



DB Corp Ltd

November 14, 2013

To
The Manager
(Listing – CRD)
BSE Limited
Dalal Street
Mumbai - 400 001

(Fax: 022-22722037/38/39/41)

The Manager
(Listing Department)
The National Stock Exchange of India Limited
Bandra (East)
Mumbai - 400 051

(Fax: 022-26598237/38/022-26598347/48)

Dear Sirs,

Re: Copies of Postal Ballot Notice as per Clause 31(c) of the Listing Agreement

Ref: BSE – Scrip Code: 533151 – SYMBOL: DBCORP
NSE – SYMBOL: DBCORP – Series: EQ

We are pleased to enclose 3 Copies of Postal Ballot Notice of D. B. Corp Limited, as required under Clause 31(c) of the Listing Agreement.

We request you to kindly take the same on record.

Thanking you,

Yours truly,

For **D. B. Corp Limited**



Anita Gokhale
Company Secretary



Encl: as above



दैनिक भास्कर



दिव्य भास्कर



दिव्य मराठी



dainikbhaskar.com

Madhya Pradesh, Chhattisgarh, Rajasthan, Punjab, Chandigarh, Haryana, Gujarat, New Delhi, Maharashtra, Himachal Pradesh, Uttarakhand, Jharkhand, Jammu

Regd. Office: D. B. Corp Ltd., Plot No. 280, Sarkhej-Gandhinagar Highway, Near YMCA Club, Makarba, Ahmedabad (Gujarat) - 380 051
Corporate Office: D. B. Corp Ltd., 501, 5th Floor, Naman Corporate Link, Opp. Dena Bank, C-31, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051
Tel: +91 22 3988 8840 • Fax: +91 22 3980 4793 / 2659 7217



DB Corp Ltd

Registered Office: Plot No. 280, Sarkhej-Gandhinagar Highway, Near Y.M.C.A. Club,
Makarba, Ahmedabad – 380 051, Gujarat

NOTICE OF POSTAL BALLOT

(Notice pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011)

Dear Shareholder(s),

This Notice is given pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, as amended from time to time, (the "Postal Ballot Rules"), read with SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 and No. CIR/CFD/DIL/8/2013 dated May 21, 2013 (together known as "the SEBI Circulars") and as directed by the Hon'ble High Court of Gujarat at Ahmedabad in the Company Application No. 252 of 2013 vide its interim order dated October 14, 2013, the approval of Equity shareholders of the Company through postal ballot and e-voting is sought for the amendment of the objects clause of the Memorandum of Association of the Company and for the Scheme of Arrangement ("Scheme") in the nature of demerger of Integrated Internet and Mobile Interactive Service Business of I Media Corp Limited to D. B. Corp Limited ("the Company").

Accordingly, the Company has made necessary arrangements for conducting postal ballot and e-voting, the details of which are given as under:

The Company has, in compliance with Rule 6 of the Postal Ballot Rules, appointed Mr. S. Anand SS Rao, Practising Company Secretary, Hyderabad as Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner.

Further, the Company has engaged Karvy Computershare Pvt. Ltd. ("Karvy") to provide e-voting facility to the Equity shareholders of the Company. If an Equity shareholder has voted through e-voting facility, he is not required to send the Postal Ballot Form. If an Equity shareholder votes through e-voting facility and also sends his vote through the Postal Ballot Form, the votes cast through postal ballot shall only be considered by the Scrutinizer.

You are requested to read carefully the instructions printed overleaf of the Postal Ballot Form and return the Postal Ballot Form duly completed in the enclosed self addressed, postage pre-paid envelope so as to reach the Scrutinizer on or before 5.00 p.m. on Thursday, December 12, 2013. Postal Ballot Forms or electronic votes received after this date will be considered invalid. The Scrutinizer will submit his report to the Company on the completion of the scrutiny. The results shall be announced by a Director / Authorised Representative of the Company on Saturday, December 14, 2013 and displayed on the Notice Board at the Company's registered office situated at Plot No. 280, Sarkhej-Gandhinagar Highway, Near Y.M.C.A. Club, Makarba, Ahmedabad – 380 051, Gujarat at 6.00 pm on that day, besides being communicated to the BSE Ltd. (BSE) and the National Stock Exchange of India Ltd. (NSE). The said results will be published, as per statutory requirements in this regard, in one English Newspaper and one Gujarati Newspaper circulating in Ahmedabad. The same will be made available on the website of the Company www.bhaskarnet.com thereafter.

The date of declaration of the result of the Postal Ballot and e-voting process as mentioned above shall be the date on which the proposed resolutions would be deemed to have been passed, if approved by requisite majority. As stated in SEBI Circulars, the resolution approving the Scheme would be deemed to be approved only if the votes cast by the public shareholders in favour of the resolution are more than the votes cast by the public shareholders against the resolution.

Pursuant to Section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 read with SEBI Circulars and as directed by the Hon'ble High Court of Gujarat at Ahmedabad in the Company Application No. 252 of 2013 vide its interim order dated October 14, 2013, the following special business shall be transacted by the Equity shareholders of the Company by passing the proposed resolutions through postal ballot process and e-voting:

Special Business:

Item No. 1:

To amend the Memorandum of Association of the Company by inserting additional clauses in its Main Object clause:

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

"RESOLVED THAT as directed by the Hon'ble High Court of Gujarat at Ahmedabad in the Company Application No. 252 of 2013 vide its interim order dated October 14, 2013, and in accordance with the provisions of Section 17 and other applicable provisions, if any, of the Companies Act, 1956, (the "Act") (including any statutory modifications or re-enactment thereof, for the time being in force), the Memorandum and Articles of Association of the Company, Listing Agreement entered into by the Company with the BSE Ltd. (BSE) and the National Stock Exchange of India Ltd. (NSE) where the shares of the Company are listed, the guidelines, regulations, circulars and clarifications issued by the Government of India (GOI), Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI) and any other statutory or regulatory authorities and subject to all necessary approvals, consents, permissions and/or sanctions as may be necessary and subject to any such conditions and modifications as may be prescribed or imposed by any one or more of them while granting any such approvals, consents, permissions or sanctions agreed to by the Board of Directors of the Company (the "Board" which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution), consent of the Company be and is hereby accorded for amending the Main Object clause III(A) of the Memorandum of Association of the Company by adding the following new sub-clauses (4) and (5) after existing sub-clause (3) of the same.

"(4) To carry on the business of short messaging services (SMS), Multimedia messaging services standard for a telephony messaging systems that allow sending messages that includes multimedia objects (images, audio, video, rich text).

(5) To carry on the business of Brand Marketing through interactive wireless medium and provision of consumer services through wireless networks and business of promoting and selling media like Mobile, Internet, Satellite, Video, Television, Cable, Closed Circuit Television, Radio, Newspapers, Magazines, Hoardings and producing, exhibiting, distributing, marketing, importing, exporting or otherwise dealing with programs and other forms of audio/visual presentations."

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to undertake all such acts, deeds, matters and things and to finalise and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, to enable this resolution, and to settle any question, difficulty or doubt that may arise in this regard.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution."

Item No. 2:

To approve the Scheme of Arrangement in the nature of demerger of Integrated Internet and Mobile Interactive Service Business of I Media Corp Limited to D. B. Corp Limited:

To consider and if thought fit, to pass with or without modification(s), the following resolution with **requisite majority**

“RESOLVED THAT the arrangement as embodied in the Scheme of Arrangement in the nature of demerger of Integrated Internet and Mobile Interactive Service Business of I Media Corp Limited to D. B. Corp Limited under Section 391 to 394 of the Companies Act, 1956 (“the Scheme” or “this Scheme”) be and is hereby approved.”

Notes:

- (a) A copy each of the Scheme of Arrangement as well as the Explanatory Statement in terms of Section 102 of the Companies Act, 2013 (corresponding to Section 173 of the Companies Act, 1956) and Section 192A of the Companies Act, 1956 with reasons for proposing the resolutions as stated in the notice is annexed hereto.
- (b) The Company has appointed **Mr. S. Anand SS Rao, Company Secretary in Practice**, Hyderabad as Scrutinizer for conducting the Postal Ballot voting process in accordance with the law and in fair and transparent manner.
- (c) The Postal Ballot Form together with self-addressed postage pre-paid Business Reply Envelope is enclosed for use of the Member(s).
- (d) The Notice is being sent to all the Members by post (and electronically by e-mail to those Members who have registered their email ids with the Company/Depositories) whose names appear in the Register of Members/record of the Depositories at the close of working hours on Friday, **November 1, 2013**. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the Member(s) as on that date and time.
- (e) You are requested to carefully read the instructions printed on the back side of the Postal Ballot Form before exercising the vote and return the said form duly completed and signed in the enclosed self-addressed postage pre-paid Business Reply Envelope, so as to reach the Scrutinizer on or before **5.00 p.m. on Thursday, December 12, 2013**. The envelope may also be deposited personally at the address given thereon. The envelopes received thereafter shall be treated as if the reply from the Member has not been received. Also, no other form or photocopy thereof is permitted. However, an envelope containing Postal Ballot, if sent by any other mode/s at the expenses of the Members will also be accepted.
- (f) **E-voting:** In compliance with provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2011, as amended from time to time and Clause 35B of the Equity Listing Agreement, the Company is pleased to offer e-voting facility as an alternative, for all its Members to enable them to cast their votes electronically instead of dispatching the Postal Ballot Forms. E-voting is optional. Member(s) can opt only for one mode of voting. If a Member has opted for e-voting, then he/she should not vote by Postal Ballot also and vice-versa. However, in case Members cast their vote both via Physical Ballot and e-voting, then voting through Physical Ballot shall prevail and voting done by e-voting shall be treated as invalid.

In case a Member desires to exercise his/her vote by using e-voting facility, then the Member has to carefully follow the instructions given for e-voting. He/she can use the facility and log in any number of times till he/she had voted on the Resolution.

Members who have registered their email ids for receipt of documents in electronic mode under the Green Initiative of Ministry of Corporate Affairs but however wish to vote through Postal Ballot Form can seek duplicate form from the office of the Registrars and Share Transfer Agents of the Company viz. **M/s Karvy**

Computershare Private Limited, Unit: D. B. Corp Ltd., Plot No.17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500081, and send/submit the same by post to the Scrutinizer at the address of the Registrar and Share Transfer Agents given above.

- (g) Instructions relating to the Physical Voting as well as e-voting are as follows:

PROCESS AND MANNER FOR MEMBERS OPTING FOR PHYSICAL VOTING

- (i) A Member desirous of exercising his/her vote by Postal Ballot may complete the Postal Ballot Form (no other form or photocopy thereof is permitted) and send it to the Scrutinizer, **Mr. S. Anand SS Rao, Company Secretary in Practice, C/o M/s Karvy Computershare Private Limited, Unit: D. B. Corp Ltd.**, Plot No.17- 24, Vittal Rao Nagar, Madhapur, Hyderabad – 500081, in the attached self-addressed postage pre-paid Business Reply Envelope **on or before 5.00 p.m. on Thursday, December 12, 2013.**
- (ii) The postage will be borne and paid by the Company. However, envelopes containing Postal Ballot Form(s), if sent by courier or registered/speed post at the expense of the Member(s) will also be accepted.
- (iii) The self-addressed postage pre-paid Business Reply Envelope is addressed to the Scrutinizer appointed by the Board of Directors of the Company.
- (iv) The Postal Ballot Form should be completed and signed by the Member (as per the specimen signature registered with the Company/Depository Participants). In case of joint holding, the Postal Ballot Form should be completed and signed by the first named Member and in his/her absence by the next named Member. In case, if the Postal Ballot Form is signed through a delegate, a copy of power of attorney attested by the Member should be annexed to the Postal Ballot Form.
- (v) The consent must be accorded by recording the assent in the Column “FOR” and dissent in the Column “AGAINST” by placing a tick mark (✓) in the appropriate column.
- (vi) There will be only one Postal Ballot Form for each Folio/Client ID irrespective of the number of joint Member(s).
- (vii) In case of shares held by companies, trusts, societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution/Authority Letter.
- (viii) A Member can also download the Postal Ballot Form from the link www.bhaskarnet.com or seek duplicate Postal Ballot Form from M/s. Karvy Computershare Pvt. Ltd., Registrar & Transfer Agents, Hyderabad. However, the duly completed duplicate Postal Ballot Form should reach the Scrutinizer not later than the last date of receipt of Postal Ballot Form i.e. **Thursday, December 12, 2013.**
- (ix) Member(s) are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed postage pre-paid Business Reply Envelope, as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope will be destroyed by the Scrutinizer.
- (x) A Member need not use all the votes, nor needs to cast all the votes in the same way.
- (xi) Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected.
- (xii) Member(s) cannot appoint a proxy to exercise their voting powers through Postal Ballot.

