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	12	11,229,140	11,229,140	11,229,140
Other Equity				
Retained earnings		2,597,934	3,225,521	1,758,725
Total equity attributable to equity holders		13,827,074	14,454,661	12,987,865
Liabilities				
Current liabilities				
Financial liabilities				
Trade payables		8,160,425	7,615,856	3,645,898
Other financial liability		596,414	2,003,085	2,429,547
Other liabilities	13	566,679	785,194	812,373
		9,323,518	10,404,135	6,887,818
Total		23,150,592	24,858,796	19,875,683
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/E300004
 Chartered Accountants

per **Kalpesh Jain**
 Partner
 Membership No. 106406
 Place: Mumbai
 Date: May 17, 2017

For and on behalf of the Board of Directors of
I Media Corp Limited

Sudhir Agarwal
 Director

Pawan Agarwal
 Director

Place: Bhopal
 Date: May 17, 2017

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2017

	Notes	March 31, 2017	March 31, 2017
(₹)			
INCOME			
Revenue from operations	14	7,516,667	12,737,188
Other income	15	665,554	49,753
Finance income	16	985,191	1,056,857
Total income		9,167,412	13,843,798
EXPENSES			
Employee benefit expenses	17	256,622	231,863
Depreciation and amortisation expenses	18	-	102,642
Other expenses	19	9,538,377	11,688,087
Total expenses		9,794,999	12,022,592
(Loss) / profit before tax		(627,587)	1,821,206
Income tax expenses			
Deferred tax charge		-	354,410
Total income tax expense		-	354,410
(Loss) / profit for the year		(627,587)	1,466,796
Attributable to:			
Equity holders		(627,587)	1,466,796
Other Comprehensive Income ('OCI')		-	-
Total comprehensive income for the year		(627,587)	1,466,796
Attributable to:			
Equity holders		(627,587)	1,466,796
Earnings per equity share			
[nominal value of share ₹ 10 (March 31, 2016: ₹ 10)]			
Basic	20	(0.56)	1.31
Diluted		(0.56)	1.31

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/E300004
Chartered Accountants

per **Kalpesh Jain**
Partner
Membership No. 106406
Place: Mumbai
Date: May 17, 2017

For and on behalf of the Board of Directors of
I Media Corp Limited

Sudhir Agarwal
Director

Pawan Agarwal
Director

Place: Bhopal
Date: May 17, 2017

STATEMENT OF CHANGE IN EQUITY

as at and for the year ended March 31, 2017

(₹)

Particulars	Equity share capital	Reserve and surplus	Total
		Retained earnings	
As at April 01, 2015	11,229,140	1,758,725	12,987,865
Profit for the year	-	1,466,796	1,466,796
As at March 31, 2016	11,229,140	3,225,521	14,454,661
Loss for the year	-	(627,587)	(627,587)
As at March 31, 2017	11,229,140	2,597,934	13,827,074

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/E300004

Chartered Accountants

per **Kalpesh Jain**

Partner

Membership No. 106406

Place: Mumbai

Date: May 17, 2017

For and on behalf of the Board of Directors of

I Media Corp Limited

Sudhir Agarwal

Director

Pawan Agarwal

Director

Place: Bhopal

Date: May 17, 2017

CASH FLOW STATEMENT

for the year ended March 31, 2017

(₹)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) / profit before tax	(627,587)	1,821,206
Adjustments to reconcile (loss) / profit before tax to net cash flows		
Profit on sale / disposal of property, plant and equipment (net)	(77,082)	(49,753)
Finance income	(985,191)	(1,056,857)
Depreciation and amortisation expense	-	102,642
Allowance for impairment of trade receivables	46,042	17,413
Operating (loss) / profit before working capital changes	(1,643,818)	834,651
Changes in working capital		
(Increase) in trade receivables	(72,968)	(1,059,213)
(Increase) / decrease in other asset	(71,748)	101,613
Increase in trade payables	544,569	3,969,958
(Decrease) in other current liabilities	(1,625,185)	(453,641)
Cash flow (used) in operations	(2,869,150)	3,393,368
Direct taxes paid	46,006	(307,887)
Net cash flow cash (used in) / from operating activities (A)	(2,823,144)	3,085,481
B. CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	95,000	82,000
Finance income	985,191	1,056,857
Fixed deposits with maturity period more than three months matured / (placed) (net)	7,150,231	(5,200,724)
Net cash flow from / (used in) investing activities (B)	8,230,422	(4,061,867)
Net Increase / (decrease) in cash and cash equivalents (A)+(B)	5,407,278	(976,386)
Cash and cash equivalents at the beginning of the year	4,620,294	5,596,680
Cash and cash equivalents at the end of the year	10,027,572	4,620,294
Net Increase / (decrease) in cash and cash equivalents	5,407,278	(976,386)

For details of components of cash and cash equivalents, refer note 8.

