AXIS CAPITAL

July 10, 2018

**National Stock Exchange of India Limited**
Exchange Plaza,
Bandra Kurla Complex
Mumbai - 400 051

Dear Sir/Madam,

**Sub: Proposed Buyback by D B Corp Limited ("Company").**

With reference to the captioned matter, we, as manager to the proposed buy back of the Company, submit the following:

1. A copy of the public announcement dated July 9, 2018 ("**Public Announcement**"), which has been published on July 10, 2018 in the Financial Express (English National Daily), Dainik Bhaskar (Hindi National Daily) and Divya Bhaskar (regional language daily);
2. A soft copy of the public announcement dated July 9, 2018

Thanking you,

Yours sincerely,
**For Axis Capital Limited**

**Authorised Signatory**
Name: Simran Gadh
Designation: Vice President

Encl.: as above

# D. B. CORP LIMITED

Registered Office: Plot No. 280, Sarkhej Gandhinagar Highway,
Near YMCA Club, Makarba, Ahmedabad, Gujarat 380051

Tel.: +91-22-71577000 Fax: + 91-22-71577093
E-mail: dbcs@dbcorp.in; Website: www.bhaskarnet.com CIN: L22210GJ1995PLC047208

## PUBLIC ANNOUNCEMENT

**FOR THE ATTENTION OF THE HOLDERS/BENEFICIAL OWNERS OF EQUITY SHARES OF D. B. CORP LIMITED FOR BUYBACK OF EQUITY SHARES THROUGH TENDER OFFER**

**This Public Announcement (the "Public Announcement") is being made pursuant to the provisions of Regulation 8(1) of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (the "Buyback Regulations") for the time being in force including any statutory modifications and amendments from time to time and contains the disclosures as specified in Part A of Schedule II to the Buyback Regulations.**

**OFFER FOR BUYBACK OF UP TO 92,00,000 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH ("EQUITY SHARES") AT A PRICE OF RS. 340/- (RUPEES THREE HUNDRED AND FORTY ONLY) PER FULLY PAID-UP EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER PROCESS USING THE STOCK EXCHANGE MECHANISM.**

### 1 DETAILS OF THE BUYBACK OFFER AND OFFER PRICE

1.1. The Board of Directors hereinafter referred to as the "**Board**", (which expression includes any committee constituted by the Board to exercise its powers) of D.B. Corp Limited ("**Company**"), at its meeting held on May 26, 2018 ("**Board Meeting**") approved the proposal for the buyback of Equity Shares at a price of Rs. 340/- (Rupees Three hundred and forty only) per Equity Share (the "**Buyback Price**") up to an aggregate amount not exceeding Rs. 312.80 Crores (Rupees Three hundred and twelve crores and eighty lakhs only) ("**Buyback Size**") (being less than 25% of the total paid-up equity capital and free reserves of the Company as per latest audited standalone balance sheet as on March 31, 2018), from the shareholders ("**Shareholders**") of the Company on a proportionate basis through a tender offer in accordance with the provisions of the Companies Act, 2013 ("**Companies Act**" or "**the Act**") the Companies (Share Capital and Debentures) Rules, 2014 (the "**Share Capital Rules**"), the Companies (Management and Administration) Rules, 2014 (the "**Management Rules**") and in compliance with the Buyback Regulations ("**Buyback" or "Buyback Offer**"). The Buyback Size does not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India ("**SEBI**"), brokerage, applicable taxes (such as securities transaction tax, stamp duty and goods and service tax), advisors' fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses. The Shareholders of the Company approved the Buyback of the Company's fully paid-up Equity Shares from the existing shareholders / beneficial owners, on a proportionate basis (subject to the reservation for small shareholders), through the tender offer process pursuant to Article 4 of the Articles of Association of the Company and in accordance with of Sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, the Share Capital Rules, the Management Rules and the Buyback Regulations, by way of a special resolution, through the postal ballot ("**Postal Ballot**"), the results of which were announced on July 7, 2018 and which was deemed to be passed on July 6, 2018 (i.e. the last date of voting for the Postal Ballot) ("**Shareholders' Approval**"). The Buyback is subject to receipt of any approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, including the Reserve Bank of India, the SEBI, and the stock exchanges on which the Equity Shares are listed, namely, the National Stock Exchange of India Limited ("**NSE**") and the BSE Limited ("**BSE**") (hereinafter together referred to as the "**Stock Exchanges**").

1.2. The Buyback would be undertaken on a proportionate basis from the Shareholders as of July 18, 2018 ("**Record Date**") through the tender offer route, prescribed under Regulation 4(1)(a) of the Buyback Regulations using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016. In this regard, the Company will request BSE to provide a separate acquisition window ("**Acquisition Window**") to facilitate the Buyback.

1.3. In terms of the Buyback Regulations, under tender offer route, the Promoters and Promoter Group of the Company have the option to participate in the Buyback. In this regard, the Promoters and Promoter Group of the Company have vide: (i) their letters dated May 25, 2018, expressed their intention to participate in the Buyback; and (ii) their letters dated May 27, 2018, provided details regarding shares intended to be tendered by them. The extent of their participation in the Buyback has been detailed in Paragraph 3.5 of this Public Announcement.

1.4. The Buyback Price is Rs. 340/- (Rupees Three hundred and forty only) per Equity Share representing 16.29% and 16.33% respectively of the aggregate of the standalone and consolidated paid-up share capital and free reserves (including securities premium account) respectively, as per the audited accounts of the Company for the financial year ended March 31, 2018. The Buyback Price has been arrived at after considering various factors including, but not limited to the trends in the market prices of the Equity Shares on the Stock Exchanges, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buyback on the earnings per Equity Share.

1.5. The Buyback Price of Rs. 340/- (Rupees Three hundred and forty only) per Equity Share represents a premium of 28.08% and 30.39% over the closing price of the Equity Shares on the BSE (i.e. Rs. 265.45) and on the NSE (i.e. Rs. 260.75), respectively, as on May 21, 2018, being the date on which the Company intimated the Stock Exchanges of the date of the meeting of the Board wherein proposal of the Buyback was to be considered. The basic earnings per Equity Share of the Company pre- Buyback as on March 31, 2018, considering the number of shares outstanding as on March 31, 2018 is Rs. 17.64 and Rs. 17.61 on a standalone and consolidated basis respectively, which will increase to Rs. 18.57 and Rs. 18.54 on a standalone and consolidated basis respectively, post Buyback assuming full acceptance of the Buyback. The return on net worth of the Company pre Buyback as on March 31, 2018 is 16.82% and 16.84% on a standalone and consolidated basis respectively, which will increase to 20.08% and 20.11% on a standalone and consolidated basis respectively, post Buyback assuming full acceptance of the Buyback.

1.6. The aggregate paid-up share capital and free reserves as on March 31, 2018 (the audited financial statements available as on the date of the Board Meeting recommending the proposal of the Buyback) is Rs. 1,919.89 Crores on a standalone basis and Rs. 1,914.95 Crores on a consolidated basis. Under the provisions of the Act, the funds deployed for the Buyback cannot exceed 25% of the total paid-up share capital and free reserves of the Company i.e. Rs. 479.97 Crores on standalone basis and Rs 478.74 Crores on a consolidated basis. The maximum amount proposed to be utilized for the Buyback is Rs.312.80 Crores (Rupees Three hundred and twelve crores and eighty lakhs only) and is therefore within the limit of 25% of the Company's total paid-up share capital and free reserves as per the audited accounts for the financial year ended March 31, 2018. Further, under the Act, the number of Equity Shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity capital of the Company in that financial year. Accordingly, the maximum number of Equity Shares that can be bought back in the current financial year is 4,60,06,986. Since the Company proposes to buyback up to 92,00,000 Equity Shares, the same is within the aforesaid 25% limit.

1.7. A copy of this Public Announcement is available on the website of the Company at www.bhaskarnet.com, and is expected to be available on the SEBI website www.sebi.gov.in during the period of the Buyback and on the websites of the Stock Exchanges at www.nseindia.com and www.bseindia.com respectively.

### 2 NECESSITY FOR BUYBACK

The Board at its meeting held on May 26, 2018 considered the accumulated free reserves as well as the cash liquidity reflected in the audited accounts for the financial year ended March 31, 2018 and considering these, the Board decided to allocate a sum of Rs. 312.80 Crores (Rupees Three hundred and twelve crores and eighty lakhs only) excluding any expenses incurred or to be incurred for the Buyback like filing fees payable to the SEBI, brokerage, applicable taxes (such as securities transaction tax, stamp duty and goods and service tax), advisors' fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses, etc., for the Buyback. After considering several factors and benefits to the Shareholders holding Equity Shares of the Company, the Board decided to recommend Buyback of not exceeding 92,00,000 Equity Shares (representing approximately 5% of the total paid-up equity share capital of the Company as on March 31, 2018) at a price of Rs. 340/- (Rupees Three hundred and forty only) per Equity Share for an aggregate consideration of upto Rs. 312.80 Crores (Rupees Three hundred and twelve crores and eighty lakhs only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc.

In the opinion of the Board, the Buyback is a more efficient form of returning surplus cash to the Shareholders holding Equity Shares of the Company, inter-alia, for the following reasons:

2.1 Share buyback is the acquisition by a company of its own Equity Shares. The Buyback will help the Company to return surplus cash to its Shareholders holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to the Shareholders;

2.2 The Buyback, which is being implemented through the tender offer route as prescribed under the Buyback Regulations, would involve allocation of higher of number of Equity Shares as per their entitlement or 15% of the number of Equity Shares to be bought back, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholders";

2.3 The Buyback may help in improving return on equity, by reduction in the equity base, which may consequentially lead to a long term increase in shareholders' value;

2.4 The Buyback gives an option to the Shareholders holding Equity Shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buyback, without any additional investment; and

2.5 The Buyback would result in the optimization of the capital structure of the Company.

### 3 DETAILS OF PROMOTERS' SHAREHOLDING AND INTENTION OF PROMOTERS AND PROMOTER GROUP TO PARTICIPATE IN THE BUYBACK

3.1 The aggregate shareholding of the Promoters and Promoter Group of the Company who are in control of the Company as on June 1, 2018, i.e. the date of the postal ballot notice is as follows:

| Sr. No. | Name of Shareholder | No. of Equity Shares held | Percentage (%) |
|---|---|---|---|
| 1. | Jyoti Agarwal | 9,18,813 | 0.50 |
| 2. | Girish Agarwal | 82,69,321 | 4.49 |
| 3. | Ramesh Chandra Agarwal | 1,00,001 | 0.05 |
| 4. | Pawan Agarwal | 82,69,321 | 4.49 |
| 5. | Sudhir Agarwal | 82,69,321 | 4.49 |
| 6. | Kasturi Devi Agarwal | 99,795 | 0.05 |
| 7. | Namita Agarwal | 9,18,813 | 0.50 |
| 8. | Nitika Agarwal | 9,18,813 | 0.50 |
| 9. | Bhaskar Publication and Allied Industries Private Limited | 30,17,800 | 1.64 |
| 10. | Stitex Global Limited | 79,16,190 | 4.30 |
| 11. | DB Consolidated Private Limited | 8,97,91,549 | 48.79 |
| | **Total** | **12,84,89,737** | **69.81%** |

3.2 As on June 1, 2018 i.e. the date of the postal ballot notice, the aggregate shareholding of the directors of companies, which are part of the Promoters and Promoter Group of the Company is as follows:

| Sr. No. | Name of the director of Promoter Group Company | Name of the Promoter/Promoter Group Company | No. of Equity Shares held | Percentage (%) |
|---|---|---|---|---|
| 1. | Rajendra Kumar Joshi | Stitex Global Ltd | 1,760 | 0.00 |
| 2. | Rajendra Kumar Gupta | Stitex Global Ltd | 1,042 | 0.00 |
| | | **Total** | **2,802** | **0.00** |

3.3 As on June 1, 2018, i.e. the date of the postal ballot notice, the shareholding of the Directors of the Company is as follows:

| Sr. No. | Name of Directors | Designation | No. of Equity Shares held | Percentage % |
|---|---|---|---|---|
| 1 | Sudhir Agarwal | Managing Director | 82,69,321 | 4.49 |
| 2 | Girish Agarwal | Director | 82,69,321 | 4.49 |
| 3 | Pawan Agarwal | Deputy Managing Director | 82,69,321 | 4.49 |
| 4 | Ashwani Kumar Singhal | Independent Director | Nil | Nil |
| 5 | Piyush Pandey | Independent Director | Nil | Nil |
| 6 | Harish Bijoor | Independent Director | Nil | Nil |
| 7 | Anupriya Acharya | Independent Director | Nil | Nil |

3.4 No Equity Shares of the Company have been purchased/sold by any of the Promoters and the Promoter Group of the Company, directors of the Promoters and Promoter Group Companies, and the Directors of the Company during the period from six months preceding the date of the Board Meeting at which the Buyback was proposed and from the date of the Board Meeting till the date of the postal ballot notice, except for the following transactions:

| Name of Promoter / Director | No. of Equity Shares Purchased / Sold | Nature of Transaction | Maximum Price (Rs.) | Date of Maximum Price | Minimum Price (Rs.) | Date of Minimum Price |
|---|---|---|---|---|---|---|
| Rajendra Kumar Gupta | 228 | Acquisition by way of Employees Stock Option Scheme | 168 | 4 May 2018 | 168 | 4 May 2018 |