PROCEDURE AND INSTRUCTIONS FOR E-VOTING

- (i) Open your web browser during the voting period and navigate to **<https://evoting.karvy.com>**.
- (ii) Enter the login credentials (i.e. user-id & password) mentioned on the Postal Ballot Form. Your folio/ DP Client ID will be your User-ID.

User – ID for Members holding shares in Demat Form:

- For NSDL : 8 Character DP ID followed by 8 Digits Client ID
- For CDSL: 16 digits beneficiary ID

User – ID for Members holding shares in Physical Form:

- 1014 followed by Folio Number registered with the Company
- Password : Your Unique password is printed on the Postal Ballot Form / via email forwarded through the electronic notice

Enter the Verification code i.e. please enter the alphabets and numbers in the exact way as they are displayed for security reasons

- (iii) Please contact our toll free No. 1800 3454 001 for any further clarifications.
- (iv) Members can cast their vote online **from 9.00 a.m. onwards on Wednesday, November 13, 2013 till 5.00 p.m. on Thursday, December 12, 2013**, post which the e-voting module shall be disabled by Karvy for voting.
- (v) After entering these details appropriately, click on "LOGIN".
- (vi) Members will now reach 'Password Change' menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other company on which they are eligible to vote, provided that company opts for E-voting through Karvy Computershare Private Limited E-voting platform. System will prompt you to change your password and update any contact details like mobile no., email ID, etc. on 1st login. You may also enter the 'Secret Question' and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) You need to login again with the new credentials.
- (viii) On successful login, system will prompt to select the 'Event' i.e. **'D. B. Corp Limited'**.
- (ix) If you are holding shares in Demat form and had logged on to "<https://evoting.karvy.com>" and casted your vote earlier for any company where the System Provider was **Karvy Computershare Private Limited**, then your existing login id and password given earlier are to be used.
- (x) On the voting page, you will see Resolution description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the Member do not want to cast, select 'ABSTAIN'. After selecting the resolution you have decided to vote on, click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.
- (xi) Once you 'CONFIRM' your vote on the Resolution, you will not be allowed to modify your vote.
- (xii) Corporate/institutional Members (Corporates/FIs/foreign institutional investors / trust / mutual funds / banks, etc.) are required to send scanned copy (PDF format) of the relevant resolution of the Board of Directors to the Scrutinizer through e-mail to dbcs@dainikbhaskargroup.com.

- (h) The Scrutinizer will submit his/her report to the Company after completion of the scrutiny and results of the Postal Ballot would be announced on Saturday, December 14, 2013 at the Registered Office of the Company situated at Plot No. 280, Sarkhej-Gandhinagar Highway, Near Y.M.C.A. Club, Makarba, Ahmedabad – 380 051, Gujarat and the resolutions will be taken as passed effectively on the date of announcement of results by the Company, if results of the Postal Ballot indicates that the requisite majority of the Members had assented to the resolutions. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.

As indicated earlier, the results of the Postal Ballot will be published on the website of the Company, www.bhaskarnet.com besides being notified to BSE Limited and the National Stock Exchange of India Limited, where the Company's shares are listed. The results shall also be announced through a newspaper announcement.

- (i) All the material documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members at the Registered Office of the Company during office hours on all working days between 11.00 a.m. to 1.00 p.m. up to **Thursday, December 12, 2013.**
- (j) Members are requested to carefully read the instructions printed on the Postal Ballot Form before exercising their vote on the resolutions.

By order of the Board of Directors

For D. B. Corp Limited

Place : Mumbai

Date : October 31, 2013

Anita Gokhale

Company Secretary

Registered Office:

Plot No. 280, Sarkhej-Gandhinagar Highway,
Near Y.M.C.A. Club, Makarba,
Ahmedabad - 380051, Gujarat.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013
(CORRESPONDING TO SECTION 173 OF THE COMPANIES ACT, 1956)

For Item No. 1 and 2:

1. Pursuant to the applicable provisions of the Companies Act, 1956, the Companies Act, 2013, the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 and the Securities and Exchange Board ("SEBI") Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 and Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 (hereinafter collectively referred to as "the SEBI Circulars") and as directed by the Hon'ble High Court of Gujarat at Ahmedabad in the Company Application No. 252 of 2013 vide its interim order dated October 14, 2013, the approval of the shareholders is sought:
 - i. For amending the Main Object Clause III (A) of the Memorandum of Association of the Company by adding two new sub-clauses (4) and (5) in its Main Object clause after the existing sub-clause (3). Accordingly, the Board recommends the resolution mentioned under Item No. 1 in the attached notice to be approved by way of special resolution as required under Section 17 of the Companies Act, 1956.
 - ii. For the proposed Scheme of Arrangement ("Scheme") in the nature of Demerger of Integrated Internet and Mobile Interactive Service Business of I Media Corp Limited ("IMCL" or "the Demerged Company") to D. B. Corp Limited ("DBCL" or "the Resulting Company" or "the Company") under Sections 391 to 394 of the Companies Act, 1956 ("the Scheme of Arrangement").
2. The Board of Directors of DBCL had vide a resolution passed at its meeting held on May 16, 2013 approved the proposed Scheme of Arrangement pursuant to the provisions of Sections 391 to 394 of the Act. The same was sent to BSE as well as NSE for obtaining their approval to the said Scheme of Arrangement in terms of Clause 24(f) of the Listing Agreement. Both the stock exchanges have granted their approval to the Scheme of Arrangement vide their respective letters dated September 23, 2013.
3. DBCL was originally incorporated as a public limited company under the Act on October 27, 1995 in the name and style of Multi-Tech Energy Limited in the office of the Registrar of Companies, Madhya Pradesh at Gwalior. Subsequently, with effect from December 1, 2005, the name of DBCL was changed from Multi-Tech Energy Limited to its present name, i.e. D. B. Corp Limited. The registered office of DBCL was shifted to Gujarat vide an order of the Company Law Board dated December 5, 2005 and the same is now registered with the Registrar of Companies, Gujarat vide the Certificate of Registration of the Order of the Company Law Board dated December 7, 2005.
4. The registered office of DBCL is situated at Plot No. 280, Sarkhej-Gandhinagar Highway, Near Y.M.C.A. Club, Makarba, Ahmedabad - 380051 in the state of Gujarat.
5. DBCL started commercial activities since 1998 and has been carrying on the same since then. DBCL is essentially engaged in the business of publications. It is India's largest print media company that publishes 8 newspapers with 66 editions and 199 sub-editions in 4 multiple languages (Hindi, Gujarati, English and Marathi) across 13 states in India. The flagship newspapers viz. Dainik Bhaskar (in Hindi) established in 1958, Divya Bhaskar and Saurashtra Samachar (in Gujarati) have a combined average daily readership of 19.80 million, making the Company one of the most widely read newspaper groups in India. Other noteworthy newspaper brands are Dainik Divya Marathi, Business Bhaskar, DB Gold, DB Star and DNA (in Gujarat, Rajasthan and Madhya Pradesh) on a franchisee basis. The company's other business interests span the FM radio segment through the brand "My FM" with presence in 7 states and 17 cities.

6. The financial position of DBCL as per the audited books of accounts, in brief, is as under:

(Rs. in crore)

Particulars	31 March 2013	31 March 2012	31 March 2011
Equity Paid up Capital	183.37	183.31	183.28
Reserves and surplus	891.01	776.53	672.04
Net Worth	1074.38	959.84	855.32
Miscellaneous Expenditure	-	-	-
Secured Loans	139.64	190.44	208.17
Unsecured Loans	55.59	52.05	29.03
Fixed Assets	796.00	789.67	706.45
Income from Operations	1578.86	1441.81	1256.46
Total Income	1603.59	1464.86	1278.05
Total Expenditure	1259.85	1158.32	911.07
Profit before Tax	343.74	306.54	366.98
Profit after Tax	230.61	208.47	267.32

The financial position of DBCL as mentioned above indicates that the Company is financially and commercially sound.

7. The capital structure of DBCL as on March 31, 2013 as per the latest audited accounts, is as set out below:

Particulars	Rs.
Authorised Capital	
249,000,000 Equity Shares of Rs 10 each	2,490,000,000
1,000 zero % non-convertible redeemable Preference Shares of Rs. 10,000 each	10,000,000
TOTAL	2,500,000,000
Issued, Subscribed and Paid-up Capital	
183,373,844 Equity Shares of Rs. 10 each fully paid-up	1,833,738,440
1 zero % non-convertible redeemable Preference Share of Rs. 10,000 each	10,000
TOTAL	1,833,748,440

DBCL has outstanding employee stock options under various Stock Option Scheme(s), the exercise of which may result in a marginal increase in the issued and paid-up share capital of DBCL over a period of time.

8. Additionally, the Company has redeemed the aforementioned Preference Share capital vide a resolution passed at the meeting of its Board of Directors held on October 17, 2013. Accordingly, now the Issued, Subscribed and Paid-up Capital of the Company does not contain any Preference Capital and consists only of 183,404,982 Equity Shares of Rs. 10 each fully paid-up amounting to Rs. 1,834,049,820.

9. Since there is no issue of shares pursuant to the Scheme of Arrangement, accordingly the post-arrangement expected capital structure of DBCL will be as follows:

Particulars	Rs.
Authorised Capital	
249,000,000 Equity Shares of Rs 10 each	2,490,000,000
1,000 Preference Shares of Rs 10,000 each	10,000,000
TOTAL	2,500,000,000
Issued, Subscribed and Paid-up Capital	
183,404,982 Equity Shares of Rs. 10 each fully paid-up	1,834,049,820
TOTAL	1,834,049,820

10. The main objects of DBCL as set out in the Memorandum of Association are as follows:

- "1. To carry on in India or elsewhere the business to publish, print, produce, promote, organize, manage acquire, run, maintain, amalgamate, establish, commercialize, control, circulate, develop, sponsor, import, export, equip, job work, market, operate, own, purchase, sell, protect, participate and to act as agent, stockiest, distributor, representative, news feeder, correspondent, communicator, supplier or otherwise to deal in all types, tastes, varieties and languages of morning, noon, evening, daily, weekly, fortnightly, monthly, quarterly, half yearly and yearly newspapers, periodicals, magazines, pamphlets, journals, special bulletins, souvenir, newsletters, or other allied publications on any subject whatsoever and to do all incidental acts and things necessary for the attainment of forgoing objects and to own or take on rent and run printing press and establish agencies or branches for the purpose of Company's business in such place or places as may be considered necessary.*
- 2. To carry out the business of establish, run, operate, maintain FM radio station and T.V. channel, to make, buy, edit, develop, conduct, process, organize and to broadcasting and telecasting of music, songs, films, audio and video entertainment programmes, news, current affairs, chat shows, commentary including live commentary, analysis, results, announcement, speech, interview, advertisement, commercials on radio station and T.V. channels and to develop, take on lease, hire or otherwise acquire or maintain and to sell, give on lease, letting or sub-letting cine films, T.V. films, video and audio cassettes, studio, theatre, cinema hall, laboratories, machineries, cameras and other apparatus for processing and printing of radio and T.V. programmes and registration of titles and holding thereof, control of world of films and to purchase the negatives, right of the film, feature films and advertisement films and to build, erect, construct, furnish, re-furnish, equip, maintain or improve any building, structure, office, cinematography hall, multiplex, enclosures and studios for the object of the company and other things possible in still audio, video and other things as are necessary and incidental to the business of FM radio broadcasting and T.V. telecasting.*
- 3. To organize events, fare, exhibition, cultural show, musical show, film show and other outdoor events and for this purpose to hire open ground, hall, cinema hall, multiplex, machineries, men power, artist, decorator, other things possible in event management and other things as are necessary and incidental to the business of event managers."*