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/E300004
Chartered Accountants

per **Kalpesh Jain**

Partner
Membership No. 106406

Place: Mumbai
Date: May 17, 2017

For and on behalf of the Board of Directors of

I Media Corp Limited

Sudhir Agarwal

Director

Place: Bhopal
Date: May 17, 2017

Pawan Agarwal

Director

NOTES

to financial statements as at and for the year ended March 31, 2017

1. NATURE OF OPERATIONS:

I Media Corp Limited (the 'Company') is in the business of organising events. The Company is private limited company domiciled in India and is incorporated under the provisions of the Companies Act, 1956. The Company derives its revenue mainly from the events.

The financial statements comprise the financial statements of the Company for the year ended March 31, 2017. The Company's registered office is at 6, Dwarka Sadan, Press Complex, M. P. Nagar, Bhopal, (M.P.) India.

The financial statement of Company were authorised for issue in accordance with a resolution of the directors on May 17, 2017.

2. BASIS OF ACCOUNTING AND PREPARATION

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013 (the 'Act'), read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2017 are the first financial statements that the Company has prepared in accordance with Ind AS. Refer to note 5 for information on how the Company adopted Ind AS.

The financial statements have been prepared under the historical cost basis except for financial assets and liabilities that have been measured at fair value. The financial statements have been prepared on a going concern basis.

The financial statements are presented in ₹ except when otherwise indicated.

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Property, plant and equipment

Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Capital work in progress is stated at cost.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

(b) Depreciation

Depreciation on vehicles is calculated on a straight-line basis using the rates arrived at based on the useful life of 8 years estimated by the management which is equal to those prescribed under the Schedule II to the Act.

NOTES

to financial statements as at and for the year ended March 31, 2017

The residual values, useful lives and methods of depreciation and amortisation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

(c) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ('CGU') fair value less costs of disposal and its value in use. 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 Company of assets. When 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.

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

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised

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

(d) 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. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Income from event management

Revenue from event management is recognised once the related event is completed i.e. completed contract basis.

Interest

For all debt instruments measured either at amortised cost, interest income is recorded using the effective interest rate ('EIR'). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance

NOTES

to financial statements as at and for the year ended March 31, 2017

income in the statement of profit and loss.

(e) Foreign currency transaction

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(f) Income taxes

Current income tax

Current income tax liabilities are measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is

probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(g) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

NOTES

to financial statements as at and for the year ended March 31, 2017

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(h) 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 arises from past events but 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.

(i) Earnings per equity share ('EPS')

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

(j) Cash and cash equivalents

Cash and cash equivalent in the balance sheet and cash flow statement comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(k) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets.

Subsequent measurement

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss on the financial assets which are not fair valued through profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL at each reporting date, right from its initial recognition. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk

NOTES

to financial statements as at and for the year ended March 31, 2017

since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss, loans and borrowings, payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and

the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates:

Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets.

Judgements:

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

5. FIRST TIME ADOPTION OF IND AS

These financial statements, for the year ended March 31, 2017, are the first financial statements that the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ended on March 31, 2017, together with the comparative period data as at and for the year ended March 31, 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2015, the Company's date of transition to Ind AS.

NOTES

to financial statements as at and for the year ended March 31, 2017

Following exemptions and / or elections applied to the company for the first Ind AS financials statements

The estimates at April 01, 2015 and at March 31, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- a) Impairment of financial assets based on expected credit loss model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 01, 2015, the date of transition to Ind AS and as of March 31, 2016.

Recent accounting pronouncements

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from April 1, 2017.

Amendment to Ind AS 7

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statement is being evaluated.

Amendment to Ind AS 102

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

The Company does not have any cash settled award as at March 31 2017.

Reconciliation of equity as per IGAAP and Ind AS for the year ended March 31, 2016 and April 01, 2015:

There is no difference between the equity as per the Indian GAAP and Ind AS.

NOTES

to financial statements as at and for the year ended March 31, 2017

6. PROPERTY, PLANT AND EQUIPMENT

			(₹)	
Particulars	Vehicles	Total		
Gross block value as at April 01, 2015	707,127	707,127		
Deletions during the year	348,787	348,787		
Gross block value as at March 31, 2016	358,340	358,340		
Deletions during the year	358,340	358,340		
Gross block value as at March 31, 2017	-	-		
Accumulated depreciation as at April 01, 2015	554,320	554,320		
Depreciation for the year	102,642	102,642		
Accumulated depreciation on disposals	316,540	316,540		
Accumulated depreciation as at March 31, 2016	340,422	340,422		
Accumulated depreciation on disposals	340,422	340,422		
Accumulated depreciation as at March 31, 2017	-	-		
Net block as at April 01, 2015	152,807	152,807		
Net block as at March 31, 2016	17,918	17,918		
Net block as at March 31, 2017	-	-		