3.5 Intention of Promoters and Promoter Group to participate in Buyback: In terms of the Buyback Regulations, under the tender offer route, the Promoters and Promoter Group of the Company have the option to participate in the Buyback. In this regard, the Promoters and Promoter Group of the Company have vide: (i) their letters dated May 25, 2018, expressed their intention to participate in the Buyback; and (ii) their letters dated May 27, 2018, provided details regarding shares intended to be tendered by them and have offered up to an aggregate maximum of 34,00,000 Equity Shares as detailed below or any such lower number of Equity Shares in accordance with the Buyback Regulations in the following manner:

| Sr. No. | Name | No. of Equity Shares Held | Maximum number of Equity Shares intended to tender |
|---|---|---|---|
| 1. | Sudhir Agarwal | 82,69,321 | 4,13,400 |
| 2. | Girish Agarwal | 82,69,321 | 4,13,400 |
| 3. | Pawan Agarwal | 82,69,321 | 4,13,400 |
| 4. | Jyoti Agarwal | 9,18,813 | 45,900 |
| 5. | Namita Agarwal | 9,18,813 | 45,900 |
| 6. | Nitika Agarwal | 9,18,813 | 45,900 |
| 7. | DB Consolidated Pvt Ltd | 8,97,91,549 | 16,26,400 |
| 8. | Stitex Global Ltd | 79,16,190 | 3,95,700 |
| 9. | Bhaskar Publications & Allied Industries Pvt. Ltd | 30,17,800 | Nil |
| 10. | Ramesh Chandra Agarwal | 1,00,001 | Nil |
| 11. | Kasturi Devi Agarwal | 99,795 | Nil |
| | **Total** | **12,84,89,737** | **34,00,000** |

3.6 Details of the date and price of acquisition of the Equity Shares that the Promoters and Promoter Group of the Company intend to tender are set-out below:

**Sudhir Agarwal**

| Date | Number of Shares | Nominal Value (Rs.) | Issue Price / Transfer Price (Rs.) | Consideration (Rs.) | Nature of Transaction |
|---|---|---|---|---|---|
| 9 May 2011 | 4,05,922 | 10 | NIL | NIL | Gift Received |
| 6 March 2013 | 7,478 | 10 | NIL | NIL | Gift Received |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 4,13,400 |

**Girish Agarwal**

| | | | | | |
|---|---|---|---|---|---|
| 6 March 2013 | 4,13,400 | 10 | NIL | NIL | Gift Received |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 4,13,400 |

**Pawan Agarwal**

| | | | | | |
|---|---|---|---|---|---|
| 6 March 2013 | 4,13,400 | 10 | NIL | NIL | Gift Received |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 4,13,400 |

**Jyoti Agarwal**

| | | | | | |
|---|---|---|---|---|---|
| 29 Sept. 2007 | 45,900 | 10 | NIL | NIL | Bonus Issue |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 45,900 |

**Namita Agarwal**

| | | | | | |
|---|---|---|---|---|---|
| 29 Sept. 2007 | 45,900 | 10 | NIL | NIL | Bonus Issue |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 45,900 |

**Nitika Agarwal**

| | | | | | |
|---|---|---|---|---|---|
| 29 Sept. 2007 | 45,900 | 10 | NIL | NIL | Bonus Issue |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 45,900 |

**DB Consolidated Private Limited**

| | | | | | |
|---|---|---|---|---|---|
| 29 Sept. 2007 | 16,26,400 | 10 | NIL | NIL | Bonus Issue |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 16,26,400 |

**Stitex Global Limited**

| | | | | | |
|---|---|---|---|---|---|
| 29 March 2011 | 3,95,700 | 10 | 252.24 (including STT, Brokerage and other expenses) | 9,98,12,587 | Purchase |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 3,95,700 |

4 The Company confirms that there are no defaults subsisting in the repayment of deposit or interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.

### 5 CONFIRMATIONS FROM THE BOARD

The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:

5.1 That immediately following the date of Board Meeting held on May 26, 2018 and the date on which the special resolution approving the Buyback is passed i.e. July 6, 2018, there will be no grounds on which the Company can be found unable to pay its debts.

5.2 That as regards the Company's prospects for the year immediately following the date of the Board Meeting held on May 26, 2018 as well as for the year immediately following the date on which the special resolution approving the Buyback is passed i.e. July 6, 2018, and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting held on May 26, 2018 and within a period of one year from the date on which the special resolution approving the Buyback is passed i.e. July 6, 2018.

5.3 In forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act, and the Insolvency and Bankruptcy Code, 2016 (to the extent notified and in force).

### 6 REPORT ADDRESSED TO THE BOARD OF DIRECTORS BY THE COMPANY'S AUDITOR ON PERMISSIBLE CAPITAL PAYMENT AND OPINION FORMED BY DIRECTORS REGARDING INSOLVENCY

The text of the report dated May 26, 2018, from Price Waterhouse Chartered Accountants LLP and M/s Gupta Mittal & Co, being the Statutory Auditors of the Company, addressed to the Board is reproduced below:

**"The Board of Directors**

**D. B. Corp Limited**

Plot no. 280 Sarkhej Gandhi Nagar Highway Near YMCA Club, Makarba Ahmedabad, Gujarat - 380051

**Auditors' Report on Buyback of Shares pursuant to the requirement of Schedule II to Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998**

1. This report is issued in accordance with our agreement dated May 25, 2018.

2. We have been engaged by D. B. Corp Limited (the "**Company**") to perform a reasonable assurance engagement on determination of the amount of permissible capital payment as detailed in the accompanying Annexure I in connection with the proposed buyback by the Company of its equity shares in pursuance of Section 68 and Section 70 of the Companies Act, 2013 (the "**Act**") and The Companies (Share Capital and Debentures) Rules, 2014 and the regulations as specified in the 'Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998' and amendments thereto (the "**Regulations**") and on the opinions expressed by the Board of Directors of the Company, as required under the Regulations. We have initialled the Annexure I for identification purposes only.

**Board of Directors Responsibility**

3. The Board of Directors of the Company is responsible for the following:

i) The amount of capital payment for the buyback is properly determined; and

ii) It has made a full inquiry into the affairs and prospects of the Company and has formed the opinion that the Company will not be rendered insolvent within a period of one year from the date of the Board Meeting ('**BM**') for buyback and from the date on which the result of the postal ballot will be declared.

**Auditor's Responsibility**

4. Pursuant to the requirement of the Regulations, it is our responsibility to obtain reasonable assurance on the following **"Reporting Criteria":**

i) whether the amount of capital payment for the buyback is within the permissible limit computed in accordance with the provisions of Section 68 of the Act; and

ii) whether the Board of Directors has formed the opinion, as specified in Clause (x) of Schedule II to the Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from the date of BM and from the date on which the result of the postal ballot will be declared.

5. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting Criteria. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated with the Reporting Criteria. Within the scope of our work, we performed the following procedures:

i) Examined authorisation for buyback from the Articles of Association of the Company;

ii) Examined that the amount of capital payment for the buyback as detailed in Annexure I is within the permissible limit computed in accordance with the provisions of Section 68 of the Act;

iii) Examined that the ratio of the debt owned by the Company, if any, is not more than twice the capital and its free reserves after such buyback;

iv) Examined that all the shares for buyback are fully paid-up;

v) Inquired into the state of affairs of the Company with reference to the audited financial statements of the Company as at and for the year ended March 31, 2018 (the "**Audited Financial Statements**") which has been prepared by the Management of the Company; and examined budgets and projections prepared by the Management;

vi) Examined minutes of the meetings of the Board of Directors;

vii) Examined Directors' declarations for the purpose of buyback and solvency of the Company; and

viii) Obtained appropriate representations from the Management of the Company.

6. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

8. The financial statements referred to in paragraph 5 (v) above, have been audited by us on which we issued an unmodified audit opinion vide our report dated May 16, 2018. Our audit of these financial statements was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audits were not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

**Opinion**

9. As a result of our performance of aforementioned procedures, we report that:

i) The amount of capital payment of Rs. 3,128 million for the shares in question, as stated in the accompanying certified extract of the minutes of the Board of Directors' meeting held on May 26, 2018, which we have initialed for identification, is within the permissible capital payment of Rs. 4,799.73 million on standalone basis and Rs. 4,787.36 million on consolidated basis, as calculated in Annexure I based on the Audited Financial Statements, which, in our opinion, is properly determined in accordance with Section 68 of the Act, and

ii) The Board of Directors in their meeting held on May 26, 2018 has formed the opinion, as specified in Clause (x) of Schedule II to the Regulations, on reasonable grounds that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of the Board Meeting for buyback and from the date on which the result of shareholders resolution by way of postal ballot will be declared.

**Restrictions on Use**

10. Our work was performed solely to assist you in meeting your responsibilities with reference to the Regulations. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.

11. This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Regulations solely to enable the Board of Directors of the Company to include in:

i) the explanatory statement to be included in the postal ballot notice to be circulated to the shareholders of the Company;

ii) Public Announcement to be made to the shareholders of the Company, which will be filed with (a) the Registrar of Companies as required by the Regulations (b) the Central Depository Services (India) Limited and National Securities Depository Limited for the purpose of extinguishment of equity shares, (c) the authorised dealer as approved by the Board of Directors or committee of the Board of Directors thereof, for the purpose of capital payment, (d) Securities and Exchange Board of India, BSE Limited and the National Stock Exchange of India;

iii) the draft letter of offer to be filed with Securities and Exchange Board of India and Stock Exchanges; and

iv) the letter of offer to be filed with Stock Exchanges and be given to the shareholders

and should not be used for any other purpose. Price Waterhouse Chartered Accountants LLP and Gupta Mittal & Co. does not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report, or the explanatory statement to be included in the postal ballot notice to be circulated to the shareholders of the Company and the Public Announcement which includes our report, is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**For Price Waterhouse Chartered Accountants LLP**
**Firm Registration Number: FRN012754N/N500016**

**Priyanshu Gundana**
**Partner**
**Membership Number: 109553**

**Mumbai**
May 26, 2018

**For Gupta Mittal & Co**
**Firm Registration Number: FRN009973C**
Chartered Accountants

**Shilpa Gupta**
**Partner**
**Membership Number: 403763**

**Mumbai**
May 26, 2018

**Annexure I**

**Statement of Permissible Capital Payment for Buyback of Equity Shares:**

**Notes:**

| Particulars | Standalone (Rs. In million) | Consolidated (Rs. In million) |
|---|---|---|
| Issued, Subscribed and Paid-up share capital as at March 31, 2018 (184,027,945 equity of Rs. 10 each) | 1,840.28 | 1,840.28 |
| Free reserves as at March 31, 2018 | | |
| - Securities Premium Account | 2,553.20 | 2,553.20 |
| - Surplus in Statement of Profit and Loss | 14,383.95 | 13,220.44 |
| - General Reserve | 421.48 | 1,535.53 |
| **Total** | **19,198.91** | **19,149.45** |
| Maximum amount permissible for the Buyback i.e. 25% of total paid-up equity capital and free reserves | 4,799.73 | 4,787.36 |

(1) Calculation in respect to buyback is done on the basis of Standalone and Consolidated Audited Financial Statements of the Company for the year ended March 31, 2018.

(2) Calculation in respect of Permissible Capital Payment for Buyback of Equity Shares is done on the basis of audited financial statements of the Company for the year ended March 31, 2018 which is not more than six months old from the proposed date of offer document.

**For and on behalf of D. B. Corp Limited**

**Pawan Agarwal**
Deputy Managing Director"

### 7 PROCESS AND METHODOLOGY TO BE ADOPTED FOR THE BUYBACK

**7.1 Process:**

(a) The Buyback offer is open to all Shareholders holding Equity Shares as on Record Date in physical form ("**Physical Shares**") and beneficial owners holding Equity Shares in dematerialised form ("**Demat Shares**") (hereinafter referred to as the "**Eligible Sellers**").

(b) The Buyback offer will be implemented by the Company through the Stock Exchange mechanism, as provided under the Buyback Regulations and circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, issued by SEBI and in accordance with the procedure prescribed in the Act and the Buyback Regulations and as may be determined by the Board (including the committee/persons authorized to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.

(c) For the implementation of the Buyback offer, the Company has appointed Axis Capital Limited ("**Company's Broker**") as the registered broker through whom the purchases and settlements on account of the Buyback Offer would be made by the Company. The contact details of the Company's Broker are as follows:

**AXIS CAPITAL LIMITED**

5th Floor, Axis House,
C-2 Wadia International Centre,
P. B. Marg, Worli, Mumbai - 400 025
Tel: +91 22 4325 5579 | Fax: +91 22 4325 5599

Contact Person: Mr. Ram Shinde
Email: QIB@axiscap.in
SEBI Registration No.: BSE: INB011387330;
NSE: INB231387235

(d) The Company will request BSE to provide a separate Acquisition Window to facilitate placing of sell orders by Eligible Sellers who wish to tender their Equity Shares in the Buyback. The details of the platform will be as specified by BSE from time to time. In case, the Eligible Sellers' registered stock broker is not registered with BSE, Eligible Seller may approach Company's Broker to place its bid.

(e) At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through the Company's Brokers. During the tendering period, the order for selling the Equity shares will be placed by the Eligible Sellers through their respective stock brokers ("**Seller Member**") during normal trading hours of the secondary market. In the tendering process, the Company's Broker may also process the orders received from the Equity Shareholders. The Seller Member can enter orders for demat as well as physical shares.