11. I Media Corp Limited ("IMCL" or "the Demerged Company") is a public limited company incorporated on June 1, 2006 as I Media Centre Limited. Later, the name of the company was changed to I Media Corp Ltd. vide fresh certificate of incorporation issued on August 28, 2006.
12. IMCL is engaged in providing integrated internet and mobile interactive services across the country. IMCL has in its gamut the websites of Dainik Bhaskar, Divya Bhaskar and Dainik Divya Marathi newspapers in e-paper category and dainikbhaskar.com, divyabhaskar.com, dailybhaskar.com and divyamarathi.com which are internet platforms providing real time news, sports, entertainment, business, gadgets value added content, etc. to the consumers and businesses in different languages. It also has under its umbrella the wireless business vertical which deals with short messaging services (SMS) and multimedia messaging services (MMS) through mobile short code "54567" for sending messages including multimedia objects across India. Further, the Company is also engaged in the business of organising events such as conventions, exhibitions and trade fair.
13. IMCL is a wholly owned subsidiary of DBCL. The equity shares issued by IMCL are not listed on any stock exchange.
14. The registered office of IMCL is situated at 6 Dwarka Sadan, Press Complex, M. P. Nagar, Zone 1, Bhopal, Madhya Pradesh 462011.
15. The necessary proceeding for the Scheme of Arrangement has been undertaken in the Hon'ble High Court of Madhya Pradesh, principal seat at Jabalpur having territorial jurisdiction for IMCL.
16. The financial position of IMCL as per the audited books of accounts in brief, is as under:

(Rs. in crore)

Particulars	31 March 2013	31 March 2012	31 March 2011
Equity Paid up Capital	1.05*	1.05	1.05
Reserves and surplus	(42.30)	(33.80)	(27.24)
Net Worth	(41.18)	(32.75)	(26.19)
Miscellaneous Expenditure	-	-	-
Secured Loans	-	-	-
Unsecured Loans	35.00	35.00	35.00
Fixed Assets	3.67	2.07	2.54
Income from Operations	11.96	6.02	2.86
Total Income	12.10	7.00	3.04
Total Expenditure	21.70	13.55	12.19
Profit before Tax	(9.60)	(6.55)	(9.15)
Profit after Tax	(9.59)	(6.55)	(9.15)

* Additionally Rs. 729,140 has been credited to Share suspense account on account of 72,914 equity shares of Rs. 10 each fully paid-up which have been allotted by I Media Corp Limited to D. B. Corp Limited on May 16, 2013 as consideration for merger of Synergy Media Entertainment Limited (a wholly owned subsidiary of D. B. Corp Ltd.) with I Media Corp Limited. The said merger has been approved by the Hon'ble, High Court of Madhya Pradesh, Principal seat at Jabalpur vide its order dated April 30, 2013.

17. The capital structure of IMCL as on March 31, 2013 as per the latest audited accounts is as set out below:

Particulars	Rs.
Authorised Capital	
5,000,000 Equity Shares of Rs. 10 each	50,000,000
TOTAL	50,000,000
Issued, Subscribed and Paid-up Capital	
1,050,000 Equity Shares of Rs. 10 each fully paid-up	10,500,000
TOTAL	10,500,000

Subsequent to the aforesaid Balance Sheet date, 72,914 equity shares of Rs. 10 each fully paid-up have been allotted by I Media Corp Limited to D. B. Corp Limited on May 16, 2013 as consideration for merger of Synergy Media Entertainment Limited (a wholly owned subsidiary of D. B. Corp Ltd.) with I Media Corp Limited. The said merger has been approved by the Hon'ble High Court of Madhya Pradesh, Principal seat at Jabalpur vide its order dated April 30, 2013. Consequently, the Issued, Subscribed and Paid-up Capital of IMCL as on May 16, 2013 has increased to Rs. 11,229,140/-.

Further, DBCL has subscribed to 0% Unsecured Compulsorily Convertible Debentures ("CCD") of Rs. 35 Crore in IMCL. According to the terms of the Debenture Subscription Agreement, CCDs are eligible for conversion into equity shares at a price calculated after applying an appropriate rate of discount to the fair value determined at the time of conversion.

18. The post-arrangement expected capital structure of IMCL will be as follows:

Particulars	Rs.
Authorised Capital	
5,000,000 Equity Shares of Rs. 10 each	50,000,000
TOTAL	50,000,000
Issued, Subscribed and Paid-up Capital	
1,122,914 Equity Shares of Rs. 10 each fully paid-up	11,229,140
TOTAL	11,229,140

19. The Main Objects of IMCL as set out in its Memorandum of Association are as follows:

- "1. To carry on the business of short messaging services (SMS), Multimedia messaging services standard for a telephony messaging systems that allow sending messages that includes multimedia objects (images, audio, video, rich text).
2. To carry on the business of Brand Marketing through interactive wireless medium and provision of consumer services through wireless networks and business of promoting and selling media like Mobile, Internet, Satellite, Video, Television, Cable, Closed Circuit Television, Radio, Newspapers, Magazines, Hoardings and producing, exhibiting, distributing, marketing, importing, exporting or otherwise dealing with programs and other forms of audio/visual presentations.
3. To organize events, fare, exhibition, cultural show, musical show, film show and other outdoor events and for this purpose to hire open ground, hall, cinema hall, multiplex, machineries, men, power, artist,

decorator, other things possible in event management, and other things as are necessary and incidental to the business of event managers."

20. The Scheme of Arrangement provides for the demerger of the Internet and Mobile Interactive Service Business ("Internet Business") of IMCL and transfer and vesting thereof into DBCL including consequential or related matters integrally connected therewith.
21. The Internet Business of IMCL is proposed to be demerged and transferred into and vested in DBCL in view of the following key benefits:
 - a. The Internet Business has a similar revenue stream to that of the print media business of DBCL, i.e. advertisement revenue. The proposed demerger would enable DBCL to reach advertisers with offering(s) of attractive combined advertising options in the internet medium which is potential market in the current market scenario. This would aid in achieving operational synergies and generating larger advertising revenue, better customer satisfaction and enhanced value for DBCL and all its stakeholders.
 - b. The Internet Business of IMCL is in the initial years of commercial operations and has incurred losses in the past. However, DBCL is confident that revenue generated as a result of increasing market share of internet in media advertising is likely to lead to a profit in the future. The growth of Internet Business is likely to be even higher on account of pooled and common resources.
 - c. The Internet Business of IMCL is likely to be in continuous need of funds in the future. Since DBCL has the capacity to generate cash flows on an ongoing basis, the fund requirement of the Internet Business can be met post the proposed demerger.
 - d. The Event Management Business of IMCL does not require any capital investment in fixed assets. Further, it has the capacity to take care of its working capital requirements. The nature of technology, risk and competition involved in this business is distinct from that of the Internet Business. Also, it has the potential to generate profits and requires focused management attention.
22. The salient features of the proposed Scheme of Arrangement are as under:
 - a. The Internet Undertaking as defined in detail under Clause 1.8 of the Scheme of Arrangement which comprises Internet Business of IMCL alongwith all assets and liabilities pertaining thereto would be transferred to DBCL.
 - b. The remaining assets and liabilities pertaining to the Events Management Business of IMCL would be retained in IMCL as "Remaining Business" as defined more particularly under Clause 1.9 of the Scheme of Arrangement.
 - c. Since the entire share capital of IMCL is held by DBCL, no consideration shall be payable to the shareholders of IMCL for the demerger of Internet Business of IMCL into DBCL. Accordingly, there would be no change in the promoter and public equity shareholding of DBCL.
 - d. As per the Scheme of Arrangement, the relevant assets and liabilities of the Internet Business will be transferred to DBCL at book value.
 - e. For the reasons mentioned under paragraph 21 above, it is proposed that the Internet Business of IMCL be segregated and demerged to DBCL pursuant to the Scheme of Arrangement. IMCL will continue with the Remaining Business and evince more interest in the same thereby developing additional focus on the Remaining Business.

- f. The demerger of the Internet Business under the Scheme of Arrangement will be effected under the provisions of Sections 391 to 394 of the Companies Act, 1956. The proposed demerger complies with the provisions of Section 2(19AA) of the Income Tax Act, 1961.
23. The Scheme of Arrangement is in the interest of DBCL, IMCL, their respective shareholders, creditors and the general public.
- N.B. - The members are requested to read the entire text of the Scheme of Arrangement attached herewith to get fully acquainted with the provisions thereof. What is stated hereinabove are brief salient features of the said Scheme of Arrangement.***
24. Pursuant to Clause 24(h) of the Listing Agreement, the expected pre and post Scheme equity shareholding pattern of DBCL is given below. Since there is no issue of shares pursuant to the Scheme of Arrangement, the pre and post Arrangement equity shareholding would remain unchanged:

SHAREHOLDING PATTERN OF D. B. CORP LIMITED PRE AND POST SCHEME OF ARRANGEMENT
(based on shareholders' data as on 25th October, 2013)

Category code	Category of shareholder	Number of shareholders	Total number of shares	Percentage
(I)	(II)	(III)	(IV)	(V)
(A)	Promoter & Promoter Group			
(1)	Indian			
(a)	Individuals / Hindu Undivided Family	10	9,59,09,922	52.29
(b)	Central Government / State Government(s)	-	-	-
(c)	Bodies Corporate	7	4,15,95,057	22.68
(d)	Financial Institutions / Banks	-	-	-
(e)	Any Other (specify)	-	-	-
	Sub-Total (A)(1)	17	13,75,04,979	74.97
(2)	Foreign	-	-	-
	Sub-Total (A)(2)	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	17	13,75,04,979	74.97
(B)	Public Shareholding			
(1)	Institutions			
(a)	Mutual Funds / UTI	46	70,13,649	3.83
(b)	Financial Institutions / Banks	2	918	0.00
(c)	Foreign Institutional Investors	53	3,05,27,227	16.64
(d)	Any Other (specify)	-	-	-
	Sub-Total (B)(1)	101	3,75,41,794	20.47

(2)	Non-Institutions			
(a)	Bodies Corporate	255	58,50,490	3.19
(b)	Individuals			
	Individual shareholders holding nominal share capital up to Rs. 1 lakh	10,654	16,13,711	0.88
	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	18	6,81,550	0.37
(c)	Any Others (specify)			
	Overseas Corporate Bodies	1	1,404	0.00
	Non Resident Indians	156	1,92,143	0.10
	Clearing Members	29	28,051	0.02
	Trusts	1	8,725	0.00
	Sub-Total (B)(2)	11,114	83,76,074	4.56
	Total Public Shareholding (B)= (B)(1)+(B)(2)	11,215	4,59,17,868	25.03
	TOTAL (A) + (B)	11,232	18,34,04,982	100.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued	-	-	-
(1)	Promoter and Promoter group	-	-	-
(2)	Public	-	-	-

25. The expected pre and post Scheme of Arrangement shareholding pattern of IMCL is given below:

SHAREHOLDING PATTERN OF I MEDIA CORP LIMITED PRE AND POST SCHEME OF ARRANGEMENT

(based on shareholders' data as on 25th October, 2013)

Sr. No.	Name of the Shareholder	No. of Shares	Percentage Holding
1	D. B. Corp Limited	11,22,908	99.9994
2	Mr. Sudhir Agarwal (Nominee of D. B. Corp Limited)	1	0.0001
3	Mr. Girish Agarwal (Nominee of D. B. Corp Limited)	1	0.0001
4	Mrs. Jyoti Agarwal (Nominee of D. B. Corp Limited)	1	0.0001
5	Mr. Manoj Garg (Nominee of D. B. Corp Limited)	1	0.0001
6	Writers And Publishers Private Limited (Nominee of D. B. Corp Limited)	1	0.0001
7	Mr. Pawan Agarwal (Nominee of D. B. Corp Limited)	1	0.0001
	TOTAL	11,22,914	100.0000

26. The Directors, the Key Managerial Personnel (“KMP”) and relatives of the Directors and the KMPs of DBCL may be deemed to be concerned and/or interested in the proposed resolutions to the extent of the shares held by them in DBCL or IMCL, as the case may be. None of the Directors, the KMPs or the relatives of the Directors or the KMPs of DBCL has any material interest in the proposed resolutions except as shareholders to the extent of their holding.