Financial Assets

7. TRADE RECEIVABLES

(Unsecured, considered good unless stated otherwise)

				(₹)		
Particulars	March 31, 2017	March 31, 2016	April 01, 2015			
Outstanding for a period exceeding six months from the date they are due for payment						
Considered good	-	-	-			
Considered doubtful	786,575	740,533	723,120			
	786,575	740,533	723,120			
Less: Impairment Allowance	786,575	740,533	723,120			
	-	-	-			
Other receivables						
Considered good	2,521,832	2,494,906	1,453,106			
	2,521,832	2,494,906	1,453,106			

8. CASH AND CASH EQUIVALENTS:

				(₹)		
Particulars	March 31, 2017	March 31, 2016	April 01, 2015			
Balances with banks						
On current account	10,027,572	4,620,294	5,596,680			
	10,027,572	4,620,294	5,596,680			

9. OTHER FINANCIAL ASSET

(Unsecured, considered good unless stated otherwise)

				(₹)		
Particulars	March 31, 2017	March 31, 2016	April 01, 2015			
Deposits with original maturity of more than 3 months but less than 12 months	8,543,646	15,693,877	10,493,153			
	8,543,646	15,693,877	10,493,153			

10. OTHER ASSETS

							(₹)		
Particulars	Non-current			Current					
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015			
Taxes paid (net of provision for taxation)	404,163	450,168	-	-	-	496,691			
Advances recoverable in cash or kind or for value to be received	1,118,765	1,084,806	-	255,350	217,563	1,403,982			
Total assets	1,522,928	1,534,974	-	255,350	217,563	1,900,673			

NOTES

to financial statements as at and for the year ended March 31, 2017

11. DEFERRED TAX ASSETS (NET)

(₹)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Allowance for impairment of trade receivables	245,788	245,788	245,788
Others	33,476	33,476	33,476
Deferred tax assets (net)	279,264	279,264	279,264

12. SHARE CAPITAL

Particulars	March 31, 2017		March 31, 2016		April 01, 2015	
	Nos.	₹	Nos.	₹	Nos.	₹
Authorised share capital						
Equity shares						
At the beginning of the year	5,000,000	50,000,000	5,000,000	50,000,000	5,000,000	50,000,000
Increase/(decrease) during the year	-	-	-	-	-	-
Total authorised equity share capital	5,000,000	50,000,000	5,000,000	50,000,000	5,000,000	50,000,000

Issued, subscribed and fully paid-up share capital

Particulars	March 31, 2017		March 31, 2016		April 01, 2015	
	Nos.	₹	Nos.	₹	Nos.	₹
Equity shares						
At the beginning of the year	1,122,914	11,229,140	1,122,914	11,229,140	1,122,914	11,229,140
Issued during the year	-	-	-	-	-	-
Total issued, subscribed and fully paid-up share capital	1,122,914	11,229,140	1,122,914	11,229,140	1,122,914	11,229,140

(a) Terms/ rights attached to each class of shares

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.

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.

(b) 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:

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
	Nos	Nos	Nos
Equity shares			
Allotted as shares issued in pursuant to the scheme of arrangements	72,914	72,914	72,914
	72,914	72,914	72,914

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

Particulars	March 31, 2017		March 31, 2016		April 01, 2015	
	Nos.	% of holding	Nos.	% of holding	Nos.	% of holding
Name of shareholders						
Equity shares of ₹ 10 each fully paid						
D B Corp Limited ('DBCL')	-	-	1,122,914	100%	1,122,914	100%
DB Infomedia Private Limited	1,122,914	100%	-	-	-	-

NOTES

to financial statements as at and for the year ended March 31, 2017

13. OTHER LIABILITIES

(₹)			
Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Other payable			
Advances from customers	442,975	561,921	752,735
Statutory liabilities	123,704	223,273	59,638
	566,679	785,194	812,373

(₹)		
Particulars	March 31, 2017	March 31, 2016
14 REVENUE FROM OPERATIONS		
Income from event management	7,516,667	12,737,188
	7,516,667	12,737,188
15 OTHER INCOME		
Excess liabilities / provisions written back	588,472	-
Profit on sale / disposal of property plant and equipment	77,082	49,753
	665,554	49,753
16 FINANCE INCOME		
Interest income from bank deposits	985,191	1,056,857
	985,191	1,056,857
17 EMPLOYEE BENEFIT EXPENSES		
Salaries, wages and bonus	256,622	231,863
	256,622	231,863
18 DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation of property, plant and equipment (refer note 6)	-	102,642
	-	102,642
19 OTHER EXPENSES		
Legal and professional charges (refer note 24)	4,781,031	4,354,545
Event expenses	1,886,830	4,782,732
Sales and marketing expenses	1,378,051	1,298,949
Vehicle maintenance expenses	784,052	689,706
Electricity and water charges	320,615	317,679
Miscellaneous expenses	387,798	244,476
	9,538,377	11,688,087