(f) The reporting requirements for Non-Resident Shareholders under Reserve Bank of India, Foreign Exchange Management Act, 1999, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Seller and/or the Seller Member through which the Equity Shareholder places the bid.

(g) Modification / cancellation of orders and multiple bids from a single Eligible Seller will be allowed during the tendering period of the Buyback offer. Multiple bids made by single Eligible Seller for selling the Equity Shares shall be clubbed and considered as "one" bid for the purposes of acceptance.

(h) The cumulative quantity tendered shall be made available on the website of BSE (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the tendering period.

**7.2 Procedure to be followed by Eligible Sellers holding Equity Shares in the dematerialized form:**

(a) Eligible Sellers who desire to tender their Equity Shares in the electronic / dematerialized form under the Buyback would have to do so through their respective Seller Member by giving the details of Equity Shares they intend to tender under the Buyback.

(b) The Seller Member would be required to place an order / bid on behalf of the Eligible Sellers who wish to tender Equity Shares in the Buyback using the Acquisition Window of BSE. Before placing the bid, the Eligible Seller would be required to transfer the tendered Equity Shares to the account of the Indian Clearing Corporation Limited (the "**Clearing Corporation**"), by using the early pay in mechanism as prescribed by BSE or the Clearing Corporation, prior to placing the bid by the Seller Member. The details of the early pay-in account will be intimated in the circular to be issued in this regard.

(c) For custodian participant orders for demat Equity Shares early pay-in is mandatory prior to confirmation of the order/bid by the custodian. The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.

(d) Upon placing the order, the Seller Member shall provide transaction registration slip ("**TRS**") generated by the stock exchange bidding system to the Eligible sellers. TRS will contain details of order submitted like bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.

(e) In case of non-receipt of the completed tender form and other documents, but receipt of Equity Shares in the accounts of the Clearing Corporation and a valid bid in the exchange bidding system, the bid for Buyback shall be deemed to have been accepted.

**7.3 Procedure to be followed by Eligible Sellers holding Equity Shares in the Physical form:**

(a) Equity Shareholders who are holding physical Equity Shares and intend to participate in the Buyback will be required to approach the Seller Member along with the complete set of documents for verification procedures to be carried out including the:

1) completed tender form and original share certificate(s);

2) valid Form SH 4 (transfer form) duly filled and signed by the Eligible Seller (in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company,

3) self-attested copy of the Eligible Seller's PAN Card, and

4) any other relevant documents such as (but not limited to):

a. Duly attested Power of Attorney if any person other than the Equity Shareholder has signed the relevant Tender Form;

b. Notarized copy of death certificate / succession certificate or probated will, if the original Equity Shareholder has deceased;

c. Necessary corporate authorisations, such as Board Resolutions etc., in case of companies

5) In addition, if the address of the Equity Shareholder has undergone a change from the address registered in the register of members of the Company, the Equity Shareholders would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.

(b) Based on these documents, the concerned Seller Member shall place a bid on behalf of the Eligible Seller holding Equity Shares in physical form and who wish to tender Equity Shares in the Buyback, using the Acquisition Window of BSE. Upon placing the bid, the Seller Member shall provide a TRS generated by the exchange bidding system to the Eligible Seller. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity Shares tendered etc.

(c) The Seller Member / Eligible Seller has to deliver the original share certificate(s) and documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post or courier or hand delivery to the Registrar to the Buyback (at the address mentioned in clause 10 below) within 2 (two) days of bidding by Seller Member. The envelope should be super scribed as "**DB Corp Buyback Offer 2018**". One copy of the TRS will be retained by Registrar and it will provide acknowledgement of the same to the Seller Member/Eligible Seller.

(d) Eligible Sellers holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the physical Equity Shares for the Buyback shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time the BSE shall display such bids as 'unconfirmed physical bids'. Once the Registrar confirms the bids, it will be treated as 'Confirmed Bids'.

(e) In case any Eligible Seller has submitted Equity Shares in physical form for dematerialization, such Eligible Seller should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buyback offer before closure of the tendering period.

**7.4 Method of settlement:**

Upon finalization of the basis of acceptance as per Buyback Regulations:

(a) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.

(b) The Company will pay the consideration to the Company's Broker who will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank accounts as per the prescribed schedule.

(c) For Equity Shares accepted under the Buyback, the Clearing Corporation will make direct funds pay-out to respective Eligible Seller's bank account as provided by the depository system. If the Eligible Seller's bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Seller Members settlement bank account for onward transfer to the respective Eligible Seller.

(d) In case of Eligible Sellers where there are specific RBI and other regulatory requirements pertaining to funds pay-out, which do not opt to settle through custodians, the funds pay-out would be given to their respective Seller Members settlement bank account for onward transfer to the Eligible Sellers. For this purpose, the client type details would be collected from the Registrar to the Buyback.

(e) The Equity Shares bought back in demat form would be transferred directly to the demat account of the Company opened for Buyback ("**Special Demat Account**") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Special Demat Account on receipt of the Equity Shares from the Clearing Corporation.

(f) Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Sellers would be returned to them by the Clearing Corporation.

(g) Eligible Sellers tendering Equity Shares will have to ensure that they keep the depository participant ("**DP**") account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance of shares under the Buyback offer.

(h) Any excess physical Equity Shares pursuant to proportionate acceptance / rejection will be returned back to the Eligible Sellers directly by the Registrar to the Buyback. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback by Equity Shareholders holding Equity Shares in the Physical form, and return the same to the sole / first Eligible Seller (in case of joint Equity Shareholders). Share certificates in respect of unaccepted/ rejected Equity Shares and other documents, if any, will be sent by registered post / speed post at the Eligible Seller's sole risk to the sole / first Eligible Seller (in case of joint Eligible Sellers), at the address recorded with the Registrar / Company.

(i) Company's Brokers would issue a contract note to the Company for the Equity Shares accepted under the Buyback.

7.5 Eligible Sellers who intend to participate in the Buyback should consult their respective Seller Member for any cost, applicable taxes, charges and expenses (including brokerage) etc., that may be levied by the Seller Member upon the Eligible Sellers for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the Eligible Seller, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Sellers.

7.6 The Equity Shares lying to the credit of the Special Demat Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in

DB Corp Ltd

# D. B. CORP LIMITED

Registered Office: Plot No. 280, Sarkhej Gandhinagar Highway,
Near YMCA Club, Makarba, Ahmedabad, Gujarat 380051

Tel.: +91-22-71577000 Fax: + 91-22-71577093
E-mail: dbcs@dbcorp.in; Website: www.bhaskarnet.com CIN: L22210GJ1995PLC047208

## PUBLIC ANNOUNCEMENT

**FOR THE ATTENTION OF THE HOLDERS/BENEFICIAL OWNERS OF EQUITY SHARES OF D. B. CORP LIMITED FOR BUYBACK OF EQUITY SHARES THROUGH TENDER OFFER**

**This Public Announcement (the "Public Announcement") is being made pursuant to the provisions of Regulation 8(1) of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (the "Buyback Regulations") for the time being in force including any statutory modifications and amendments from time to time and contains the disclosures as specified in Part A of Schedule II to the Buyback Regulations.**

**OFFER FOR BUYBACK OF UP TO 92,00,000 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH ("EQUITY SHARES") AT A PRICE OF RS. 340/- (RUPEES THREE HUNDRED AND FORTY ONLY) PER FULLY PAID-UP EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER PROCESS USING THE STOCK EXCHANGE MECHANISM.**

### 1 DETAILS OF THE BUYBACK OFFER AND OFFER PRICE

1.1. The Board of Directors hereinafter referred to as the "**Board**", (which expression includes any committee constituted by the Board to exercise its powers) of D.B. Corp Limited ("**Company**"), at its meeting held on May 26, 2018 ("**Board Meeting**") approved the proposal for the buyback of Equity Shares at a price of Rs. 340/- (Rupees Three hundred and forty only) per Equity Share (the "**Buyback Price**") up to an aggregate amount not exceeding Rs. 312.80 Crores (Rupees Three hundred and twelve crores and eighty lakhs only) ("**Buyback Size**") (being less than 25% of the total paid-up equity capital and free reserves of the Company as per latest audited standalone balance sheet as on March 31, 2018), from the shareholders ("**Shareholders**") of the Company on a proportionate basis through a tender offer in accordance with the provisions of the Companies Act, 2013 ("**Companies Act**" or "**the Act**") the Companies (Share Capital and Debentures) Rules, 2014 (the "**Share Capital Rules**"), the Companies (Management and Administration) Rules, 2014 (the "**Management Rules**") and in compliance with the Buyback Regulations ("**Buyback**" or "**Buyback Offer**"). The Buyback Size does not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India ("**SEBI**"), brokerage, applicable taxes (such as securities transaction tax, stamp duty and goods and service tax), advisors' fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses. The Shareholders of the Company approved the Buyback of the Company's fully paid-up Equity Shares from the existing shareholders / beneficial owners, on a proportionate basis (subject to the reservation for small shareholders), through the tender offer process pursuant to Article 4 of the Articles of Association of the Company and in accordance with of Sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, the Share Capital Rules, the Management Rules and the Buyback Regulations, by way of a special resolution, through the postal ballot ("**Postal Ballot**"), the results of which were announced on July 7, 2018 and which was deemed to be passed on July 6, 2018 (i.e. the last date of voting for the Postal Ballot) ("**Shareholders' Approval**"). The Buyback is subject to receipt of any approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, including the Reserve Bank of India, the SEBI, and the stock exchanges on which the Equity Shares are listed, namely, the National Stock Exchange of India Limited ("**NSE**") and the BSE Limited ("**BSE**") (hereinafter together referred to as the "**Stock Exchanges**").

1.2. The Buyback would be undertaken on a proportionate basis from the Shareholders as of July 18, 2018 ("**Record Date**") through the tender offer route, prescribed under Regulation 4(1) (a) of the Buyback Regulations using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016. In this regard, the Company will request BSE to provide a separate acquisition window ("**Acquisition Window**") to facilitate the Buyback.

1.3. In terms of the Buyback Regulations, under tender offer route, the Promoters and Promoter Group of the Company have the option to participate in the Buyback. In this regard, the Promoters and Promoter Group of the Company have vide: (i) their letters dated May 25, 2018, expressed their intention to participate in the Buyback; and (ii) their letters dated May 27, 2018, provided details regarding shares intended to be tendered by them. The extent of their participation in the Buyback has been detailed in Paragraph 3.5 of this Public Announcement.

1.4. The Buyback Price is Rs. 340/- (Rupees Three hundred and forty only) per Equity Share representing 16.29% and 16.33% respectively of the aggregate of the standalone and consolidated paid-up share capital and free reserves (including securities premium account) respectively, as per the audited accounts of the Company for the financial year ended March 31, 2018. The Buyback Price has been arrived at after considering various factors including, but not limited to the trends in the market prices of the Equity Shares on the Stock Exchanges, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buyback on the earnings per Equity Share.

1.5. The Buyback Price of Rs. 340/- (Rupees Three hundred and forty only) per Equity Share represents a premium of 28.08% and 30.39% over the closing price of the Equity Shares on the BSE (i.e. Rs. 265.45) and on the NSE (i.e. Rs. 260.75), respectively, as on May 21, 2018, being the date on which the Company intimated the Stock Exchanges of the date of the meeting of the Board wherein proposal of the Buyback was to be considered. The basic earnings per Equity Share of the Company pre- Buyback as on March 31, 2018, considering the number of shares outstanding as on March 31, 2018 is Rs. 17.54 and Rs. 17.61 on a standalone and consolidated basis respectively, which will increase to Rs. 18.57 and Rs. 18.54 on a standalone and consolidated basis respectively, post Buyback assuming full acceptance of the Buyback. The return on net worth of the Company pre Buyback as on March 31, 2018 is 16.62% and 16.84% on a standalone and consolidated basis respectively, which will increase to 20.08% and 20.11% on a standalone and consolidated basis respectively, post Buyback assuming full acceptance of the Buyback.

1.6. The aggregate paid-up share capital and free reserves as on March 31, 2018 (the audited financial statements available as on the date of the Board Meeting recommending the proposal of the Buyback) is Rs. 1,919.89 Crores on a standalone basis and Rs. 1,914.96 Crores on a consolidated basis. Under the provisions of the Act, the funds deployed for the Buyback cannot exceed 25% of the total paid-up share capital and free reserves of the Company i.e. Rs. 479.97 Crores on standalone basis and Rs 478.74 Crores on a consolidated basis. The maximum amount proposed to be utilized for the Buyback is Rs.312.80 Crores (Rupees Three hundred and twelve crores and eighty lakhs only) and is therefore within the limit of 25% of the Company's total paid-up share capital and free reserves as per the audited accounts for the financial year ended March 31, 2018. Further, under the Act, the number of Equity Shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity capital of the Company in that financial year. Accordingly, the maximum number of Equity Shares that can be bought back in the current financial year is 4,60,06,986. Since the Company proposes to buyback up to 92,00,000 Equity Shares, the same is within the aforesaid 25% limit.

1.7. A copy of this Public Announcement is available on the website of the Company at www.bhaskarnet.com, and is expected to be available on the SEBI website www.sebi.gov.in during the period of the Buyback and on the websites of the Stock Exchanges at www.nseindia.com and www.bseindia.com respectively.