The shares held by the Directors, the KMPs and the relatives of the Directors and the KMPs of DBCL, either individually or jointly, as on September 30, 2013 are as follows:-

Name of Directors of DBCL	Designation in DBCL	Equity Shares held in DBCL
Directors		
Ramesh Chandra Agarwal	Chairman	1,00,001
Sudhir Agarwal	Managing Director	2,66,81,449
Pawan Agarwal	Deputy Managing Director	2,81,52,456
Girish Agarwal	Non-Executive Director	2,50,87,256
Kailash Chandra Chowdhary	Independent Director	Nil
Ashwani Singhal	Independent Director	Nil
Harish Bijoor	Independent Director	Nil
Piyush Pandey	Independent Director	Nil
Total		8,00,21,162
Key Managerial Personnel		
P. G. Mishra	Chief Financial Officer (CFO)	Nil
Anita Gokhale	Company Secretary	Nil
Total		0
Relatives of Directors who hold shares in DBCL		
Kasturi Devi Agarwal	Relatives of Directors mentioned above	99,795
Jyoti Agarwal		49,48,007
Namita Agarwal		65,42,200
Nitika Agarwal		34,77,000
Ramesh Chandra Agarwal HUF		8,21,758
Total		1,58,88,760
Relatives of KMPs who hold shares in DBCL		
Kumud Mishra	Relative of CFO	123
Total		123

As on September 30, 2013, none of the Directors of DBCL holds any shares in IMCL, in individual capacity, either individually or jointly. Mr. Sudhir Agarwal, Mr. Girish Agarwal and Mr. Pawan Agarwal, Directors of DBCL hold 1 share each in IMCL as a nominee of DBCL. Further none of the Promoters and KMPs of DBCL holds any shares in IMCL in individual capacity, either individually or jointly.

27. In accordance with SEBI Circulars, the Audit Committee of DBCL recommended the proposed Scheme of Arrangement, inter alia, taking into account the Valuation Report dated June 28, 2013 issued by M/s Gupta Navin K. & Co. providing the net asset value of the Internet Business proposed to be demerged by IMCL into DBCL.
28. Additionally, DBCL obtained a Fairness Opinion from M/s Fortress Capital Management Services Private Limited, a SEBI registered Merchant Banker, on the valuation carried out by M/s Gupta Navin K. & Co. The said merchant banker after reviewing the methodology and fairness of the valuation arrived at by the Valuer, has opined that the proposed transfer of Internet Business by IMCL to DBCL at net asset value of the Internet Business (as recommended by the Valuer) under the Scheme of Arrangement without allotting any shares is fair and reasonable. A copy of the aforementioned Fairness Opinion is annexed to this Notice.
29. DBCL has obtained approval to the Scheme in terms of Clause 24(f) of the Listing Agreement from the BSE and the NSE vide their respective letters dated September 23, 2013. A copy each of the aforementioned Observation Letters has been annexed to this Notice for ready reference of the members. Copy of the "Complaints Report" submitted by the Company to the Stock Exchanges as per the SEBI Circulars is also annexed to this Notice.
30. The financial position of DBCL will not be adversely affected by the Scheme. As indicated in the comments by SEBI to the Stock Exchanges vide its letter dated September 18, 2013 and reproduced by the Stock Exchange(s) in its observation letters issued to the Company, the impact of the net asset value of IMCL on the standalone financials of DBCL is explained in the Networth Certificate issued by M/s Gupta Navin K. & Co., Chartered Accountants, which is annexed to this Notice for ready reference of the members.
31. Further, the rights and interests of the creditors of DBCL will not be prejudicially affected by the Scheme as DBCL, post the Scheme, will be able to meet its liabilities as they arise in the ordinary course of business. Further, the rights and interests of the shareholders of DBCL will not be prejudicially affected by the Scheme as no sacrifice or waiver is, at all, called from them nor are their rights sought to be modified in any manner.
32. No investigation proceedings have been instituted or are pending under Sections 235 to Section 251 of the Act against DBCL and IMCL.
33. In the event of any of the said sanctions and approvals referred to in the Scheme not being obtained and / or the Scheme not being sanctioned by the High Courts or such other appropriate authority and/or order or orders not being passed as aforesaid by such date as may be mutually agreed upon by the respective Board of Directors of DBCL and IMCL who are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s), this Scheme shall stand revoked, cancelled and be of no effect.
34. The Board of Directors recommend passing of the resolutions as proposed in this Notice.
35. The following documents will be open for inspection by the members of DBCL at its Registered Office on any working day (except Saturday, Sunday and any Public Holiday) between 11.00 A.M. to 1.00 P.M. till the end of the voting period:
 - a. Scheme of Arrangement.
 - b. Copy of the Application No. 252 of 2013 moved by DBCL before the Hon'ble Gujarat High Court for seeking dispensation from convening meeting of the Equity and Preference shareholders of DBCL.

- c. Certified copy of the interim order of the Hon'ble Gujarat High Court dated October 14, 2013 passed in Company Application No. 252 of 2013 directing that the order dispensing with the meeting of the Equity Shareholders and Preference Shareholder of the Company shall come into force only after the necessary steps for amendment of Objects Clause of the Memorandum of Association as per Section 17 of the Act and compliance with the obligations under the recent regulation issued by SEBI on February 4, 2013 followed by clarifications dated May 21, 2013 seeking requisite consent from equity shareholders by way of postal ballot and e-voting are fulfilled.
 - d. Copy of the Petition No. 13 of 2013 moved by IMCL before the Hon'ble Madhya Pradesh High Court, Principal Seat at Jabalpur seeking dispensation from convening the meetings of the equity shareholders and unsecured creditors.
 - e. Certified copy of the order of the Hon'ble Madhya Pradesh High Court, Principal Seat at Jabalpur dated October 18, 2013, passed in Company Petition No. 13 of 2013 granting dispensation from convening the meetings of equity shareholders and unsecured creditors.
 - f. Memorandum and Articles of Association of DBCL and IMCL.
 - g. Audited Balance Sheet and Profit and Loss account of DBCL for the last three financial years ended March 31, 2013, March 31, 2012 and March 31, 2011 as per the respective annual report.
 - h. The Audited Financial Statements of IMCL for the last three financial years ended March 31, 2013, March 31, 2012 and March 31, 2011.
 - i. Observation letters for the Scheme issued by the BSE and the NSE on September 23, 2013.
 - j. The Valuation Report dated June 28, 2013 issued by M/s Gupta Navin K. & Co.
 - k. Fairness opinion dated July 8, 2013, from M/s Fortress Capital Management Services Private Limited.
 - l. Register of Directors' shareholdings of DBCL.
 - m. Register of Directors' shareholdings of IMCL.
 - n. Report of the Audit Committee of DBCL dated May 16, 2013 and Supplementary Report dated July 1, 2013 recommending the Scheme.
 - o. Copies of the resolutions passed by the respective Board of Directors of DBCL and IMCL approving the Scheme.
36. This statement may be treated as an Explanatory Statement under Section 393 of the Companies Act, 1956 read with Section 102 of the Companies Act, 2013 (corresponding to Section 173 of the Companies Act, 1956). A copy of the Scheme, Explanatory Statement and Postal Ballot Form may be obtained from the Registered Office of DBCL or from the office of the Registrar and Transfer Agent of DBCL viz. M/s Karvy Computershare Pvt. Ltd. or from the office of the Advocate Mrs. Swati Saurabh Soparkar, 301 Shivalik 10, Ambavadi, Ahmedabad - 380015.

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

Place : Mumbai
Date : October 31, 2013

Anita Gokhale
Company Secretary

Registered Office:
 Plot No. 280, Sarkhej-Gandhinagar Highway,
 Near Y.M.C.A. Club, Makarba,
 Ahmedabad - 380051, Gujarat.

STRICTLY PRIVATE & CONFIDENTIAL

July 08, 2013

To,
The Board of Directors
DB Corp Limited
Plot No. 280, Sarkhej Gandhinagar Highway,
Near YMCA Club, Makarba,
Ahmedabad 380051

The Board of Directors
I Media Corp Limited
6 Dwarka Sadan, Press Complex,
M. P. Nagar, Zone-2,
Bhopal 462 011.

Sub: Fairness Opinion on the valuation carried out by M/s Gupta Navin K & Co. in connection with the proposed demerger of Integrated Internet and Mobile Interactive business ('Internet business') of I Media Corp Limited into D.B. Corp Limited under a Scheme of Arrangement.

Dear Sir(s),

We refer to our discussion wherein D.B. Corp Limited ('DBCL') has requested Fortress Capital Management Services Private Limited ('us') to give a fairness opinion on the valuation carried out by M/s Gupta Navin K & Co. ('Valuer') in connection with the proposed demerger of Integrated Internet and Mobile Interactive business ('Internet business') of I Media Corp Limited ('IMCL') into DBCL under a Scheme of Arrangement.

1. BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

- 1.1 D. B. Corp Limited ("DBCL") is a public limited company incorporated on 27th October, 1995. The equity shares of DBCL are listed on the BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE'). DBCL is print media company that publishes 65 editions in 4 multiple languages (Hindi, Gujarati, English and Marathi) across 13 states in India. The flagship newspapers viz. Dainik Bhaskar (in Hindi) established in 1958, Divya Bhaskar and Saurashtra Samachar (in Gujarati) making the Company widely read newspaper groups in India. Other newspaper brands are Dainik Divya Marathi, Business Bhaskar, DB Gold, DB Star and DNA (in Gujarat, Rajasthan & MP) on a franchisee basis.

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FORTRESS CAPITAL MANAGEMENT SERVICES PVT. LTD.

Daryanagar House, 2nd Floor, 69 Maharshi Karve Road, Marine Lines, Mumbai – 400 002, INDIA
Tel.: +91 (22) 2200 1924/25 Fax: +91 (22) 2203 1609 E-mail: fortress@vsnl.com



- 1.2 I Media Corp Limited ("IMCL") is a public limited company incorporated on 1st June, 2006 as I Media Centre Limited. Later, the name of the company was changed to I Media Corp Ltd. vide fresh certificate of incorporation issued on 28th August 2006. IMCL is engaged in providing integrated internet and mobile interactive services across the country. IMCL has in its gamut the websites of Dainik Bhaskar, Divya Bhaskar and Dainik Divya Marathi newspapers in e-paper category and dainikbhaskar.com, divyabhaskar.com, dailybhaskar.com and divyamarathi.com which are internet platforms providing real time news, sports, entertainment, business, gadgets value added content, etc. to the consumers and businesses in different languages. Further, IMCL is also engaged in the business of organizing conventions, exhibitions and trade fair.
- 1.3 IMCL is a wholly owned subsidiary of DBCL. The equity shares issued by IMCL are not listed on any stock exchanges.
- 1.4 We understand that it is proposed to demerge the Internet business from IMCL to DBCL on a going concern basis with effect from 1st April 2013 (hereinafter referred to as 'Appointed Date') pursuant to a Scheme of Arrangement ('Scheme') under section 391-394 of the Companies Act, 1956. The Scheme would need an approval from jurisdictional High Courts and relevant judicial, quasi judicial, statutory and other regulatory authorities, etc as applicable.
- 1.5 We have been informed that the Scheme was approved by the Board of Directors of DBCL and IMCL at their respective meetings held on 16th May, 2013.
- 1.6 Upon perusal of the draft Scheme of Arrangement, we understand that since IMCL is a wholly owned subsidiary of DBCL, no shares are issued by DBCL as consideration for the proposed demerger.
- 1.7 In this regard, M/s. Gupta Navin K & Co. was appointed by DBCL to carry out the net asset valuation of Internet business of IMCL in connection with the proposed demerger of Internet business of IMCL into DBCL under the Scheme.
- 1.8 Accordingly, DBCL has appointed us to give a fairness opinion in connection with the proposed demerger of Internet business of IMCL into DBCL under the Scheme.



Page 2 of 4

FORTRESS CAPITAL MANAGEMENT SERVICES PVT. LTD.

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2. SOURCES OF INFORMATION

For the purpose of this exercise, we have relied upon the following documents:

- Draft Scheme of Arrangement
- Audited financials of IMCL and DBCL for the year ending March 31, 2013
- Details of assets and liabilities pertaining to Internet business as certified by the management of IMCL as on 31st March, 2013
- Copy of Memorandum and Article of Association DBCL and IMCL
- Valuation Report dated June 28, 2013 issued by M/s Gupta Navin K. & Co. providing the net asset value of the Internet business proposed to be demerged by IMCL into DBCL
- Such other information and explanations as we have required and which have been provided by the management of the companies.