20. EARNINGS PER SHARE ('EPS')

Particulars	March 31, 2017	March 31, 2016
(Loss) / profit after tax for equity shareholders (₹)	(627,587)	1,466,796
Weighted average number of equity shares outstanding for Basic and diluted EPS (nos)	1,122,914	1,122,914
Face value per share (₹)	10	10
Basic and diluted earnings per share (₹)	(0.56)	1.31

NOTES

to financial statements as at and for the year ended March 31, 2017

21. RELATED PARTY DISCLOSURE

a) Following is the list of related parties

Particulars	Related parties
Related parties with whom transactions have taken place during the year	
Ultimate holding company	• D.B. Corp Limited
Holding Company	• DB Infomedia Private Limited
Key management personnel	• Shri Pawan Agarwal, Director

b) Related party transactions:

Particulars	Transactions for the year ended		Amount payable as at	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
D. B. Corp Limited				
- Sales and marketing expenses	1,378,051	1,278,339	-	(608,752)
- Event expenses	149,264	182,477	(129,480)	(78,340)
- Balance outstanding at the year end			(6,921,422)	(6,380,510)

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. These transactions are approved by the audit committee of board of directors. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. The Company has not recorded any impairment of receivables relating to amounts owed by related parties during the year ended March 31, 2017, March 31, 2016 and April 01, 2015. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

22. 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 Enterprises 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.

23. SEGMENT INFORMATION

Since there is only one business and one geographical segment, separate segment disclosure is not provided.

24. AUDITORS' REMUNERATION [INCLUDED IN LEGAL AND PROFESSIONAL FEES (UNDER NOTE 19)]:

Particulars	March 31, 2017	March 31, 2016
As Auditor		
Audit fees	50,000	50,000

As per our report of even date

For **S.R. Batliboi & Associates LLP**
ICAI Firm registration number:
101049W/E300004
Chartered Accountants

per **Kalpesh Jain**
Partner
Membership No. 106406
Place: Mumbai
Date: May 17, 2017

For and on behalf of the Board of Directors of
I Media Corp Limited

Sudhir Agarwal
Director
Place: Bhopal
Date: May 17, 2017

Pawan Agarwal
Director

Corporate 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

2005

Warburg Pincus invested in the Company (D. B. Corp Ltd. was an unlisted Company at that time)

2003

Gujarat launch: The Company launched Divya Bhaskar (the Gujarat Daily of the Group) its first language newspaper other than Hindi

1996

Jaipur launch: The Company became the first Hindi Newspaper to launch an edition in another state

2006

First Indian Language 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 to motivate employees

2013

Launched 6th and 7th edition of Divya Marathi from Akola and Amravati respectively

2011

Launched Divya Marathi in Maharashtra, the 4th Language Newspaper of the Group

2010

D. B. Corp Ltd. became a listed entity after its maiden Initial Public Offer (IPO). Received an overwhelming investor response and was oversubscribed by 39.5 times.

2014

Expanded into the 14th state through the launch of Dainik Bhaskar 37th edition in Patna, Bihar

2015

Initiated 'No Negative News on Monday' to encourage a more optimistic environment, and usher in every new week with greater enthusiasm and positivity

2016

Dainik Bhaskar is India's Largest Circulated (Source: ABC JD'15) and World's 4th Largest Circulated Newspaper (Source: WAN-IFRA World Press Trends 2015)

Launched five portals – moneybhaskar.com, fashion101.in, jeevanmantra.in, bollywoodbhaskar.com and dbcric.com

Expansion in Bihar with the launch of Dainik Bhaskar editions in Muzaffarpur, Gaya and Bhagalpur.

DB Post, a new English daily launched in Bhopal, Madhya Pradesh

2017

Dainik Bhaskar completes 20 years of formidable presence in Rajasthan

94.3 MY FM expands its presence to 13 more cities

'homeonline.com' launched



DB Corp Ltd

CIN: L22210GJ1995PLC047208

www.bhaskarnet.com

REGISTERED OFFICE

Plot no. 280, Sarkhej
Gandhinagar Highway, Near
YMCA Club, Makarba

**AHMEDABAD,
GUJARAT - 380 051**

HEAD OFFICE

Dwarka Sadan, 6, Press
Complex,
M P Nagar Zone I

**BHOPAL,
MADHYA PRADESH - 462 011**

CORPORATE OFFICE

501, 5th Floor, Naman Corporate
Link, Opp. Dena Bank, C-31, G
Block, Bandra Kurla Complex,
Bandra (East)

**MUMBAI,
MAHARASHTRA - 400 051**



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