### 2 NECESSITY FOR BUYBACK

The Board at its meeting held on May 26, 2018 considered the accumulated free reserves as well as the cash liquidity reflected in the audited accounts for the financial year ended March 31, 2018 and considering these, the Board decided to allocate a sum of Rs. 312.80 Crores (Rupees Three hundred and twelve crores and eighty lakhs only) excluding any expenses incurred or to be incurred for the Buyback like filing fees payable to the SEBI, brokerage, applicable taxes (such as securities transaction tax, stamp duty and goods and service tax), advisors' fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses, etc., for the Buyback. After considering several factors and benefits to the Shareholders holding Equity Shares of the Company, the Board decided to recommend Buyback of not exceeding 92,00,000 Equity Shares (representing approximately 5% of the total paid-up equity share capital of the Company as on March 31, 2018) at a price of Rs. 340/- (Rupees Three hundred and forty only) per Equity Share for an aggregate consideration of upto Rs. 312.80 Crores (Rupees Three hundred and twelve crores and eighty lakhs only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc.

In the opinion of the Board, the Buyback is a more efficient form of returning surplus cash to the Shareholders holding Equity Shares of the Company, inter-alia, for the following reasons:

2.1 Share buyback is the acquisition by a company of its own Equity Shares. The Buyback will help the Company to return surplus cash to its Shareholders holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to the Shareholders.

2.2 The Buyback, which is being implemented through the tender offer route as prescribed under the Buyback Regulations, would involve allocation of higher of number of Equity Shares as per their entitlement or 15% of the number of Equity Shares to be bought back, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholders".

2.3 The Buyback may help in improving return on equity, by reduction in the equity base, which may consequentially lead to a long term increase in shareholders' value;

2.4 The Buyback gives an option to the Shareholders holding Equity Shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buyback, without any additional investment; and

2.5 The Buyback would result in the optimization of the capital structure of the Company.

### 3 DETAILS OF PROMOTERS' SHAREHOLDING AND INTENTION OF PROMOTERS AND PROMOTER GROUP TO PARTICIPATE IN THE BUYBACK

3.1 The aggregate shareholding of the Promoters and Promoter Group of the Company who are in control of the Company as on June 1, 2018, i.e. the date of the postal ballot notice is as follows:

| Sr. No. | Name of Shareholder | No. of Equity Shares held | Percentage (%) |
|---|---|---|---|
| 1. | Jyoti Agarwal | 9,18,813 | 0.50 |
| 2. | Girish Agarwal | 82,69,321 | 4.49 |
| 3. | Ramesh Chandra Agarwal | 1,00,001 | 0.05 |
| 4. | Pawan Agarwal | 82,69,321 | 4.49 |
| 5. | Sudhir Agarwal | 82,69,321 | 4.49 |
| 6. | Kasturi Devi Agarwal | 99,795 | 0.05 |
| 7. | Namita Agarwal | 9,18,813 | 0.50 |
| 8. | Nitika Agarwal | 9,18,813 | 0.50 |
| 9. | Bhaskar Publication and Allied Industries Private Limited | 30,17,800 | 1.64 |
| 10. | Stitex Global Limited | 79,16,190 | 4.30 |
| 11. | DB Consolidated Private Limited | 8,97,91,549 | 48.79 |
| | Total | 12,84,89,737 | 69.81% |

3.2 As on June 1, 2018 i.e. the date of the postal ballot notice, the aggregate shareholding of the directors of companies, which are part of the Promoters and Promoter Group of the Company is as follows:

| Sr. No. | Name of the director of Promoter Group Company | Name of the Promoter/Promoter Group Company | No. of Equity Shares held | Percentage (%) |
|---|---|---|---|---|
| 1. | Rajendra Kumar Joshi | Stitex Global Ltd | 1,760 | 0.00 |
| 2. | Rajendra Kumar Gupta | Stitex Global Ltd | 1,042 | 0.00 |
| | | Total | 2,802 | 0.00 |

3.3 As on June 1, 2018, i.e. the date of the postal ballot notice, the shareholding of the Directors of the Company is as follows:

| Sr. No. | Name of Directors | Designation | No. of Equity Shares held | Percentage % |
|---|---|---|---|---|
| 1 | Sudhir Agarwal | Managing Director | 82,69,321 | 4.49 |
| 2 | Girish Agarwal | Director | 82,69,321 | 4.49 |
| 3 | Pawan Agarwal | Deputy Managing Director | 82,69,321 | 4.49 |
| 4 | Ashwani Kumar Singhal | Independent Director | Nil | Nil |
| 5 | Piyush Pandey | Independent Director | Nil | Nil |
| 6 | Harish Bijoor | Independent Director | Nil | Nil |
| 7 | Anupriya Acharya | Independent Director | Nil | Nil |

3.4 No Equity Shares of the Company have been purchased/sold by any of the Promoters and the Promoter Group of the Company, directors of the Promoters and Promoter Group Companies, and the Directors of the Company during the period from six months preceding the date of the Board Meeting at which the Buyback was proposed and from the date of the Board Meeting till the date of the postal ballot notice, except for the following transactions:

| Name of Promoter / Director | No. of Equity Shares Purchased / Sold | Nature of Transaction | Maximum Price (Rs.) | Date of Maximum Price | Minimum Price (Rs.) | Date of Minimum Price |
|---|---|---|---|---|---|---|
| Rajendra Kumar Gupta | 228 | Acquisition by way of Employees Stock Option Scheme | 168 | 4 May 2018 | 168 | 4 May 2018 |

3.5 Intention of Promoters and Promoter Group to participate in Buyback. In terms of the Buyback Regulations, under the tender offer route, the Promoters and Promoter Group of the Company have the option to participate in the Buyback. In this regard, the Promoters and Promoter Group of the Company have vide: (i) their letters dated May 25, 2018, expressed their intention to participate in the Buyback; and (ii) their letters dated May 27, 2018, provided details regarding shares intended to be tendered by them and have offered up to an aggregate maximum of 34,00,000 Equity Shares as detailed below or any such lower number of Equity Shares in accordance with the Buyback Regulations in the following manner:

| Sr. No. | Name | No. of Equity Shares Held | Maximum number of Equity Shares intended to tender |
|---|---|---|---|
| 1. | Sudhir Agarwal | 82,69,321 | 4,13,400 |
| 2. | Girish Agarwal | 82,69,321 | 4,13,400 |
| 3. | Pawan Agarwal | 82,69,321 | 4,13,400 |
| 4. | Jyoti Agarwal | 9,18,813 | 45,900 |
| 5. | Namita Agarwal | 9,18,813 | 45,900 |
| 6. | Nitika Agarwal | 9,18,813 | 45,900 |
| 7. | DB Consolidated Pvt Ltd | 8,97,91,549 | 16,26,400 |
| 8. | Stitex Global Ltd | 79,16,190 | 3,95,700 |
| 9. | Bhaskar Publications & Allied Industries Pvt. Ltd | 30,17,800 | Nil |
| 10. | Ramesh Chandra Agarwal | 1,00,001 | Nil |
| 11. | Kasturi Devi Agarwal | 99,795 | Nil |
| | Total | 12,84,89,737 | 34,00,000 |

3.6 Details of the date and price of acquisition of the Equity Shares that the Promoters and Promoter Group of the Company intend to tender are set-out below:

**Sudhir Agarwal**

| Date | Number of Shares | Nominal Value (Rs.) | Issue Price / Transfer Price (Rs.) | Consideration (Rs.) | Nature of Transaction |
|---|---|---|---|---|---|
| 9 May 2011 | 4,05,922 | 10 | NIL | NIL | Gift Received |
| 6 March 2013 | 7,478 | 10 | NIL | NIL | Gift Received |
| Maximum number of Equity Shares intended to be tendered | | | | | 4,13,400 |

**Girish Agarwal**

| | | | | | |
|---|---|---|---|---|---|
| 6 March 2013 | 4,13,400 | 10 | NIL | NIL | Gift Received |
| Maximum number of Equity Shares intended to be tendered | | | | | 4,13,400 |

**Pawan Agarwal**

| | | | | | |
|---|---|---|---|---|---|
| 6 March 2013 | 4,13,400 | 10 | NIL | NIL | Gift Received |
| Maximum number of Equity Shares intended to be tendered | | | | | 4,13,400 |

**Jyoti Agarwal**

| | | | | | |
|---|---|---|---|---|---|
| 29 Sept. 2007 | 45,900 | 10 | NIL | NIL | Bonus Issue |
| Maximum number of Equity Shares intended to be tendered | | | | | 45,900 |

**Namita Agarwal**

| | | | | | |
|---|---|---|---|---|---|
| 29 Sept. 2007 | 45,900 | 10 | NIL | NIL | Bonus Issue |
| Maximum number of Equity Shares intended to be tendered | | | | | 45,900 |

**Nitika Agarwal**

| | | | | | |
|---|---|---|---|---|---|
| 29 Sept. 2007 | 45,900 | 10 | NIL | NIL | Bonus Issue |
| Maximum number of Equity Shares intended to be tendered | | | | | 45,900 |

**DB Consolidated Private Limited**

| | | | | | |
|---|---|---|---|---|---|
| 29 Sept. 2007 | 16,26,400 | 10 | NIL | NIL | Bonus Issue |
| Maximum number of Equity Shares intended to be tendered | | | | | 16,26,400 |

**Stitex Global Limited**

| | | | | | |
|---|---|---|---|---|---|
| 29 March 2011 | 3,95,700 | 10 | 252.24 (including STT, Brokerage and other expenses) | 9,98,12,587 | Purchase |
| Maximum number of Equity Shares intended to be tendered | | | | | 3,95,700 |

4 The Company confirms that there are no defaults subsisting in the repayment of deposit or interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.

### 5 CONFIRMATIONS FROM THE BOARD

The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:

5.1 That immediately following the date of Board Meeting held on May 26, 2018 and the date on which the special resolution approving the Buyback is passed i.e. July 6, 2018, there will be no grounds on which the Company can be found unable to pay its debts.

5.2 That as regards the Company's prospects for the year immediately following the date of the Board Meeting held on May 26, 2018 as well as for the year immediately following the date on which the special resolution approving the Buyback is passed i.e. July 6, 2018, and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting held on May 26, 2018 and within a period of one year from the date on which the special resolution approving the Buyback is passed i.e. July 6, 2018.

5.3 In forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act, and the Insolvency and Bankruptcy Code, 2016 (to the extent notified and in force).

### 6 REPORT ADDRESSED TO THE BOARD OF DIRECTORS BY THE COMPANY'S AUDITOR ON PERMISSIBLE CAPITAL PAYMENT AND OPINION FORMED BY DIRECTORS REGARDING INSOLVENCY

The text of the report dated May 26, 2018, from Price Waterhouse Chartered Accountants LLP and M/s Gupta Mittal & Co, being the Statutory Auditors of the Company, addressed to the Board is reproduced below:

**"The Board of Directors**

**D. B. Corp Limited**

Plot no. 280 Sarkhej Gandhi Nagar Highway Near YMCA Club, Makarba Ahmedabad, Gujarat - 380051

**Auditors' Report on Buyback of Shares pursuant to the requirement of Schedule II to Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998**

1. This report is issued in accordance with our agreement dated May 25, 2018.

2. We have been engaged by D. B. Corp Limited (the "**Company**") to perform a reasonable assurance engagement on determination of the amount of permissible capital payment as detailed in the accompanying Annexure I in connection with the proposed buyback by the Company of its equity shares in pursuance of Section 68 and Section 70 of the Companies Act, 2013 (the "**Act**") and The Companies (Share Capital and Debentures) Rules, 2014 and the regulations as specified in the 'Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998' and amendments thereto (the "**Regulations**") and on the opinions expressed by the Board of Directors of the Company, as required under the Regulations. We have initialled the Annexure I for identification purposes only.

**Board of Directors Responsibility**

3. The Board of Directors of the Company is responsible for the following:

i) The amount of capital payment for the buyback is properly determined; and

ii) It has made a full inquiry into the affairs and prospects of the Company and has formed the opinion that the Company will not be rendered insolvent within a period of one year from the date of the Board Meeting ("**BM**") for buyback and from the date on which the result of the postal ballot will be declared.

**Auditor's Responsibility**

4. Pursuant to the requirement of the Regulations, it is our responsibility to obtain reasonable assurance on the following "**Reporting Criteria**":

i) whether the amount of capital payment for the buyback is within the permissible limit computed in accordance with the provisions of Section 68 of the Act; and

ii) whether the Board of Directors has formed the opinion, as specified in Clause (x) of Schedule II to the Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from the date of BM and from the date on which the result of the postal ballot will be declared.

5. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting Criteria. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated with the Reporting Criteria. Within the scope of our work, we performed the following procedures:

i) Examined authorisation for buyback from the Articles of Association of the Company;

ii) Examined that the amount of capital payment for the buyback as detailed in Annexure I is within the permissible limit computed in accordance with the provisions of Section 68 of the Act;

iii) Examined that the ratio of the debt owned by the Company, if any, is not more than twice the capital and its free reserves after such buyback;

iv) Examined that all the shares for buyback are fully paid-up;

v) Inquired into the state of affairs of the Company with reference to the audited financial statements of the Company as at and for the year ended March 31, 2018 (the "**Audited Financial Statements**") which has been prepared by the Management of the Company; and examined budgets and projections prepared by the Management;

vi) Examined minutes of the meetings of the Board of Directors;

vii) Examined Directors' declarations for the purpose of buyback and solvency of the Company; and

viii) Obtained appropriate representations from the Management of the Company.

6. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

8. The financial statements referred to in paragraph 5 (v) above, have been audited by us on which we issued an unmodified audit opinion vide our report dated May 16, 2018. Our audit of these financial statements was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audits were not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

**Opinion**

9. As a result of our performance of aforementioned procedures, we report that:

i) The amount of capital payment of Rs. 3,128 million for the shares in question, as stated in the accompanying certified extract of the minutes of the Board of Directors' meeting held on May 26, 2018, which we have initialed for identification, is within the permissible capital payment of Rs. 4,799.73 million on standalone basis and Rs. 4,787.36 million on consolidated basis, as calculated in Annexure I based on the Audited Financial Statements, which, in our opinion, is properly determined in accordance with Section 68 of the Act; and

ii) The Board of Directors in their meeting held on May 26, 2018 has formed the opinion, as specified in Clause (x) of Schedule II to the Regulations, on reasonable grounds that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of the Board Meeting for buyback and from the date on which the result of shareholders resolution by way of postal ballot will be declared.

**Restrictions on Use**

10. Our work was performed solely to assist you in meeting your responsibilities with reference to the Regulations. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.

11. This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Regulations solely to enable the Board of Directors of the Company to include in:

i) the explanatory statement to be included in the postal ballot notice to be circulated to the shareholders of the Company;

ii) Public Announcement to be made to the shareholders of the Company, which will be filed with (a) the Registrar of Companies as required by the Regulations (b) the Central Depository Services (India) Limited and National Securities Depository Limited for the purpose of extinguishment of equity shares, (c) the authorised dealer as approved by the Board of Directors or committee of the Board of Directors thereof, for the purpose of capital payment, (d) Securities and Exchange Board of India, BSE Limited and the National Stock Exchange of India;

iii) the draft letter of offer to be filed with Securities and Exchange Board of India and Stock Exchanges; and

iv) the letter of offer to be filed with Stock Exchanges and be given to the shareholders

and should not be used for any other purpose. Price Waterhouse Chartered Accountants LLP and Gupta Mittal & Co. does not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report, or the explanatory statement to be included in the postal ballot notice to be circulated to the shareholders of the Company and the Public Announcement which includes our report, is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**For Price Waterhouse Chartered Accountants LLP**
**Firm Registration Number: FRN012754N/N500016**

**Priyanshu Gundana**
**Partner**
**Membership Number: 109553**
**Mumbai**
May 26, 2018

**For Gupta Mittal & Co**
**Firm Registration Number: FRN009973C**
Chartered Accountants

**Shilpa Gupta**
**Partner**
**Membership Number: 403763**
**Mumbai**
May 26, 2018

**Annexure I**

**Statement of Permissible Capital Payment for Buyback of Equity Shares:**

**Notes:**

| Particulars | Standalone (Rs. In million) | Consolidated (Rs. In million) |
|---|---|---|
| Issued, Subscribed and Paid-up share capital as at March 31, 2018 (184,027,945 equity of Rs. 10 each) | 1,840.28 | 1,840.28 |
| Free reserves as at March 31, 2018 | | |
| - Securities Premium Account | 2,553.20 | 2,553.20 |
| - Surplus in Statement of Profit and Loss | 14,383.95 | 13,220.44 |
| - General Reserve | 421.48 | 1,535.53 |
| **Total** | **19,198.91** | **19,149.45** |
| Maximum amount permissible for the Buyback i.e. 25% of total paid-up equity capital and free reserves | 4,799.73 | 4,787.36 |

(1) Calculation in respect to buyback is done on the basis of Standalone and Consolidated Audited Financial Statements of the Company for the year ended March 31, 2018.

(2) Calculation in respect of Permissible Capital Payment for Buyback of Equity Shares is done on the basis of audited financial statements of the Company for the year ended March 31, 2018 which is not more than six months old from the proposed date of offer document.

**For and on behalf of D. B. Corp Limited**

**Pawan Agarwal**
Deputy Managing Director"

### 7 PROCESS AND METHODOLOGY TO BE ADOPTED FOR THE BUYBACK

**7.1 Process:**

(a) The Buyback offer is open to all Shareholders holding Equity Shares as on Record Date in physical form ("**Physical Shares**") and beneficial owners holding Equity Shares in dematerialised form ("**Demat Shares**") (hereinafter referred to as the "**Eligible Sellers**").

(b) The Buyback offer will be implemented by the Company through the Stock Exchange mechanism, as provided under the Buyback Regulations and circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, issued by SEBI and in accordance with the procedure prescribed in the Act and the Buyback Regulations and as may be determined by the Board (including the committee/persons authorized to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.

(c) For the implementation of the Buyback offer, the Company has appointed Axis Capital Limited ("**Company's Broker**") as the registered broker through whom the purchases and settlements on account of the Buyback Offer would be made by the Company. The contact details of the Company's Broker are as follows:

**AXIS CAPITAL LIMITED**
5th Floor, Axis House,
C-2 Wadia International Centre,
P. B. Marg, Worli, Mumbai - 400 025
Tel: +91 22 4325 5579 | Fax: +91 22 4325 5599
Contact Person: Mr. Ram Shinde
Email: QIB@axiscap.in
SEBI Registration No.: BSE: INB011387330; NSE: INB231387235

(d) The Company will request BSE to provide a separate Acquisition Window to facilitate placing of sell orders by Eligible Sellers who wish to tender their Equity Shares in the Buyback. The details of the platform will be as specified by BSE from time to time. In case, the Eligible Sellers' registered stock broker is not registered with BSE, Eligible Seller may approach Company's Broker to place its bid.

(e) At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through the Company's Brokers. During the tendering period, the order for selling the Equity shares will be placed by the Eligible Sellers through their respective stock brokers ("**Seller Member**") during normal trading hours of the secondary market. In the tendering process, the Company's Broker may also process the orders received from the Equity Shareholders. The Seller Member can enter orders for demat as well as physical shares.

(f) The reporting requirements for Non-Resident Shareholders under Reserve Bank of India, Foreign Exchange Management Act, 1999, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Seller and/or the Seller Member through which the Equity Shareholder places the bid.

(g) Modification / cancellation of orders and multiple bids from a single Eligible Seller will be allowed during the tendering period of the Buyback offer. Multiple bids made by single Eligible Seller for selling the Equity Shares shall be clubbed and considered as "one" bid for the purposes of acceptance.

(h) The cumulative quantity tendered shall be made available on the website of BSE (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the tendering period.

**7.2 Procedure to be followed by Eligible Sellers holding Equity Shares in the dematerialized form:**

(a) Eligible Sellers who desire to tender their Equity Shares in the electronic / dematerialized form under the Buyback would have to do so through their respective Seller Member by giving the details of Equity Shares they intend to tender under the Buyback.

(b) The Seller Member would be required to place an order / bid on behalf of the Eligible Sellers who wish to tender Equity Shares in the Buyback using the Acquisition Window of BSE. Before placing the bid, the Eligible Seller would be required to transfer the tendered Equity Shares to the account of the Indian Clearing Corporation Limited (the "**Clearing Corporation**"), by using the early pay in mechanism as prescribed by BSE or the Clearing Corporation, prior to placing the bid by the Seller Member. The details of the early pay-in account will be intimated in the circular to be issued in this regard.

(c) For custodian participant orders for demat Equity Shares, early pay-in is mandatory prior to confirmation of the order/bid by the custodian. The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.

(d) Upon placing the order, the Seller Member shall provide transaction registration slip ("**TRS**") generated by the stock exchange bidding system to the Eligible sellers. TRS will contain details of order submitted like bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.

(e) In case of non-receipt of the completed tender form and other documents, but receipt of Equity Shares in the accounts of the Clearing Corporation and a valid bid in the exchange bidding system, the bid for Buyback shall be deemed to have been accepted.

**7.3 Procedure to be followed by Eligible Sellers holding Equity Shares in the Physical form:**

(a) Equity Shareholders who are holding physical Equity Shares and intend to participate in the Buyback will be required to approach the Seller Member along with the complete set of documents for verification procedures to be carried out including the:

1) completed tender form and original share certificate(s);

2) valid Form SH-4 (transfer form) duly filled and signed by the Eligible Seller (in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company;

3) self-attested copy of the Eligible Seller's PAN Card; and

4) any other relevant documents such as (but not limited to):

a. Duly attested Power of Attorney if any person other than the Equity Shareholder has signed the relevant Tender Form;

b. Notarized copy of death certificate / succession certificate or probated will, if the original Equity Shareholder has deceased;

c. Necessary corporate authorisations, such as Board Resolutions etc., in case of companies.

5) In addition, if the address of the Equity Shareholder has undergone a change from the address registered in the register of members of the Company, the Equity Shareholders would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.

(b) Based on these documents, the concerned Seller Member shall place a bid on behalf of the Eligible Seller holding Equity Shares in physical form and who wish to tender Equity Shares in the Buyback, using the Acquisition Window of BSE. Upon placing the bid, the Seller Member shall provide a TRS generated by the exchange bidding system to the Eligible Seller. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity Shares tendered etc.

(c) The Seller Member / Eligible Seller has to deliver the original share certificate(s) and documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post or courier or hand delivery to the Registrar to the Buyback (at the address mentioned in clause 10 below) within 2 (two) days of bidding by Seller Member. The envelope should be super scribed as "**DB Corp Buyback Offer 2018**". One copy of the TRS will be retained by Registrar and it will provide acknowledgement of the same to the Seller Member/Eligible Seller.

(d) Eligible Sellers holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the physical Equity Shares for the Buyback shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time the BSE shall display such bids as 'unconfirmed physical bids'. Once the Registrar confirms the bids, it will be treated as 'Confirmed Bids'.

(e) In case any Eligible Seller has submitted Equity Shares in physical form for dematerialization, such Eligible Seller should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buyback offer before closure of the tendering period.

**7.4 Method of settlement:**

Upon finalization of the basis of acceptance as per Buyback Regulations:

(a) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.

(b) The Company will pay the consideration to the Company's Broker who will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank accounts as per the prescribed schedule.

(c) For Equity Shares accepted under the Buyback, the Clearing Corporation will make direct funds pay-out to respective Eligible Seller's bank account as provided by the depository system. If the Eligible Seller's bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Seller Members settlement bank account for onward transfer to the respective Eligible Seller.

(d) In case of Eligible Sellers where there are specific RBI and other regulatory requirements pertaining to funds pay-out, which do not opt to settle through custodians, the funds pay-out would be given to their respective Seller Members settlement bank account for onward transfer to the Eligible Sellers. For this purpose, the client type details would be collected from the Registrar to the Buyback.

(e) The Equity Shares bought back in demat form would be transferred directly to the demat account of the Company opened for Buyback ("**Special Demat Account**") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Special Demat Account on receipt of the Equity Shares from the Clearing Corporation.

(f) Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Sellers would be returned to them by the Clearing Corporation.

(g) Eligible Sellers tendering Equity Shares will have to ensure that they keep the depository participant ("**DP**") account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance of shares under the Buyback offer.

(h) Any excess physical Equity Shares pursuant to proportionate acceptance / rejection will be returned back to the Eligible Sellers directly by the Registrar to the Buyback. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback by Equity Shareholders holding Equity Shares in the Physical form, and return the same to the sole / first Eligible Seller (in case of joint Equity Shareholders). Share certificates in respect of unaccepted/ rejected Equity Shares and other documents, if any, will be sent by registered post / speed post at the Eligible Seller's sole risk to the sole / first Eligible Seller (in case of joint Eligible Sellers), at the address recorded with the Registrar / Company.

(i) Company's Brokers would issue a contract note to the Company for the Equity Shares accepted under the Buyback.

7.5 Eligible Sellers who intend to participate in the Buyback should consult their respective Seller Member for any cost, applicable taxes, charges and expenses (including brokerage) etc., that may be levied by the Seller Member upon the Eligible Sellers for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the Eligible Seller, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Sellers.