3. EXCLUSIONS AND LIMITATIONS

- 3.1 Our conclusion is based on the information furnished to us being complete and accurate in all material respects. We have relied upon the historical financials and the information and representations furnished to us without carrying out any audit or other tests to verify its accuracy with limited independent appraisal.
- 3.2 We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the companies.
- 3.3 Our work does not constitute verification of historical financials or including the working results of the Companies referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report.
- 3.4 Our opinion is not intended to and does not constitute a recommendation to any shareholders as to how such shareholder should vote or act in connection with the Scheme or any matter related therein.
- 3.5 Our liability (statutory or otherwise) for any economic loss or damage arising out of the rendering this Opinion shall be limited to amount of fees received for rendering this Opinion as per out engagement with DBCL.
- 3.6 Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed demerger with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.
- 3.7 We assume no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof. We do not express any

Page 3 of 4

**FORTRESS CAPITAL MANAGEMENT SERVICES PVT. LTD.**

Daryanagar House, 2nd Floor, 69 Maharshi Karve Road, Marine Lines, Mumbai – 400 002, INDIA
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opinion as to the price at which shares of the Resulting Company may trade at any time, including subsequent to the date of this opinion.

- 3.8 This certificate has been issued for the sole purpose to facilitate the Company to comply with clause 24(f) and 24(h) of the Listing Agreement and SEBI Circular No CIR/CFD/DIL/5/2013 dated 4 February 2013 and CIR/CFD/DIL/8/2013 dated 21 May 2013 and it shall not be valid for any other purpose.

4. VALUATION METHODOLOGY ADOPTED BY THE VALUER

For the purpose of valuation, the Valuer has adopted the Net Assets Method for determining the net asset value of Internet business of IMCL.

5. CONCLUSION

- 5.1 We have reviewed the methodology as mentioned above, used by the Valuer for arriving at the net asset value of Internet business of IMCL and also reviewed the working to arrive at the Value under the above approach, for the purposes of arriving at the net asset value.
- 5.2 On the basis of the foregoing, in our opinion the proposed transfer of Internet Business to DBCL by IMCL under the scheme of arrangement without allotting any shares at Net Asset Value of Rs. (422,721,191), as recommended by the Valuer, is fair and reasonable.

Thanking you,

Yours faithfully,

For Fortress Capital Management Services Pvt. Ltd.

Hiten. m. Doshi
Authorized Signatory

Place: Mumbai



SEBI Registration No.: INM000011146

FORTRESS CAPITAL MANAGEMENT SERVICES PVT. LTD.

Daryanagar House, 2nd Floor, 69 Maharshi Karve Road, Marine Lines, Mumbai – 400 002, INDIA
Tel.: +91 (22) 2200 1924/25 Fax: +91 (22) 2203 1609 E-mail: fortress@vsnl.com

DCS/AMAL/BS/24(f)/261/2013-14

September 23, 2013

The Company Secretary
D.B. Corp Limited
Plot No.280, Sarkhej-Gandhinagar Highway,
Near YMCA Clubg, Makarba,
Ahmedabad 380051.

Dear Sir / Madam,

Sub: Observation letter regarding the Scheme of Arrangement involving demerger of Integrated Internet and Mobile Interactive Business of I Media Corp Limited into D.B. Corp Limited.

We are in receipt of draft Scheme of Arrangement of D.B. Corp Limited involving demerger of Integrated Internet and Mobile Interactive Business of I Media Corp Limited into D.B. Corp Limited.

The Exchange has noted the confirmation given by the Company stating that the scheme does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions of the Listing Agreement or the requirements of BSE Limited (BSE).

As required under SEBI Circular No.CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No.CIR/CFD/DIL/8/2013 dated May 21, 2013; SEBI has vide its letter dated September 18, 2013 received on September 23, 2013 given the following comment(s) on the draft scheme of arrangement:

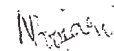
- a) *The company shall bring to the notice of shareholders, the Impact of net asset value of IMCL on the standalone financials of D B corp Limited*
- b) *The company shall duly comply with various provisions of the aforesaid SEBI circular.*

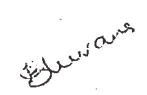
Accordingly, we hereby convey Exchange's 'No-objection' with limited reference to those matters having bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable you to file the scheme with the Hon'ble High Court.

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also mention the same in your application for approval of the scheme of arrangement submitted to the Hon'ble High Court.

The Exchange reserves its right to withdraw its No-objection/approval at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Yours faithfully,


Nitin Pujari
Manager


Bhuvana Sriram
Deputy Manager



NATIONAL STOCK EXCHANGE
OF INDIA LIMITED

NIFTY 50
Stock of the nation

Ref: NSE/LIST/216780-Z

September 23, 2013

The Company Secretary
D.B. Corp Limited
501, 5th Floor, Naman Corporate Link,
Opp. Dena Bank, C-31, G - Block, Bandra Kurla Complex,
Bandra (East), Mumbai - 400051.

Kind Attn.: Ms. Anita Gokhale

Dear Madam,

Sub: Observation letter for Scheme of Arrangement in the nature of Demerger of Integrated Internet and Mobile Interactive Service Business of I Media Corp Limited to D.B. Corp Limited under Sections 391 to 394 of the Companies Act, 1956.

We are in receipt of the draft Scheme of Arrangement in the nature of Demerger of Integrated Internet and Mobile Interactive Service Business of I Media Corp Limited to D.B. Corp Limited under Sections 391 to 394 of the Companies Act, 1956.

We have perused the draft Scheme of Arrangement and the related documents/details submitted by D.B. Corp Limited including the confirmation of the Company Secretary that the scheme so submitted does not in any way violate, over-ride or circumscribe the provisions of the Securities Laws or the Stock Exchange requirements.

Pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 and SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, SEBI vide letter dated September 18, 2013, has commented as follows:

- "a. The company shall bring to the notice of the shareholders, the impact of net asset value of IMCL on the Standalone financials of D.B. Corp Limited;
- b. The Company shall duly comply with various provisions of the Circulars."

Accordingly, we do hereby convey our 'No-objection' with limited reference to those matters having a bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Company to file the scheme with Hon'ble High Court.

However, the Exchange reserves its rights to withdraw this No-objection approval at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations issued by statutory authorities.

Yours faithfully,
For National Stock Exchange of India Ltd.


Kamlesh Patel
Manager

Complaints report dated August5, 2013

DB Corp Ltd

D. B. Corp Ltd.

Complaints Report

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	0
2.	Number of complaints forwarded by Stock Exchange	0
3.	Total Number of complaints/comments received (1+2)	0
4.	Number of complaints resolved	N. A.
5.	Number of complaints pending	0

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Not Applicable		
2.			
3.			

For D. B. Corp Limited



Anita Gokhale
Company Secretary

दैनिक भास्कर

दिव्य भास्कर

दिव्य मराठी



dainikbhaskar.com

Madhya Pradesh, Chhattisgarh, Rajasthan, Punjab, Chandigarh, Haryana, Gujarat, New Delhi, Maharashtra, Himachal Pradesh, Uttarakhand, Jharkhand, Jammu

Regd. Office: D. B. Corp Ltd., Plot No. 280, Sarkhej-Gandhinagar Highway, Near YMCA Club, Makarba, Ahmedabad (Gujarat) - 380 051

GUPTA NAVIN K.& CO.

CHARTERED ACCOUNTANTS

Off. Near Indragani Square, SDM Road, Gwalior-474009(M.P.) Ph (0751) 02378302, 2457333 (R) 2364565. Mobile-9893111955 E-mail- guptanavink@gmail.com

NETWORTH CERTIFICATE

We have examined the accompanying statement of computation of net worth of D.B. Corp Limited ("DBCL" or "the Company") and I Media Corp Limited ("IMCL") in connection with the proposed scheme of arrangement between DBCL and I Media Corp Limited and their respective shareholders and creditors ("the Scheme"). The Scheme is effective from the Appointed Date i.e. April 1, 2013. This statement is the responsibility of the Company's management. Our responsibility is to verify the factual accuracy of the statement. We have conducted our examination in accordance with the Guidance Note on Audit Reports and Certificates issued for special purpose issued by the Institute of Chartered Accountants of India.

On the basis of examination of the audited financial statements provided to us by the management of DBCL and produced before us and to the best of our knowledge and according to the information and explanations given to us, we certify that the net worth of DBCL, as per the accompanying statement, which has been signed by us for identification, to be as follows:

Net worth pre arrangement (as on March 31, 2013)

DBCL – Rs 1061,44,40,822 (Rupees One thousand Sixty One crores Forty Four lakhs Forty Thousand thousand Eight hundred and Twenty Two Only).

IMCL – Rs (41,17,53,278) (Negative Rupees Forty one crores seventeen lakhs fifty three thousand two hundred and seventy eight only).

Net worth post arrangement (as on April 1, 2013)

DBCL – Rs 982,99,86,756 (Rupees Nine hundred and Eight Two crores Ninety Nine lakhs Eighty Six thousand and Seven Hundred and Fifty Six only).

IMCL – Rs 1,09,67,913 (Rupees One crore nine lakhs sixty seven thousand nine hundred and thirteen only).

This certificate is intended solely for the use of the management of DBCL for submission to the Stock Exchanges and for any other regulatory compliances.

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

Navin K. Gupta
Partner
Membership No.: 075030
Bhopal: Dated: 30.05.2013



Net worth of the demerged and resulting company pre and post demerger (Figures in Rs.)

Particulars	Pre demerger as on March 31, 2013		Post demerger as on April 1, 2013	
	Demerged company (IMCL)	Resulting company (DBCL)	Demerged company (IMCL)	Resulting company (DBCL)
Share capital	1,05,00,000	1,83,37,48,440	1,05,00,000	1,83,37,48,440
Share suspense	7,29,140	-	7,29,140	-
Add:				
Reserves and surplus	-	8,91,01,01,402	-	8,12,56,47,336
Less:				
Revaluation reserve	-	-	-	-
Stock Option Outstanding		5,13,64,959		5,13,64,959
Miscellaneous expenditure	-	7,80,44,061	-	7,80,44,061
Profit & Loss Account	(42,29,82,418)	-	(2,61,227)	-
Net worth	(41,17,53,278)	10,61,44,40,822	1,09,67,913	9,82,99,86,756

Alternatively (Figures in Rs.)

Particulars	Pre demerger as on March 31, 2013		Post demerger as on April 1, 2013	
	Demerged company (IMCL)	Resulting company (DBCL)	Demerged company (IMCL)	Resulting company (DBCL)
Total assets	11,31,63,977	16,72,66,14,413	1,87,30,178	15,97,21,16,617
Less:				
Total liabilities	(52,49,17,255)	(5,98,27,64,571)	(77,62,265)	(6,01,27,20,841)
Revaluation reserve				
Stock Option Outstanding		(5,13,64,959)		(5,13,64,959)
Miscellaneous expenditure		(7,80,44,061)		(7,80,44,061)
Net worth	(41,17,53,278)	10,61,44,40,822	1,09,67,913	9,82,99,86,756

SCHEME OF ARRANGEMENT

IN THE NATURE OF DEMERGER OF INTEGRATED INTERNET AND MOBILE INTERACTIVE SERVICE BUSINESS OF I MEDIA CORP LIMITED TO D. B. CORP LIMITED

UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956

PREAMBLE

(A) Description of Companies

1. D. B. Corp Limited (“**DBCL**”), is a public limited company incorporated on 27th October, 1995. The equity shares of DBCL are listed on the BSE Limited (“**BSE**”) and the National Stock Exchange of India Limited (“**NSE**”). Its registered office is situated at Plot No. – 280, Sarkhej-Gandhinagar Highway, near Y.M.C.A Club, Makarba, Ahmedabad, Gujarat 380051. DBCL is India's largest print media company that publishes 8 newspapers with 65 editions, 199 sub-editions in 4 multiple languages (Hindi, Gujarati, English and Marathi) across 13 states in India. The flagship newspapers viz. Dainik Bhaskar (in Hindi) established in 1958, Divya Bhaskar and Saurashtra Samachar (in Gujarati) have a combined average daily readership of 19.60 million, making the Company one of the most widely read newspaper groups in India. Other noteworthy newspaper brands are Dainik Divya Marathi, Business Bhaskar, DB Gold, DB Star and DNA (in Gujarat, Rajasthan & MP) on a franchisee basis.
2. I Media Corp Limited (“**IMCL**”), is a public limited company incorporated on 1st June, 2006 as I Media Centre Limited. Later, the name of the company was changed to I Media Corp Ltd. vide fresh certificate of incorporation issued on 28th August 2006. IMCL is engaged in providing integrated internet and mobile interactive services across the country. IMCL has in its gamut the websites of Dainik Bhaskar, Divya Bhaskar and Dainik Divya Marathi newspapers in e-paper category and dainikbhaskar.com, divyabhaskar.com, dailybhaskar.com and divyamarathi.com which are internet platforms providing real time news, sports, entertainment, business, gadgets value added content, etc. to the consumers and businesses in different languages. It also has under its umbrella the wireless business vertical which deals with short messaging services (SMS) and multimedia messaging services (MMS) through mobile short code “54567” for sending messages including multimedia objects across India. Further, the Company is also engaged in the business of organising conventions, exhibitions and trade fair. IMCL is a wholly owned subsidiary of DBCL. The equity shares issued by IMCL are not listed on any stock exchanges. The registered office of the company is situated at 6, Dwarka Sadan, Press Complex, M. P. Nagar, Zone -1 Bhopal, Madhya Pradesh - 462 011.

(B) Rationale and purpose of the Scheme

1. The Internet & Mobile Interactive Service Business of IMCL is proposed to be demerged, and transferred into and vested in DBCL in view of the following key benefits:
 - a. The Internet & Mobile Interactive Service Business has a similar revenue stream to that of the print media business of DBCL, i.e. advertisement revenue. The proposed demerger would enable DBCL to reach advertisers with offering(s) of attractive combined advertising options in the internet

medium which is potential market in the current market scenario. This would aid in achieving operational synergies and generating larger advertising revenue, better customer satisfaction and enhanced value for DBCL and all its stakeholders.

- b. The Internet & Mobile Interactive Service Business of IMCL is in the initial years of commercial operations, and has incurred losses in the past. However, DBCL is confident that revenue generated as a result of internet's increasing market share in media advertising is likely to lead to a profit in the future. The growth of Internet Business is likely to be even higher on account of pooled and common resources.
 - c. The Internet & Mobile Interactive Service Business of IMCL is likely to be in continuous need of funds in the future. Since DBCL has the capacity to generate cash flows on an ongoing basis, the fund requirement of the Internet Business can be met post the proposed demerger.
 - d. The Event Management Business of IMCL does not require any capital investment in fixed assets. Further, it has the capacity to take care of its working capital requirements. The nature of technology, risk and competition involved in this business is distinct from that of the Internet & Mobile Interactive business. Also, it has the potential to generate profits and requires focused management attention.
2. The Scheme is in the interest of DBCL, IMCL, their respective shareholders, creditors and the general public.
 3. This Scheme accordingly, provides for the demerger of the Internet & Mobile Interactive Business of IMCL and transfer and vesting thereof into DBCL including consequential or related matters integrally connected therewith.

(C) Parts of the Scheme

The Scheme is divided into the following parts:

1. Part A which deals with the definitions, and the share capital structure;
2. Part B which deals with demerger of Internet & Mobile Interactive Business of IMCL and transfer and vesting thereof into DBCL and consequential or related matters;
3. Part C which deals with other terms and conditions.

PART A – DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless inconsistent with the subject or context, the following expressions shall have the meaning as mentioned herein below:

- 1.1. **“Act” or “The Act”** means the Companies Act, 1956, or any statutory modification or re-enactment thereof for the time being in force.
- 1.2. **“Appointed Date”** means the opening hours of 1st day of April 2013.
- 1.3. **“Board of Directors”** in relation to IMCL and DBCL as the case may be, shall, unless it be repugnant to the context or otherwise, includes a Committee of Directors or any person authorized by the Board of Directors or any person authorized by the Board of Directors or such Committee of Directors.

- 1.4. **“Demerged Company”** means I Media Corp Limited (**“IMCL”**), having its registered office at 6 Dwarka Sadan, Press Complex, MP Nagar Zone 1, Bhopal, Madhya Pradesh 462011.
- 1.5. **“Effective Date”** means the last of the dates on which the certified copies of the Orders of the High Courts under Section 391 to 394 of the Act sanctioning the Scheme are filed with the Registrar of Companies at Ahmedabad and Gwalior or such other competent authority, as may be applicable and all the conditions and matters referred to in Clause 14 of this Scheme occur or have been fulfilled or waived in accordance with this Scheme. Any references in the Scheme to “upon the Scheme becoming effective” or “on coming into effect of the Scheme” or “Scheme coming into effect” shall mean the “Effective Date”.
- 1.6. **“High Courts”** means the Hon'ble High Court of Gujarat at Ahmedabad having jurisdiction in relation to the Resulting Company and the Hon'ble High Court of Madhya Pradesh, Principal seat at Jabalpur having jurisdiction in relation to the Demerged Company, or such other competent authority or the National Company Law Tribunal to whom this Scheme in its present form is submitted for sanctioning under Sections 391 to 394 of the Act.
- 1.7. **“IT Act”** means the Income-tax Act, 1961 including any statutory modifications, re-enactments or amendments thereof for the time being in force.
- 1.8. **“Internet Business” or “Internet Undertaking” or “Undertaking”** means the Integrated Internet & Mobile Interactive Services business of IMCL and includes the undertaking comprising of:
- 1.8.1. All assets (whether movable or immovable, real or personal, corporeal or incorporeal, present, future or contingent, tangible or intangible) of the Internet Business wherever situated;
- 1.8.2. All present and future liabilities and specified contingent liabilities arising out of the activities or operations of Internet Business, including loans, debts, current liabilities and provisions, duties and obligations relatable to the Internet Business.
- 1.8.3. Without prejudice to the generality of the above, the Internet Business shall include in particular:
- a. all properties of the Internet Business wherever situated, including all current assets, offices, furniture, fittings, office equipments, plant and machinery, leasehold improvements, transmission equipments and computers;
 - b. all permits, quotas, rights (Website domain rights), entitlements, bids, tenders, letters of intent, expressions of interest, municipal and other statutory permissions (including electricity board connections), approvals, consents, contracts, lease agreements, leave & license agreements, licenses including licenses to operate Website Domains, registrations, subsidies, concessions, broadcasting content, exemptions, remissions, presentations, web content, tax deferrals, accumulated tax losses, unabsorbed tax depreciation, any unutilized CENVAT, service tax credit, tenancies in relation to any office and/or residential property for employees, goodwill, intellectual property, investment, cash balances, the benefit of any deposit, financial assets, funds belonging to or proposed to be utilised for the Internet Business, bank balances and bank accounts relating to the day to day operations and specific to the working of the Internet Business, privileges, all other rights and benefits, lease rights, patents, trademarks, domain names, copyrights, trade name, brand names and other intellectual property rights of any nature whatsoever and licenses in respect thereof, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephone, telexes, facsimile connection and installations, utilities, power

- lines, electricity and other services, provisions, funds, benefits of all agreements, subsidies, grants and incentive schemes formulated by Central or State Government, if any, contracts and arrangements and all other interest in connection with or relating to the Internet Business;
- c. all records, files, papers, computer programs, software, manuals, data, catalogues, quotations, sale and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical or electronic form in connection with or relating to the Internet Business;
 - d. all duties and obligations relatable to the Internet Business; and
 - e. all earnest moneys and/or security deposits, if any, paid or received by the Demerged Company in connection with or relating to the Internet Business.
- 1.8.4. For the purpose of this Scheme, it is clarified that liabilities pertaining to the Internet Business include:
- a. the liabilities, which arise out of the activities or operations of the Internet Business;
 - b. specific loans and borrowings raised, incurred and utilised solely for the activities or operations of the Internet Business; and
 - c. liabilities other than those referred to in Clauses (a) and (b) above, being the amounts of general or multipurpose borrowings of the Demerged Company, allocated to the Internet Business in the same proportion in which the value of the assets transferred under this Scheme bear to the total value of the assets of the Demerged Company immediately before giving effect to this Scheme.
- 1.8.5. All employees of the Demerged Company employed in the Internet Business, as identified by the Board of Directors of the Demerged Company, as on the Effective Date.
- 1.8.6. Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Internet Business or whether or not it arises out of the activities or operations of the Internet Business shall be decided by mutual agreement between the Board of Directors of IMCL and DBCL.
- 1.9. **“Remaining Business”** means the business, assets and liabilities of the Demerged Company other than the Internet Business and includes all other business units, divisions and their respective assets, liabilities including portion of general or multipurpose borrowings, contracts and employees not allocated to the Internet Business of IMCL.
- 1.10. **“Resulting Company”** means D. B. Corp Limited (**“DBCL”**) having its registered office at Plot No. – 280, SarkhejGandhinagar Highway, near Y.M.C.A Club, Makarba, Ahmedabad, Gujarat 380051.
- 1.11. **“Scheme”** or **“the Scheme”** or **“this Scheme”** means this Scheme of Arrangement in accordance with Section 2(19AA) of the IT Act in its present form, together with all the schedules and annexures, which shall form part of this Scheme of Arrangement for Demerger and shall be submitted to the High Courts or with any modification(s) made under Clause 13.1 of this Scheme or with such other modifications/amendments as the High Courts may direct.
- 1.12. All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the IT Act or any other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court(s), unless otherwise specified in the Scheme, shall be operative from the Effective Date but shall be effective from the Appointed Date.

3. SHARE CAPITAL

- 3.1. The Authorised, issued, subscribed and paid-up share capital of the Demerged Company as per Balance Sheet dated March 31, 2013 is as under:

Particulars	Rupees
Authorised Capital	
5,000,000 equity shares of Rs.10 each	50,000,000
TOTAL	50,000,000
Issued, Subscribed and Paid-up Capital	
1,050,000 Equity Shares of Rs. 10 each fully paid-up	10,500,000
TOTAL	10,500,000

Subsequent to the aforesaid Balance Sheet date, the Demerged Company has issued 72,914 equity shares of Rs 10 each fully paid up to the Resulting Company as consideration for merger of Synergy Media Entertainment Limited (a wholly owned subsidiary of the Resulting Company) with the Demerged Company which has been approved by the High Court of Madhya Pradesh, Principal seat at Jabalpur. Other than the above, there is no change in the Authorised, issued, subscribed and paid-up share capital of the Demerged Company.

The entire paid-up Equity Share Capital of the Demerged Company is held by the Resulting Company.

- 3.2. The Authorised, issued, subscribed and paid-up share capital of the Resulting Company as per Balance Sheet dated March 31, 2013 is as under:

Particulars	Rupees
Authorised Capital	
249,000,000 Equity Shares of Rs 10 each	2,490,000,000
1,000 Zero% non convertible redeemable Preference	
Shares of Rs 10,000 each	10,000,000
TOTAL	2,500,000,000
Issued, Subscribed and Paid-up Capital	
183,373,844 Equity Shares of Rs. 10 each fully paid-up	1,833,738,440
1 Zero % non convertible Redeemable Preference	
Share of Rs. 10,000 fully paid-up	10,000
TOTAL	1,833,748,440

The Resulting Company has outstanding employee stock options under the Stock Option Scheme, the exercise of which may result in a marginal increase in the issued and paid-up share capital of the Resulting Company over a period of time.

PART B – DEMERGER OF INTERNET BUSINESS OF THE DEMERGED COMPANY

This Scheme complies with the conditions relating to “Demerger” as specified under Section 2(19AA) of the IT Act. If any terms or provisions of this Scheme are found or interpreted to be inconsistent with the said provisions at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the IT Act, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the IT Act. Such modification will however not affect remaining parts of the Scheme.

4. TRANSFER AND VESTING OF INTERNET BUSINESS OF THE DEMERGED COMPANY

Upon the Scheme coming into effect, and with effect, from the Appointed Date:

- 4.1 The Internet Business as defined in Clause 1.8 shall pursuant to the provisions of Sections 391 to 394 of the Act, and all other applicable provisions of applicable laws, rules and regulations for the time being in force, without any further act or deed, stand transferred to and be vested, as a going concern, into the Resulting Company. The transfer and vesting of the Internet Business shall be effected as follows:-
 - 4.1.1 In the event that the Board of Directors of the Demerged Company and the Resulting Company so desire, in respect of such of the assets of the Internet Business as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall, be transferred by the Demerged Company to the Resulting Company as provided in Clause 4.1.3; and
 - 4.1.2 In respect of any assets, other than those referred to in Clause 4.1.1 above, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company pursuant to the Scheme coming into effect.
 - 4.1.3 In the event that the Board of Directors of the Demerged Company and the Resulting Company so jointly decide as provided in Clause 4.1, the transfer and vesting of movable assets shall be effected as follows:
 - 4.1.3.1 All the movable assets forming part of or comprised in the Internet Business or assets otherwise capable of transfer by manual delivery or by endorsement and delivery, including cash in hand shall be physically handed over by manual delivery to the Resulting Company to the end and intent that the property therein passes to the Resulting Company on such delivery, without requiring any deed or instrument of conveyance for the same and shall become the property of the Resulting Company accordingly.
 - 4.1.3.2 In respect of movable assets pertaining to the Internet Business, other than those specified in Clause 4.1.3.1 including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or value to be received, bank balances and deposits, if any, the Demerged Company may give notice in such form as it may deem fit and proper to each party, debtor or depositor of the Demerged Company as the case may be, that pursuant to the Scheme coming into effect, the said debt, loan, advances, etc. be paid or made good or held on account of the Resulting Company as the person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same stands extinguished, and that such rights to recover or realise the same shall vest in the

Resulting Company. The Resulting Company may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the Scheme coming into effect, the said person, debtor or depositor should pay the debt, loan or advance or make good the same or hold the same to the account of the Resulting Company and that the right of the Resulting Company to recover or realise the same is in substitution of the right of the Demerged Company.