7

DB Corp Ltd

# D. B. CORP LIMITED

Registered Office: Plot No. 280, Sarkhej Gandhinagar Highway,
Near YMCA Club, Makarba, Ahmedabad, Gujarat 380051

Tel.: +91-22-71577000 Fax: + 91-22-71577093
E-mail: dbcs@dbcorp.in; Website: www.bhaskarnet.com CIN: L22210GJ1995PLC047208

## PUBLIC ANNOUNCEMENT

**FOR THE ATTENTION OF THE HOLDERS/BENEFICIAL OWNERS OF EQUITY SHARES OF D. B. CORP LIMITED FOR BUYBACK OF EQUITY SHARES THROUGH TENDER OFFER**

**This Public Announcement (the "Public Announcement") is being made pursuant to the provisions of Regulation 8(1) of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (the "Buyback Regulations") for the time being in force including any statutory modifications and amendments from time to time and contains the disclosures as specified in Part A of Schedule II to the Buyback Regulations.**

**OFFER FOR BUYBACK OF UP TO 92,00,000 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH ("EQUITY SHARES") AT A PRICE OF RS. 340/- (RUPEES THREE HUNDRED AND FORTY ONLY) PER FULLY PAID-UP EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER PROCESS USING THE STOCK EXCHANGE MECHANISM.**

### 1 DETAILS OF THE BUYBACK OFFER AND OFFER PRICE

1.1. The Board of Directors hereinafter referred to as the "**Board**", (which expression includes any committee constituted by the Board to exercise its powers) of D.B. Corp Limited ("**Company**"), at its meeting held on May 26, 2018 ("**Board Meeting**") approved the proposal for the buyback of Equity Shares at a price of Rs. 340/- (Rupees Three hundred and forty only) per Equity Share (the "**Buyback Price**") up to an aggregate amount not exceeding Rs. 312.80 Crores (Rupees Three hundred and twelve crores and eighty lakhs only) ("**Buyback Size**") (being less than 25% of the total paid-up equity capital and free reserves of the Company as per latest audited standalone balance sheet as on March 31, 2018), from the shareholders ("**Shareholders**") of the Company on a proportionate basis through a tender offer in accordance with the provisions of the Companies Act, 2013 ("**Companies Act**" or "**the Act**") the Companies (Share Capital and Debentures) Rules, 2014 (the "**Share Capital Rules**"), the Companies (Management and Administration) Rules, 2014 (the "**Management Rules**") and in compliance with the Buyback Regulations ("**Buyback" or "Buyback Offer**"). The Buyback Size does not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India ("**SEBI**"), brokerage, applicable taxes (such as securities transaction tax, stamp duty and goods and service tax), advisors' fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses. The Shareholders of the Company approved the Buyback of the Company's fully paid-up Equity Shares from the existing shareholders / beneficial owners, on a proportionate basis (subject to the reservation for small shareholders), through the tender offer process pursuant to Article 4 of the Articles of Association of the Company and in accordance with of Sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, the Share Capital Rules, the Management Rules and the Buyback Regulations, by way of a special resolution, through the postal ballot ("**Postal Ballot**"), the results of which were announced on July 7, 2018 and which was deemed to be passed on July 6, 2018 (i.e. the last date of voting for the Postal Ballot) ("**Shareholders' Approval**"). The Buyback is subject to receipt of any approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, including the Reserve Bank of India, the SEBI, and the stock exchanges on which the Equity Shares are listed, namely, the National Stock Exchange of India Limited ("**NSE**") and the BSE Limited ("**BSE**") (hereinafter together referred to as the "**Stock Exchanges**").

1.2. The Buyback would be undertaken on a proportionate basis from the Shareholders as of July 18, 2018 ("**Record Date**") through the tender offer route, prescribed under Regulation 4(1) (a) of the Buyback Regulations using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016. In this regard, the Company will request BSE to provide a separate acquisition window ("**Acquisition Window**") to facilitate the Buyback.

1.3. In terms of the Buyback Regulations, under tender offer route, the Promoters and Promoter Group of the Company have the option to participate in the Buyback. In this regard, the Promoters and Promoter Group of the Company have vide: (i) their letters dated May 25, 2018, expressed their intention to participate in the Buyback; and (ii) their letters dated May 27, 2018, provided details regarding shares intended to be tendered by them. The extent of their participation in the Buyback has been detailed in Paragraph 3.5 of this Public Announcement.

1.4. The Buyback Price is Rs. 340/- (Rupees Three hundred and forty only) per Equity Share representing 16.29% and 16.33% respectively of the aggregate of the standalone and consolidated paid-up share capital and free reserves (including securities premium account) respectively, as per the audited accounts of the Company for the financial year ended March 31, 2018. The Buyback Price has been arrived at after considering various factors including, but not limited to the trends in the market prices of the Equity Shares on the Stock Exchanges, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buyback on the earnings per Equity Share.

1.5. The Buyback Price of Rs. 340/- (Rupees Three hundred and forty only) per Equity Share represents a premium of 28.08% and 30.39% over the closing price of the Equity Shares on the BSE (i.e. Rs. 265.45) and on the NSE (i.e. Rs. 260.75), respectively, as on May 21, 2018, being the date on which the Company intimated the Stock Exchanges of the date of the meeting of the Board wherein proposal of the Buyback was to be considered. The basic earnings per Equity Share of the Company pre- Buyback as on March 31, 2018, considering the number of shares outstanding as on March 31, 2018 is Rs. 17.64 and Rs. 17.61 on a standalone and consolidated basis respectively, which will increase to Rs. 18.57 and Rs. 18.54 on a standalone and consolidated basis respectively, post Buyback assuming full acceptance of the Buyback. The return on net worth of the Company pre Buyback as on March 31, 2018 is 16.82% and 16.84% on a standalone and consolidated basis respectively, which will increase to 20.08% and 20.11% on a standalone and consolidated basis respectively, post Buyback assuming full acceptance of the Buyback.

1.6. The aggregate paid-up share capital and free reserves as on March 31, 2018 (the audited financial statements available as on the date of the Board Meeting recommending the proposal of the Buyback) is Rs. 1,919.89 Crores on a standalone basis and Rs. 1,914.95 Crores on a consolidated basis. Under the provisions of the Act, the funds deployed for the Buyback cannot exceed 25% of the total paid-up share capital and free reserves of the Company i.e. Rs. 479.97 Crores on standalone basis and Rs 478.74 Crores on a consolidated basis. The maximum amount proposed to be utilized for the Buyback is Rs.312.80 Crores (Rupees Three hundred and twelve crores and eighty lakhs only) and is therefore within the limit of 25% of the Company's total paid-up share capital and free reserves as per the audited accounts for the financial year ended March 31, 2018. Further, under the Act, the number of Equity Shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity capital of the Company in that financial year. Accordingly, the maximum number of Equity Shares that can be bought back in the current financial year is 4,60,06,986. Since the Company proposes to buyback up to 92,00,000 Equity Shares, the same is within the aforesaid 25% limit.

1.7. A copy of this Public Announcement is available on the website of the Company at www.bhaskarnet.com, and is expected to be available on the SEBI website www.sebi.gov.in during the period of the Buyback and on the websites of the Stock Exchanges at www.nseindia.com and www.bseindia.com respectively.

### 2 NECESSITY FOR BUYBACK

The Board at its meeting held on May 26, 2018 considered the accumulated free reserves as well as the cash liquidity reflected in the audited accounts for the financial year ended March 31, 2018 and considering these, the Board decided to allocate a sum of Rs. 312.80 Crores (Rupees Three hundred and twelve crores and eighty lakhs only) excluding any expenses incurred or to be incurred for the Buyback like filing fees payable to the SEBI, brokerage, applicable taxes (such as securities transaction tax, stamp duty and goods and service tax), advisors' fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses, etc., for the Buyback. After considering several factors and benefits to the Shareholders holding Equity Shares of the Company, the Board decided to recommend Buyback of not exceeding 92,00,000 Equity Shares (representing approximately 5% of the total paid-up equity share capital of the Company as on March 31, 2018) at a price of Rs. 340/- (Rupees Three hundred and forty only) per Equity Share for an aggregate consideration of upto Rs. 312.80 Crores (Rupees Three hundred and twelve crores and eighty lakhs only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc.

In the opinion of the Board, the Buyback is a more efficient form of returning surplus cash to the Shareholders holding Equity Shares of the Company, inter-alia, for the following reasons:

2.1 Share buyback is the acquisition by a company of its own Equity Shares. The Buyback will help the Company to return surplus cash to its Shareholders holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to the Shareholders;

2.2 The Buyback, which is being implemented through the tender offer route as prescribed under the Buyback Regulations, would involve allocation of higher of number of Equity Shares as per their entitlement or 15% of the number of Equity Shares to be bought back, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholders";

2.3 The Buyback may help in improving return on equity, by reduction in the equity base, which may consequentially lead to a long term increase in shareholders' value;

2.4 The Buyback gives an option to the Shareholders holding Equity Shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buyback, without any additional investment; and

2.5 The Buyback would result in the optimization of the capital structure of the Company.

### 3 DETAILS OF PROMOTERS' SHAREHOLDING AND INTENTION OF PROMOTERS AND PROMOTER GROUP TO PARTICIPATE IN THE BUYBACK

3.1 The aggregate shareholding of the Promoters and Promoter Group of the Company who are in control of the Company as on June 1, 2018, i.e. the date of the postal ballot notice is as follows:

| Sr. No. | Name of Shareholder | No. of Equity Shares held | Percentage (%) |
|---|---|---|---|
| 1. | Jyoti Agarwal | 9,18,813 | 0.50 |
| 2. | Girish Agarwal | 82,69,321 | 4.49 |
| 3. | Ramesh Chandra Agarwal | 1,00,001 | 0.05 |
| 4. | Pawan Agarwal | 82,69,321 | 4.49 |
| 5. | Sudhir Agarwal | 82,69,321 | 4.49 |
| 6. | Kasturi Devi Agarwal | 99,795 | 0.05 |
| 7. | Namita Agarwal | 9,18,813 | 0.50 |
| 8. | Nitika Agarwal | 9,18,813 | 0.50 |
| 9. | Bhaskar Publication and Allied Industries Private Limited | 30,17,800 | 1.64 |
| 10. | Stitex Global Limited | 79,16,190 | 4.30 |
| 11. | DB Consolidated Private Limited | 8,97,91,549 | 48.79 |
| | **Total** | **12,84,89,737** | **69.81%** |

3.2 As on June 1, 2018 i.e. the date of the postal ballot notice, the aggregate shareholding of the directors of companies, which are part of the Promoters and Promoter Group of the Company is as follows:

| Sr. No. | Name of the director of Promoter Group Company | Name of the Promoter/Promoter Group Company | No. of Equity Shares held | Percentage (%) |
|---|---|---|---|---|
| 1. | Rajendra Kumar Joshi | Stitex Global Ltd | 1,760 | 0.00 |
| 2. | Rajendra Kumar Gupta | Stitex Global Ltd | 1,042 | 0.00 |
| | | **Total** | **2,802** | **0.00** |

3.3 As on June 1, 2018, i.e. the date of the postal ballot notice, the shareholding of the Directors of the Company is as follows:

| Sr. No. | Name of Directors | Designation | No. of Equity Shares held | Percentage % |
|---|---|---|---|---|
| 1 | Sudhir Agarwal | Managing Director | 82,69,321 | 4.49 |
| 2 | Girish Agarwal | Director | 82,69,321 | 4.49 |
| 3 | Pawan Agarwal | Deputy Managing Director | 82,69,321 | 4.49 |
| 4 | Ashwani Kumar Singhal | Independent Director | Nil | Nil |
| 5 | Piyush Pandey | Independent Director | Nil | Nil |
| 6 | Harish Bijoor | Independent Director | Nil | Nil |
| 7 | Anupriya Acharya | Independent Director | Nil | Nil |

3.4 No Equity Shares of the Company have been purchased/sold by any of the Promoters and the Promoter Group of the Company, directors of the Promoters and Promoter Group Companies, and the Directors of the Company during the period from six months preceding the date of the Board Meeting at which the Buyback was proposed and from the date of the Board Meeting till the date of the postal ballot notice, except for the following transactions:

| Name of Promoter / Director | No. of Equity Shares Purchased / Sold | Nature of Transaction | Maximum Price (Rs.) | Date of Maximum Price | Minimum Price (Rs.) | Date of Minimum Price |
|---|---|---|---|---|---|---|
| Rajendra Kumar Gupta | 228 | Acquisition by way of Employees Stock Option Scheme | 168 | 4 May 2018 | 168 | 4 May 2018 |

3.5 Intention of Promoters and Promoter Group to participate in Buyback: In terms of the Buyback Regulations, under the tender offer route, the Promoters and Promoter Group of the Company have the option to participate in the Buyback. In this regard, the Promoters and Promoter Group of the Company have vide: (i) their letters dated May 25, 2018, expressed their intention to participate in the Buyback; and (ii) their letters dated May 27, 2018, provided details regarding shares intended to be tendered by them and have offered up to an aggregate maximum of 34,00,000 Equity Shares as detailed below or any such lower number of Equity Shares in accordance with the Buyback Regulations in the following manner:

| Sr. No. | Name | No. of Equity Shares Held | Maximum number of Equity Shares intended to tender |
|---|---|---|---|
| 1. | Sudhir Agarwal | 82,69,321 | 4,13,400 |
| 2. | Girish Agarwal | 82,69,321 | 4,13,400 |
| 3. | Pawan Agarwal | 82,69,321 | 4,13,400 |
| 4. | Jyoti Agarwal | 9,18,813 | 45,900 |
| 5. | Namita Agarwal | 9,18,813 | 45,900 |
| 6. | Nitika Agarwal | 9,18,813 | 45,900 |
| 7. | DB Consolidated Pvt Ltd | 8,97,91,549 | 16,26,400 |
| 8. | Stitex Global Ltd | 79,16,190 | 3,95,700 |
| 9. | Bhaskar Publications & Allied Industries Pvt. Ltd | 30,17,800 | Nil |
| 10. | Ramesh Chandra Agarwal | 1,00,001 | Nil |
| 11. | Kasturi Devi Agarwal | 99,795 | Nil |
| | **Total** | **12,84,89,737** | **34,00,000** |

3.6 Details of the date and price of acquisition of the Equity Shares that the Promoters and Promoter Group of the Company intend to tender are set-out below:

**Sudhir Agarwal**

| Date | Number of Shares | Nominal Value (Rs.) | Issue Price / Transfer Price (Rs.) | Consideration (Rs.) | Nature of Transaction |
|---|---|---|---|---|---|
| 9 May 2011 | 4,05,922 | 10 | NIL | NIL | Gift Received |
| 6 March 2013 | 7,478 | 10 | NIL | NIL | Gift Received |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 4,13,400 |

**Girish Agarwal**

| | | | | | |
|---|---|---|---|---|---|
| 6 March 2013 | 4,13,400 | 10 | NIL | NIL | Gift Received |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 4,13,400 |

**Pawan Agarwal**

| | | | | | |
|---|---|---|---|---|---|
| 6 March 2013 | 4,13,400 | 10 | NIL | NIL | Gift Received |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 4,13,400 |

**Jyoti Agarwal**

| | | | | | |
|---|---|---|---|---|---|
| 29 Sept. 2007 | 45,900 | 10 | NIL | NIL | Bonus Issue |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 45,900 |

**Namita Agarwal**

| | | | | | |
|---|---|---|---|---|---|
| 29 Sept. 2007 | 45,900 | 10 | NIL | NIL | Bonus Issue |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 45,900 |

**Nitika Agarwal**

| | | | | | |
|---|---|---|---|---|---|
| 29 Sept. 2007 | 45,900 | 10 | NIL | NIL | Bonus Issue |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 45,900 |

**DB Consolidated Private Limited**

| | | | | | |
|---|---|---|---|---|---|
| 29 Sept. 2007 | 16,26,400 | 10 | NIL | NIL | Bonus Issue |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 16,26,400 |

**Stitex Global Limited**

| | | | | | |
|---|---|---|---|---|---|
| 29 March 2011 | 3,95,700 | 10 | 252.24 (including STT, Brokerage and other expenses) | 9,98,12,587 | Purchase |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 3,95,700 |

4 The Company confirms that there are no defaults subsisting in the repayment of deposit or interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.