- 4.2 Upon the coming into effect of this Scheme, all debts, liabilities, loans and obligations incurred, duties or obligations of any kind, nature or description (including specified contingent liabilities) of the Demerged Company (as on the Appointed Date) and relating to the Internet Business including general and multipurpose borrowings dealt with in accordance with Section 2(19AA) of the IT Act shall, without any further act or deed, stand transferred to and vested in and be deemed to be transferred to and vested in the Resulting Company to the extent that they are outstanding as on the Effective Date and on the same terms and conditions as applicable to the Demerged Company, and shall become the debts, liabilities, loans, duties and obligations of the Resulting Company which shall meet, discharge and satisfy the same. It shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause.
- 4.3 Upon coming into effect of this Scheme, to the extent that there are inter-company loans, advances, deposits, balances or other obligations, including interest accrued, if any, as between the Demerged Company and the Resulting Company, the obligations in respect thereof shall come to an end. For removal of doubts, it is hereby clarified that from the Appointed Date, it would be deemed that there would be no accrual of interest or other charges in respect of any such inter corporate loans or balances between the Demerged Company on one hand and the Resulting Company on the other.
- 4.4 Any statutory licenses including licenses, permissions, approvals and/or consents held by the Demerged Company required to carry on operations of the Internet Business shall stand vested in or transferred to the Resulting Company without any further act or deed and shall be appropriately mutated, wherever required, by the statutory authorities or any other person concerned therewith in favour of the Resulting Company. The benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Internet Business shall vest in and become available to the Resulting Company pursuant to the Scheme coming into effect. Any no-objection certificates, licenses, permissions, consents, approvals, authorisations, registrations or statutory rights as are jointly held by the Internet Business and any other division of the Demerged Company shall be deemed to constitute separate licenses, permissions, no-objection certificates, consents, approvals, authorities, registrations or statutory rights and the relevant or concerned statutory authorities and licensors shall endorse and/or mutate or record the separation, upon the filing of the Scheme as sanctioned with such authorities and licensors after the same becomes effective, so as to facilitate the continuation of operations of the Internet Business in the Resulting Company without any let or hindrance from the Effective Date.
- 4.5 The transfer and vesting of the Internet Business as aforesaid shall be subject to the existing securities, charges, mortgages and other encumbrances if any, subsisting over or in respect of the property and assets or any part thereof relating to Internet Business to the extent such securities, charges, mortgages, encumbrances are created to secure the liabilities forming part of the Internet Business.

- 4.6 Upon the coming into effect of this Scheme and as per the provisions of Section 72A(4) and other applicable provisions of the IT Act, all accumulated tax losses and unabsorbed depreciation of the Demerged Company shall be transferred to the Resulting Company as the whole of such accumulated tax losses and unabsorbed depreciation is directly relatable to the Internet Business.
- 4.7 All existing and future incentives, unavailed credits and exemptions and other statutory benefits, including in respect of Income Tax, Excise (including CENVAT), Customs, VAT, Sales Tax, Service Tax etc to which Demerged Company is entitled in relation to the Internet Business in terms of the various Statutes / Schemes / Policies, etc of Union and State Governments shall be available to and vest in Resulting Company upon this Scheme becoming effective.
- 4.8 All taxes including income-tax, tax on book profits, service tax, value added tax, etc paid or payable by the Demerged Company in respect of the operations and/ or the profits of the Internet Business before the Appointed Date, shall be on account of the Demerged Company and, in so far as it relates to the tax payment (including, without limitation, income-tax, tax on book profits, value added tax, etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Demerged Company in respect of the profits or activities or operation of the Internet Business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source by Demerged Company / Resulting Company on payables to Resulting Company / Demerged Company on account of Inter Corporate loans or balances between Demerged Company and Resulting Company which has been deemed not to be accrued, shall be deemed to be advance taxes paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly. Upon the Scheme becoming effective, pursuant to the provisions of this Scheme, the Demerged Company is expressly permitted to revise their returns and the Resulting Company is expressly permitted to file its income tax return including tax deducted at source certificates, sales tax/value added tax returns, excise returns, service tax returns and other tax returns, and to claim refunds/credits.
- 4.9 All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company pertaining to the Internet Business after the Effective Date shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company, if presented by the Resulting Company. Similarly, the banker of the Resulting Company shall honour all cheques issued by the Demerged Company pertaining to the Internet Business for payment after the Effective Date. If required, the Demerged Company shall allow maintaining of banks accounts in the name of Demerged Company by the Resulting Company for such time as may be determined to be necessary by the Demerged Company and the Resulting Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Demerged Company in connection with the Internet Business. It is hereby expressly clarified that any legal proceedings by or against the Demerged Company in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company pertaining to the Internet Business shall be instituted, or as the case may be, continued, by or against, the Resulting Company after the coming into effect of the Scheme.

Staff, Workmen & Employees

- 4.10 All staff, workmen and employees employed in the Internet Business of the Demerged Company, in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Resulting Company, with effect from the Appointed Date without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Resulting Company shall not be less favourable than those applicable to them with reference to the Demerged Company, in relation to the Internet Business, on the Effective Date. Any question that may arise as to whether any staff, workman or employee belongs to or does not belong to the Internet Business or the Remaining Business of the Demerged Company, shall be decided by Board of Directors of the Demerged Company.
- 4.11 It is expressly provided that, the provident fund, gratuity fund, superannuation fund or any other special fund or trusts created or existing for the benefit of the staff, workmen and employees of the Demerged Company, in relation to the Internet Business, shall become the trusts/funds of the Resulting Company for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Demerged Company, in connection with the Internet Business, relating to such fund or funds shall become those of the Resulting Company. It is clarified that the services of the staff, workmen and employees of the Demerged Company, in relation to the Internet Business, will be treated as having been continuous for the purpose of the said fund or funds.

Legal and Other Proceedings

- 4.12 All legal and other proceedings, including before any statutory or quasi-judicial authority or tribunal of whatsoever nature by or against the Demerged Company pending and/or arising at the Appointed Date and relating to the Internet Business, shall be continued and enforced by or against the Resulting Company only, to the exclusion of the Demerged Company in the manner and to the same extent as would have been continued and enforced by or against the Demerged Company. On and from the Effective Date, the Resulting Company shall and may, if required, initiate any legal proceedings in relation to the Internet Business.

In the event that the legal proceedings referred to above, require the Demerged Company and the Resulting Company to be jointly treated as parties thereto, the Resulting Company shall be added as party to such proceedings and shall prosecute or defend such proceedings in co-operation with the Demerged Company. In the event of any difference or difficulty in determining whether any specific legal or other proceeding relates to the Internet Business or not, the decision of the Board of Directors of the Demerged Company as to whether such proceeding relates to the Internet Business or not, shall be conclusive evidence of the relationship with Internet Business.

It is clarified that after the Appointed Date, in case the proceedings referred above, cannot be transferred for any reason, the Demerged Company shall prosecute or defend the same at the cost of the Resulting Company, and the Resulting Company shall reimburse, indemnify and hold harmless the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.

Contracts, Deeds and Other Instruments

- 4.13 Notwithstanding anything contrary contained in this Scheme, any and all existing contracts, deeds, bonds, insurance policies, agreements and other instruments if any, of whatsoever nature relating to the Internet Business and to which the Demerged Company is party and subsisting or having effect on the Effective Date, shall be in full force and effect in favour of the Resulting Company and may be enforced by or against the Resulting Company as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto, without any further act or deed.
- 4.14 The Resulting Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Demerged Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. The Resulting Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Demerged Company and to implement or carry out all formalities required on the part of the Demerged Company to give effect to the provisions of this Scheme.
- 4.15 Even after this Scheme becomes effective, the Resulting Company shall, as its own right, be entitled to realise all monies and complete and enforce all pending contracts and transactions in respect of the Internet Business in the name of the Demerged Company, in so far as may be necessary, until the transfer of rights and obligations of the Demerged Company to the Resulting Company under this Scheme is formally accepted by the third parties.

5 SECURITY

- 5.1 It is clarified that unless otherwise determined by the Board of Directors of the Resulting Company, in so far as the assets of the Demerged Company, are concerned the security or charge relating to loans, debentures or borrowings of the Demerged Company, in relation to the Internet Business, shall without any further act or deed continue to relate to the said assets after the Effective Date and shall not relate to or be available as security in relation to the borrowings of the Remaining Business of the Demerged Company.
- 5.2 It is further clarified that the assets of the Remaining Business of Demerged Company shall not relate to or be available as security in relation to any borrowings in relation to the Internet Business in the Resulting Company post the proposed demerger.

6 SAVING OF CONCLUDED TRANSACTIONS

- 6.1 The transfer of Internet Business as above and the continuance of proceedings by or against the Demerged Company in relation to the Internet Business and the Resulting Company, shall not affect any transaction or proceedings already concluded on or after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company, accepts and adopts all acts, deeds and things done and executed by the Demerged Company, in relation to the Internet Business, in respect thereto as done and executed on behalf of the Resulting Company.

7 CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

During the period between the Appointed Date and the Effective Date:

- 7.1 The Demerged Company shall carry on and be deemed to have carried on its business and activities in relation to the Internet Business, and shall hold and deal with all assets and properties and stand possessed of all rights, title, interest and authorities of the Internet Business, for and on account of and in trust for the Resulting Company.
- 7.2 Any income or profit accruing or arising to the Demerged Company in relation to the Internet Business and all costs, charges, expenses and losses, arising or incurred by the Demerged Company in relation to the Internet Business shall for all purposes be treated as the income, profits, costs, charges, expenses and losses, as the case may be, of the Resulting Company.
- 7.3 The Demerged Company shall not utilise the profits or income, if any, relating to the Internet Business for the purpose of declaring or paying any dividend or for any other purpose in respect of the period from and after the Appointed Date, without the prior written consent of the Resulting Company.
- 7.4 The Demerged Company shall not (without the prior, written consent of the Resulting Company) alienate, charge or otherwise deal with or dispose of the Internet Business or any part thereof except in the usual course of business or pursuant to any pre-existing obligation undertaken prior to the Appointed Date.
- 7.5 The Demerged Company shall carry on Internet Business with reasonable diligence and prudence, in the ordinary course of business, and the Demerged Company shall not, in any material respect, alter or expand Internet Business, other than such alterations or expansions as have already been commenced, except with the prior written consent of the Resulting Company and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its group companies or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal with the Internet Business, save and except, in each case, in the following circumstances:
- (i) if the same is in the ordinary course of business; or
 - (ii) if the same is expressly permitted by this Scheme; or
 - (iii) if the written consent of the Resulting Company, has been obtained.
- 7.6 The Demerged Company shall not vary or alter, except in the ordinary course of its business, the terms and conditions of employment of any of its employees in relation to the Internet Business.
- 7.7 The Demerged Company shall, pending the sanction of the Scheme by the High Courts, apply to the Central Government or any State Government and all other ministries, agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Resulting Company may require to own and carry on the Internet Business.

8 REMAINING BUSINESS

- 8.1 The Remaining Business of the Demerged Company shall continue to belong to and be vested in and be managed by the Demerged Company.

- 8.2 All legal and other proceedings by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted in future, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business of the Demerged Company (including those relating to any property, right, power, liability, obligation or duty, of the Demerged Company in respect of the Remaining Business of the Demerged Company) shall be continued and enforced by or against the Demerged Company.
- 8.3 With effect from the Appointed Date and upto and including the Effective Date –
- 8.3.1 the Demerged Company shall be deemed to have been carrying and to be carrying on all business and activities relating to the Remaining Business of the Demerged Company for and on its own behalf;
- 8.3.2 All profit accruing to the Demerged Company thereon or losses arising or incurred by it relating to the Remaining Business of the Demerged Company shall, for all purposes, be treated as the profit, or losses, as the case may be, of the Demerged Company.

9 CONSIDERATION

- 9.1.1 Upon the coming into effect of the Scheme, and in consideration for the transfer of and vesting of the properties, assets and liabilities of the Undertaking of the Demerged Company in the Resulting Company in terms of this Scheme, the Resulting Company shall not be required to issue any shares, since the Demerged company is a wholly owned subsidiary of the Resulting Company.
- 9.1.2 Upon the coming into effect of this Scheme, the zero coupon compulsorily convertible debentures in the Demerged Company shall be cancelled without requirement of any further act or deed for cancellation thereof by the Resulting Company.
- 9.1.3 The debenture certificate of the Demerged Company in relation to, the zero coupon compulsorily convertible debentures held by the Resulting Company shall, without any further application, act, instrument, or deed, be deemed to have been automatically cancelled pursuant to Clause 9.1.2 above.

10 ACCOUNTING TREATMENT

Upon the Scheme coming into effect and with effect from the Appointed Date:

10.1 Accounting treatment - In the books of the Demerged Company

- 10.1.1 The accounts representing the assets and liabilities of the Internet Business shall stand closed on transfer to the Resulting Company.
- 10.1.2 The excess of liabilities over assets relating to Internet Business as appearing in the books of account of Demerged Company and transferred to the Resulting Company at the close of business of the day immediately preceding the Appointed date, shall be credited to Capital Reserve Account in the books of account of Demerged Company. The excess of assets over liabilities, if any, relating to Internet Business as appearing in the books of account of Demerged Company and transferred to the Resulting Company at the close of business of the day immediately preceding the Appointed date, shall be debited to accumulated balance of Profit & Loss Account in the balance sheet of the Demerged Company.

- 10.1.3 The Capital Reserve, if any, arising in the books of Demerged Company after recording the entries as prescribed in Clause 10.1.1 to Clause 10.1.2 shall be adjusted against the accumulated balance of the Profit and Loss Account in the balance sheet of the Demerged Company.

10.2 Accounting Treatment - In the books of the Resulting Company

- 10.2.1 The Resulting Company shall record the assets and liabilities of the Internet Business vested in it in accordance with Clause 4 of the Scheme, at their respective values (ignoring revaluation, if any), as appearing in the books of account of the Demerged Company at the close of the business of the day immediately preceding the Appointed Date.
- 10.2.2 The value of investment in the Demerged Company in the books of the Resulting Company shall be reduced to the extent it is not represented by the assets transferred pursuant to demerger so as to reflect the value of the investment in Demerged Company (Remaining Business) at its fair value, without requirement of any further act or deed for reduction thereof by the Resulting Company.
- 10.2.3 If the difference between the aggregate of the recorded value of assets of the Internet Business in the books of account of the Resulting Company over the aggregate of the recorded value of the liabilities of the Internet Business (including zero coupon compulsorily convertible debentures) in the books of account of the Resulting Company (i.e. net liabilities of the Internet Business) and consequent reduction in value of investment held by the Resulting Company in the Demerged Company as prescribed in clause 10.2.2 on account of demerger of Internet Business from the Demerged Company to the Resulting Company is a deficit, the same shall be adjusted against the General Reserve in the balance sheet of the Resulting Company. If the difference between the aggregate of the recorded value of assets of the Internet Business in the books of account of the Resulting Company over the aggregate of the recorded value of the liabilities of the Internet Business (including zero coupon compulsorily convertible debentures) in the books of account of the Resulting Company (i.e. net assets of the Internet Business) and consequent reduction in value of investment held by the Resulting Company in the Demerged Company as prescribed in clause 10.2.2 on account of demerger of Internet Business from the Demerged Company to the Resulting Company is a surplus, the same shall be credited to Capital Reserve in the balance sheet of the Resulting Company.
- 10.2.4 The intercompany balances (including zero coupon compulsorily convertible debentures), pertaining to the Internet business, appearing in the books of account of the Resulting Company pursuant to demerger, will stand cancelled against the corresponding balances appearing in the books of the Resulting Company.

11 AMENDMENT OF MEMORANDUM OF ASSOCIATION

- 11.1 Upon the Scheme becoming fully effective, the Main Objects contained in Clause III (A) of the Memorandum of Association of the Demerged Company shall form part of the Main Objects of the Memorandum of Association of the Resulting Company.
- 11.2 Clause III (A) of the Memorandum of Association of the Resulting Company shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 17, 394 and other applicable provisions of the Act by adding the following new sub-clauses (4) to (5) after the existing sub-clause (3):

“(4) To carry on the business of short messaging services (SMS), Multimedia messaging services standard for a telephony messaging systems that allow sending messages that includes multimedia objects (images, audio, video, rich text).

(5) To carry on the business of Brand Marketing through interactive wireless medium and provision of consumer services through wireless networks and business of promoting and selling media like Mobile, Internet, Satellite, Video, Television, Cable, Closed Circuit Television, Radio, Newspapers, Magazines, Hoardings and producing, exhibiting, distributing, marketing, importing, exporting or otherwise dealing with programs and other forms of audio/ visual presentations.”

- 11.3 The approval of this Scheme under sections 391 to 394 of the Act shall be deemed to have the approval under sections 17, 18 and other applicable provisions of the Act and any other consents and approvals required in this regard.

PART C - OTHER TERMS AND CONDITIONS

12 APPLICATION TO THE HIGH COURTS

- 12.1 The Demerged Company shall make applications / petitions under Sections 391 to 394 and other applicable provisions of the Act to the High Court of Madhya Pradesh, Principal seat at Jabalpur, for sanction of this Scheme. The Resulting Company shall make applications / petitions, if required, under Sections 391 to 394 and other applicable provisions of the Act to the High Court of Gujarat.
- 12.2 Any dispute arising out of this Scheme shall be subject to the jurisdiction of the respective Courts.

13 MODIFICATION/AMENDMENT TO THE SCHEME

- 13.1 The Demerged Company (by its Board of Directors) and the Resulting Company (by its Board of Directors) in their full and absolute discretion may assent to any modification(s) or amendment(s) in this Scheme which the High Courts or such other appropriate authority and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme.
- 13.2 The Demerged Company (by its Board of Directors) and the Resulting Company (by its Board of Directors) are hereby authorised to give assent to any modification(s) or amendment(s) in the Scheme which may be considered necessary or desirable for any reason whatsoever and without prejudice to the generality of the foregoing, any modification to the Scheme involving withdrawal of any of the parties to the Scheme at any time and for any reason whatsoever, the implementation of the Scheme shall not get adversely affected as a result of acceptance of any such modification(s) or amendment(s) by the Board of Directors of the Demerged Company or the Resulting Company , who are hereby authorised to take such steps and to do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubt, difficulties or questions howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

14 CONDITIONALITY AND EFFECTIVENESS OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- 14.1 The requisite consent, approval or permission of the Central Government or any other ministry, statutory and / or regulatory authority, which by law may be necessary for the implementation of this Scheme or any part thereof.

- 14.2 The approval and agreement to the Scheme by the requisite majority of each class of the respective members and creditors of the Demerged Company as well as the Resulting Company, in terms of applicable provisions of the Act and as may be directed by the High Courts or any other appropriate authority, and the guidelines issued by the Securities and Exchange Board of India as amended and updated from time to time, as may be applicable and considered necessary to give effect to the Scheme.
- 14.3 The certified copies of the Orders of the High Courts under Section 391 to 394 of the Act sanctioning the Scheme are filed with the Registrar of Companies at Ahmedabad and Gwalior as applicable.

15 REVOCATION AND SEVERABILITY

- 15.1 In the event of any of the said sanctions and approvals referred to in Clause 14 not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the High Courts or such other appropriate authority and/or order or orders not being passed as aforesaid by such date as may be mutually agreed upon by the respective Board of Directors of the Demerged Company and the Resulting Company who are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s), this Scheme shall stand revoked, cancelled and be of no effect.
- 15.2 In the event of revocation under Clause 15.1 above, no rights and liabilities whatsoever shall accrue to or be incurred inter se to the Demerged Company and the Resulting Company, their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, the Resulting Company shall bear all costs.
- 15.3 If any part of this Scheme hereof is invalid, ruled illegal by any Courts of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the Scheme, as will best preserve for the parties the benefits and obligations of the Scheme, including but not limited to such part.
- 15.4 The Board of Directors of the Demerged Company and the Resulting Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of view that the coming into effect of the Scheme could have adverse implications on the Demerged Company and/or the Resulting Company.
- 15.5 The Demerged Company and the Resulting Company shall be at liberty to withdraw from this Scheme, in case any condition or alteration imposed by the High Courts or any other authority is not on terms acceptable to them.

16 COSTS, CHARGES & EXPENSES

- 16.1 All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Demerged Company and the Resulting Company arising out of, or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by the Resulting Company.





DB Corp Ltd

D. B. Corp Limited

Registered Office: Plot No. 280, Sarkhej-Gandhinagar Highway, Near Y.M.C.A. Club,
Makarba, Ahmedabad – 380 051, Gujarat

POSTAL BALLOT FORM

Sr. No. _____

1. Name & Registered Address of the Sole / first :
named Shareholder

2. Name(s) of the Joint Holder(s), (if any) :

3. Registered Folio Number/ DP ID No./Client ID No. * :
(*Applicable to investors holding Shares in
dematerialized form)

4. Number of Share(s) held :

I/We hereby exercise my/our vote in respect of the Resolutions to be passed through postal ballot for the business stated in the Notice of the Company dated October 31, 2013 by sending my/our assent or dissent to the said resolution, by placing the tick (✓) mark at the appropriate box herebelow:

Item No.	Brief particulars of the item	No. of Shares	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
1.	Amendment to the Main Object clause contained in Clause III (A) of the Memorandum of Association of D. B. Corp Limited in terms of Section 17 of the Companies Act, 1956			
2.	Approval of the Scheme of Arrangement in the nature of demerger of Integrated Internet and Mobile Interactive Service Business of I Media Corp Limited to D. B. Corp Limited under Sections 391 to 394 of the Companies Act, 1956			

Place:

Date:

Signature of the Shareholder

(must be as per specimen signature registered with the Company)

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ELECTRONIC VOTING PARTICULARS

Particulars	EVEN (E-Voting Event Number)	USER ID	PASSWORD/ PIN

Note: PLEASE READ CAREFULLY THE INSTRUCTIONS PRINTED OVERLEAF BEFORE EXERCISING THE VOTE

INSTRUCTIONS

1. A member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the attached pre-paid self-addressed envelope. However, envelopes containing Postal Ballots, if sent by courier at the expenses of the registered shareholder, will also be accepted.
2. The consent must be accorded by recording the assent in the Column "FOR" and dissent in the Column "AGAINST" by placing a tick mark (✓) in the appropriate column.
3. The self-addressed envelope bears the address of the scrutinizer appointed by the Board of Directors.
4. This form should be completed and signed by the shareholder. In case of joint holding, this form should be completed and signed (as per the specimen signature registered with the company) by the first named shareholder and in his absence, by the next named shareholder.
5. Incomplete or unsigned Postal Ballot Form will be rejected.
6. Duly completed Postal Ballot Form should reach the company not later than the close of working hours i.e. **5.00 p.m. on Thursday, December 12, 2013**. The Postal Ballot Form received after this date will be strictly treated as if the reply from the Member has not been received.
7. Voting rights shall be reckoned on the paid up value of shares registered in the name of the shareholders on **Friday, November 1, 2013**.
8. In case of shares held by companies, trusts, societies etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board resolution/authority letter.
9. A Member can request for duplicate Postal Ballot Form. However, the duly completed duplicate Postal Ballot Form should reach the Scrutinizer not later than the last date of receipt of Postal Ballot Form i.e. **5.00 p.m. on Thursday, December 12, 2013**.
10. Members cannot appoint a proxy to exercise their voting powers through Postal Ballot.
11. There will be only one Postal Ballot Form for each folio/Client ID irrespective of the number of joint Member(s).
12. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed Business Reply Envelope, as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
13. E-Voting: The Company is pleased to offer e-voting facility; the process to be followed is explained in the Postal Ballot Notice.
14. The Members are requested to refer the Postal Ballot Notice for detailed instructions.
15. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.