### 5 CONFIRMATIONS FROM THE BOARD

The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:

5.1 That immediately following the date of Board Meeting held on May 26, 2018 and the date on which the special resolution approving the Buyback is passed i.e. July 6, 2018, there will be no grounds on which the Company can be found unable to pay its debts.

5.2 That as regards the Company's prospects for the year immediately following the date of the Board Meeting held on May 26, 2018 as well as for the year immediately following the date on which the special resolution approving the Buyback is passed i.e. July 6, 2018, and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting held on May 26, 2018 and within a period of one year from the date on which the special resolution approving the Buyback is passed i.e. July 6, 2018.

5.3 In forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act, and the Insolvency and Bankruptcy Code, 2016 (to the extent notified and in force).

### 6 REPORT ADDRESSED TO THE BOARD OF DIRECTORS BY THE COMPANY'S AUDITOR ON PERMISSIBLE CAPITAL PAYMENT AND OPINION FORMED BY DIRECTORS REGARDING INSOLVENCY

The text of the report dated May 26, 2018, from Price Waterhouse Chartered Accountants LLP and M/s Gupta Mittal & Co, being the Statutory Auditors of the Company, addressed to the Board is reproduced below:

**"The Board of Directors**

**D. B. Corp Limited**

Plot no. 280 Sarkhej Gandhi Nagar Highway Near YMCA Club, Makarba Ahmedabad, Gujarat - 380051

**Auditors' Report on Buyback of Shares pursuant to the requirement of Schedule II to Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998**

1. This report is issued in accordance with our agreement dated May 25, 2018.

2. We have been engaged by D. B. Corp Limited (the "**Company**") to perform a reasonable assurance engagement on determination of the amount of permissible capital payment as detailed in the accompanying Annexure I in connection with the proposed buyback by the Company of its equity shares in pursuance of Section 68 and Section 70 of the Companies Act, 2013 (the "**Act**") and The Companies (Share Capital and Debentures) Rules, 2014 and the regulations as specified in the 'Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998' and amendments thereto (the "**Regulations**") and on the opinions expressed by the Board of Directors of the Company, as required under the Regulations. We have initialled the Annexure I for identification purposes only.

**Board of Directors Responsibility**

3. The Board of Directors of the Company is responsible for the following:

i) The amount of capital payment for the buyback is properly determined; and

ii) It has made a full inquiry into the affairs and prospects of the Company and has formed the opinion that the Company will not be rendered insolvent within a period of one year from the date of the Board Meeting ('**BM**') for buyback and from the date on which the result of the postal ballot will be declared.

**Auditor's Responsibility**

4. Pursuant to the requirement of the Regulations, it is our responsibility to obtain reasonable assurance on the following **"Reporting Criteria":**

i) whether the amount of capital payment for the buyback is within the permissible limit computed in accordance with the provisions of Section 68 of the Act; and

ii) whether the Board of Directors has formed the opinion, as specified in Clause (x) of Schedule II to the Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from the date of BM and from the date on which the result of the postal ballot will be declared.

5. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting Criteria. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated with the Reporting Criteria. Within the scope of our work, we performed the following procedures:

i) Examined authorisation for buyback from the Articles of Association of the Company;

ii) Examined that the amount of capital payment for the buyback as detailed in Annexure I is within the permissible limit computed in accordance with the provisions of Section 68 of the Act;

iii) Examined that the ratio of the debt owned by the Company, if any, is not more than twice the capital and its free reserves after such buyback;

iv) Examined that all the shares for buyback are fully paid-up;

v) Inquired into the state of affairs of the Company with reference to the audited financial statements of the Company as at and for the year ended March 31, 2018 (the "**Audited Financial Statements**") which has been prepared by the Management of the Company; and examined budgets and projections prepared by the Management;

vi) Examined minutes of the meetings of the Board of Directors;

vii) Examined Directors' declarations for the purpose of buyback and solvency of the Company; and

viii) Obtained appropriate representations from the Management of the Company.

6. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

8. The financial statements referred to in paragraph 5 (v) above, have been audited by us on which we issued an unmodified audit opinion vide our report dated May 16, 2018. Our audit of these financial statements was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audits were not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

**Opinion**

9. As a result of our performance of aforementioned procedures, we report that:

i) The amount of capital payment of Rs. 3,128 million for the shares in question, as stated in the accompanying certified extract of the minutes of the Board of Directors' meeting held on May 26, 2018, which we have initialed for identification, is within the permissible capital payment of Rs. 4,799.73 million on standalone basis and Rs. 4,787.36 million on consolidated basis, as calculated in Annexure I based on the Audited Financial Statements, which, in our opinion, is properly determined in accordance with Section 68 of the Act, and

ii) The Board of Directors in their meeting held on May 26, 2018 has formed the opinion, as specified in Clause (x) of Schedule II to the Regulations, on reasonable grounds that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of the Board Meeting for buyback and from the date on which the result of shareholders resolution by way of postal ballot will be declared.

**Restrictions on Use**

10. Our work was performed solely to assist you in meeting your responsibilities with reference to the Regulations. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.

11. This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Regulations solely to enable the Board of Directors of the Company to include in:

i) the explanatory statement to be included in the postal ballot notice to be circulated to the shareholders of the Company;

ii) Public Announcement to be made to the shareholders of the Company, which will be filed with (a) the Registrar of Companies as required by the Regulations (b) the Central Depository Services (India) Limited and National Securities Depository Limited for the purpose of extinguishment of equity shares, (c) the authorised dealer as approved by the Board of Directors or committee of the Board of Directors thereof, for the purpose of capital payment, (d) Securities and Exchange Board of India, BSE Limited and the National Stock Exchange of India;

iii) the draft letter of offer to be filed with Securities and Exchange Board of India and Stock Exchanges; and

iv) the letter of offer to be filed with Stock Exchanges and be given to the shareholders

and should not be used for any other purpose. Price Waterhouse Chartered Accountants LLP and Gupta Mittal & Co. does not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report, or the explanatory statement to be included in the postal ballot notice to be circulated to the shareholders of the Company and the Public Announcement which includes our report, is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**For Price Waterhouse Chartered Accountants LLP**
**Firm Registration Number: FRN012754N/N500016**

**Priyanshu Gundana**
**Partner**
**Membership Number: 109553**

**Mumbai**
May 26, 2018

**For Gupta Mittal & Co**
**Firm Registration Number: FRN009973C**
Chartered Accountants

**Shilpa Gupta**
**Partner**
**Membership Number: 403763**

**Mumbai**
May 26, 2018

**Annexure I**

**Statement of Permissible Capital Payment for Buyback of Equity Shares:**

**Notes:**

| Particulars | Standalone (Rs. In million) | Consolidated (Rs. In million) |
|---|---|---|
| Issued, Subscribed and Paid-up share capital as at March 31, 2018 (184,027,945 equity of Rs. 10 each) | 1,840.28 | 1,840.28 |
| Free reserves as at March 31, 2018 | | |
| - Securities Premium Account | 2,553.20 | 2,553.20 |
| - Surplus in Statement of Profit and Loss | 14,383.95 | 13,220.44 |
| - General Reserve | 421.48 | 1,535.53 |
| **Total** | **19,198.91** | **19,149.45** |
| Maximum amount permissible for the Buyback i.e. 25% of total paid-up equity capital and free reserves | 4,799.73 | 4,787.36 |

(1) Calculation in respect to buyback is done on the basis of Standalone and Consolidated Audited Financial Statements of the Company for the year ended March 31, 2018.

(2) Calculation in respect of Permissible Capital Payment for Buyback of Equity Shares is done on the basis of audited financial statements of the Company for the year ended March 31, 2018 which is not more than six months old from the proposed date of offer document.

**For and on behalf of D. B. Corp Limited**

**Pawan Agarwal**
Deputy Managing Director"

### 7 PROCESS AND METHODOLOGY TO BE ADOPTED FOR THE BUYBACK

**7.1 Process:**

(a) The Buyback offer is open to all Shareholders holding Equity Shares as on Record Date in physical form ("**Physical Shares**") and beneficial owners holding Equity Shares in dematerialised form ("**Demat Shares**") (hereinafter referred to as the "**Eligible Sellers**").

(b) The Buyback offer will be implemented by the Company through the Stock Exchange mechanism, as provided under the Buyback Regulations and circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, issued by SEBI and in accordance with the procedure prescribed in the Act and the Buyback Regulations and as may be determined by the Board (including the committee/persons authorized to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.

(c) For the implementation of the Buyback offer, the Company has appointed Axis Capital Limited ("**Company's Broker**") as the registered broker through whom the purchases and settlements on account of the Buyback Offer would be made by the Company. The contact details of the Company's Broker are as follows:

**AXIS CAPITAL LIMITED**
5th Floor, Axis House,
C-2 Wadia International Centre,
P. B. Marg, Worli, Mumbai - 400 025
Tel: +91 22 4325 5579 | Fax: +91 22 4325 5599
Contact Person: Mr. Ram Shinde
Email: QIB@axiscap.in
SEBI Registration No.: BSE: INB011387330;
NSE: INB231387235

(d) The Company will request BSE to provide a separate Acquisition Window to facilitate placing of sell orders by Eligible Sellers who wish to tender their Equity Shares in the Buyback. The details of the platform will be as specified by BSE from time to time. In case, the Eligible Sellers' registered stock broker is not registered with BSE, Eligible Seller may approach Company's Broker to place its bid.

(e) At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through the Company's Brokers. During the tendering period, the order for selling the Equity shares will be placed by the Eligible Sellers through their respective stock brokers ("**Seller Member**") during normal trading hours of the secondary market. In the tendering process, the Company's Broker may also process the orders received from the Equity Shareholders. The Seller Member can enter orders for demat as well as physical shares.

(f) The reporting requirements for Non-Resident Shareholders under Reserve Bank of India, Foreign Exchange Management Act, 1999, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Seller and/or the Seller Member through which the Equity Shareholder places the bid.

(g) Modification / cancellation of orders and multiple bids from a single Eligible Seller will be allowed during the tendering period of the Buyback offer. Multiple bids made by single Eligible Seller for selling the Equity Shares shall be clubbed and considered as "one" bid for the purposes of acceptance.

(h) The cumulative quantity tendered shall be made available on the website of BSE (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the tendering period.

**7.2 Procedure to be followed by Eligible Sellers holding Equity Shares in the dematerialized form:**

(a) Eligible Sellers who desire to tender their Equity Shares in the electronic / dematerialized form under the Buyback would have to do so through their respective Seller Member by giving the details of Equity Shares they intend to tender under the Buyback.

(b) The Seller Member would be required to place an order / bid on behalf of the Eligible Sellers who wish to tender Equity Shares in the Buyback using the Acquisition Window of BSE. Before placing the bid, the Eligible Seller would be required to transfer the tendered Equity Shares to the account of the Indian Clearing Corporation Limited (the "**Clearing Corporation**"), by using the early pay in mechanism as prescribed by BSE or the Clearing Corporation, prior to placing the bid by the Seller Member. The details of the early pay-in account will be intimated in the circular to be issued in this regard.

(c) For custodian participant orders for demat Equity Shares early pay-in is mandatory prior to confirmation of the order/bid by the custodian. The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.

(d) Upon placing the order, the Seller Member shall provide transaction registration slip ("**TRS**") generated by the stock exchange bidding system to the Eligible sellers. TRS will contain details of order submitted like bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.

(e) In case of non-receipt of the completed tender form and other documents, but receipt of Equity Shares in the accounts of the Clearing Corporation and a valid bid in the exchange bidding system, the bid for Buyback shall be deemed to have been accepted.

**7.3 Procedure to be followed by Eligible Sellers holding Equity Shares in the Physical form:**

(a) Equity Shareholders who are holding physical Equity Shares and intend to participate in the Buyback will be required to approach the Seller Member along with the complete set of documents for verification procedures to be carried out including the:

1) completed tender form and original share certificate(s);

2) valid Form SH 4 (transfer form) duly filled and signed by the Eligible Seller (in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company,

3) self-attested copy of the Eligible Seller's PAN Card, and

4) any other relevant documents such as (but not limited to):

a. Duly attested Power of Attorney if any person other than the Equity Shareholder has signed the relevant Tender Form;

b. Notarized copy of death certificate / succession certificate or probated will, if the original Equity Shareholder has deceased;

c. Necessary corporate authorisations, such as Board Resolutions etc., in case of companies

5) In addition, if the address of the Equity Shareholder has undergone a change from the address registered in the register of members of the Company, the Equity Shareholders would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.

(b) Based on these documents, the concerned Seller Member shall place a bid on behalf of the Eligible Seller holding Equity Shares in physical form and who wish to tender Equity Shares in the Buyback, using the Acquisition Window of BSE. Upon placing the bid, the Seller Member shall provide a TRS generated by the exchange bidding system to the Eligible Seller. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity Shares tendered etc.

(c) The Seller Member / Eligible Seller has to deliver the original share certificate(s) and documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post or courier or hand delivery to the Registrar to the Buyback (at the address mentioned in clause 10 below) within 2 (two) days of bidding by Seller Member. The envelope should be super scribed as "**DB Corp Buyback Offer 2018**". One copy of the TRS will be retained by Registrar and it will provide acknowledgement of the same to the Seller Member/Eligible Seller.

(d) Eligible Sellers holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the physical Equity Shares for the Buyback shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time the BSE shall display such bids as 'unconfirmed physical bids'. Once the Registrar confirms the bids, it will be treated as 'Confirmed Bids'.

(e) In case any Eligible Seller has submitted Equity Shares in physical form for dematerialization, such Eligible Seller should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buyback offer before closure of the tendering period.

**7.4 Method of settlement:**

Upon finalization of the basis of acceptance as per Buyback Regulations:

(a) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.

(b) The Company will pay the consideration to the Company's Broker who will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank accounts as per the prescribed schedule.

(c) For Equity Shares accepted under the Buyback, the Clearing Corporation will make direct funds pay-out to respective Eligible Seller's bank account as provided by the depository system. If the Eligible Seller's bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Seller Members settlement bank account for onward transfer to the respective Eligible Seller.

(d) In case of Eligible Sellers where there are specific RBI and other regulatory requirements pertaining to funds pay-out, which do not opt to settle through custodians, the funds pay-out would be given to their respective Seller Members settlement bank account for onward transfer to the Eligible Sellers. For this purpose, the client type details would be collected from the Registrar to the Buyback.

(e) The Equity Shares bought back in demat form would be transferred directly to the demat account of the Company opened for Buyback ("**Special Demat Account**") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Special Demat Account on receipt of the Equity Shares from the Clearing Corporation.

(f) Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Sellers would be returned to them by the Clearing Corporation.

(g) Eligible Sellers tendering Equity Shares will have to ensure that they keep the depository participant ("**DP**") account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance of shares under the Buyback offer.

(h) Any excess physical Equity Shares pursuant to proportionate acceptance / rejection will be returned back to the Eligible Sellers directly by the Registrar to the Buyback. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback by Equity Shareholders holding Equity Shares in the Physical form, and return the same to the sole / first Eligible Seller (in case of joint Equity Shareholders). Share certificates in respect of unaccepted/ rejected Equity Shares and other documents, if any, will be sent by registered post / speed post at the Eligible Seller's sole risk to the sole / first Eligible Seller (in case of joint Eligible Sellers), at the address recorded with the Registrar / Company.

(i) Company's Brokers would issue a contract note to the Company for the Equity Shares accepted under the Buyback.

7.5 Eligible Sellers who intend to participate in the Buyback should consult their respective Seller Member for any cost, applicable taxes, charges and expenses (including brokerage) etc., that may be levied by the Seller Member upon the Eligible Sellers for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the Eligible Seller, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the E

# D. B. CORP LIMITED

Registered Office: Plot No. 280, Sarkhej Gandhinagar Highway, Near YMCA Club, Makarba, Ahmedabad, Gujarat 380051

Tel.: +91-22-71577000 Fax: + 91-22-71577093

E-mail: dbcs@dbcorp.in; Website: www.bhaskarnet.com CIN: L22210GJ1995PLC047208

## PUBLIC ANNOUNCEMENT

**FOR THE ATTENTION OF THE HOLDERS/BENEFICIAL OWNERS OF EQUITY SHARES OF D. B. CORP LIMITED FOR BUYBACK OF EQUITY SHARES THROUGH TENDER OFFER**

**This Public Announcement (the "Public Announcement") is being made pursuant to the provisions of Regulation 8(1) of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (the "Buyback Regulations") for the time being in force including any statutory modifications and amendments from time to time and contains the disclosures as specified in Part A of Schedule II to the Buyback Regulations.**

**OFFER FOR BUYBACK OF UP TO 92,00,000 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH ("EQUITY SHARES") AT A PRICE OF RS. 340/- (RUPEES THREE HUNDRED AND FORTY ONLY) PER FULLY PAID-UP EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER PROCESS USING THE STOCK EXCHANGE MECHANISM.**

### 1 DETAILS OF THE BUYBACK OFFER AND OFFER PRICE

1.1. The Board of Directors hereinafter referred to as the "**Board**", (which expression includes any committee constituted by the Board to exercise its powers) of D.B. Corp Limited ("**Company**"), at its meeting held on May 26, 2018 ("**Board Meeting**") approved the proposal for the buyback of Equity Shares at a price of Rs. 340/- (Rupees Three hundred and forty only) per Equity Share (the "**Buyback Price**") up to an aggregate amount not exceeding Rs. 312.80 Crores (Rupees Three hundred and twelve crores and eighty lakhs only) ("**Buyback Size**") (being less than 25% of the total paid-up equity capital and free reserves of the Company as per latest audited standalone balance sheet as on March 31, 2018), from the shareholders ("**Shareholders**") of the Company on a proportionate basis through a tender offer in accordance with the provisions of the Companies Act, 2013 ("**Companies Act**" or "**the Act**") the Companies (Share Capital and Debentures) Rules, 2014 (the "**Share Capital Rules**"), the Companies (Management and Administration) Rules, 2014 (the "**Management Rules**") and in compliance with the Buyback Regulations ("**Buyback" or "Buyback Offer**"). The Buyback Size does not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India ("**SEBI**"), brokerage, applicable taxes (such as securities transaction tax, stamp duty and goods and service tax), advisors' fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses. The Shareholders of the Company approved the Buyback of the Company's fully paid-up Equity Shares from the existing shareholders / beneficial owners, on a proportionate basis (subject to the reservation for small shareholders), through the tender offer process pursuant to Article 4 of the Articles of Association of the Company and in accordance with of Sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, the Share Capital Rules, the Management Rules and the Buyback Regulations, by way of a special resolution, through the postal ballot ("**Postal Ballot**"), the results of which were announced on July 7, 2018 and which was deemed to be passed on July 6, 2018 (i.e. the last date of voting for the Postal Ballot) ("**Shareholders' Approval**"). The Buyback is subject to receipt of any approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, including the Reserve Bank of India, the SEBI, and the stock exchanges on which the Equity Shares are listed, namely, the National Stock Exchange of India Limited ("**NSE**") and the BSE Limited ("**BSE**") (hereinafter together referred to as the "**Stock Exchanges**").

1.2. The Buyback would be undertaken on a proportionate basis from the Shareholders as of July 18, 2018 ("**Record Date**") through the tender offer route, prescribed under Regulation 4(1)(a) of the Buyback Regulations using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016. In this regard, the Company will request BSE to provide a separate acquisition window ("**Acquisition Window**") to facilitate the Buyback.

1.3. In terms of the Buyback Regulations, under tender offer route, the Promoters and Promoter Group of the Company have the option to participate in the Buyback. In this regard, the Promoters and Promoter Group of the Company have vide: (i) their letters dated May 25, 2018, expressed their intention to participate in the Buyback; and (ii) their letters dated May 27, 2018, provided details regarding shares intended to be tendered by them. The extent of their participation in the Buyback has been detailed in Paragraph 3.5 of this Public Announcement.

1.4. The Buyback Price is Rs. 340/- (Rupees Three hundred and forty only) per Equity Share representing 16.29% and 16.33% respectively of the aggregate of the standalone and consolidated paid-up share capital and free reserves (including securities premium account) respectively, as per the audited accounts of the Company for the financial year ended March 31, 2018. The Buyback Price has been arrived at after considering various factors including, but not limited to the trends in the market prices of the Equity Shares on the Stock Exchanges, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buyback on the earnings per Equity Share.

1.5. The Buyback Price of Rs. 340/- (Rupees Three hundred and forty only) per Equity Share represents a premium of 28.08% and 30.39% over the closing price of the Equity Shares on the BSE (i.e. Rs. 265.45) and on the NSE (i.e. Rs. 260.75), respectively, as on May 21, 2018, being the date on which the Company intimated the Stock Exchanges of the date of the meeting of the Board wherein proposal of the Buyback was to be considered. The basic earnings per Equity Share of the Company pre- Buyback as on March 31, 2018, considering the number of shares outstanding as on March 31, 2018 is Rs. 17.64 and Rs. 17.61 on a standalone and consolidated basis respectively, which will increase to Rs. 18.57 and Rs. 18.54 on a standalone and consolidated basis respectively, post Buyback assuming full acceptance of the Buyback. The return on net worth of the Company pre Buyback as on March 31, 2018 is 16.82% and 16.84% on a standalone and consolidated basis respectively, which will increase to 20.08% and 20.11% on a standalone and consolidated basis respectively, post Buyback assuming full acceptance of the Buyback.

1.6. The aggregate paid-up share capital and free reserves as on March 31, 2018 (the audited financial statements available as on the date of the Board Meeting recommending the proposal of the Buyback) is Rs. 1,919.89 Crores on a standalone basis and Rs. 1,914.95 Crores on a consolidated basis. Under the provisions of the Act, the funds deployed for the Buyback cannot exceed 25% of the total paid-up share capital and free reserves of the Company i.e. Rs. 479.97 Crores on standalone basis and Rs 478.74 Crores on a consolidated basis. The maximum amount proposed to be utilized for the Buyback is Rs.312.80 Crores (Rupees Three hundred and twelve crores and eighty lakhs only) and is therefore within the limit of 25% of the Company's total paid-up share capital and free reserves as per the audited accounts for the financial year ended March 31, 2018. Further, under the Act, the number of Equity Shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity capital of the Company in that financial year. Accordingly, the maximum number of Equity Shares that can be bought back in the current financial year is 4,60,06,986. Since the Company proposes to buyback up to 92,00,000 Equity Shares, the same is within the aforesaid 25% limit.

1.7. A copy of this Public Announcement is available on the website of the Company at www.bhaskarnet.com, and is expected to be available on the SEBI website www.sebi.gov.in during the period of the Buyback and on the websites of the Stock Exchanges at www.nseindia.com and www.bseindia.com respectively.

### 2 NECESSITY FOR BUYBACK

The Board at its meeting held on May 26, 2018 considered the accumulated free reserves as well as the cash liquidity reflected in the audited accounts for the financial year ended March 31, 2018 and considering these, the Board decided to allocate a sum of Rs. 312.80 Crores (Rupees Three hundred and twelve crores and eighty lakhs only) excluding any expenses incurred or to be incurred for the Buyback like filing fees payable to the SEBI, brokerage, applicable taxes (such as securities transaction tax, stamp duty and goods and service tax), advisors' fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses, etc., for the Buyback. After considering several factors and benefits to the Shareholders holding Equity Shares of the Company, the Board decided to recommend Buyback of not exceeding 92,00,000 Equity Shares (representing approximately 5% of the total paid-up equity share capital of the Company as on March 31, 2018) at a price of Rs. 340/- (Rupees Three hundred and forty only) per Equity Share for an aggregate consideration of upto Rs. 312.80 Crores (Rupees Three hundred and twelve crores and eighty lakhs only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc.

In the opinion of the Board, the Buyback is a more efficient form of returning surplus cash to the Shareholders holding Equity Shares of the Company, inter-alia, for the following reasons:

2.1 Share buyback is the acquisition by a company of its own Equity Shares. The Buyback will help the Company to return surplus cash to its Shareholders holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to the Shareholders;

2.2 The Buyback, which is being implemented through the tender offer route as prescribed under the Buyback Regulations, would involve allocation of higher of number of Equity Shares as per their entitlement or 15% of the number of Equity Shares to be bought back, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholders";

2.3 The Buyback may help in improving return on equity, by reduction in the equity base, which may consequentially lead to a long term increase in shareholders' value;

2.4 The Buyback gives an option to the Shareholders holding Equity Shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buyback, without any additional investment; and

2.5 The Buyback would result in the optimization of the capital structure of the Company.

### 3 DETAILS OF PROMOTERS' SHAREHOLDING AND INTENTION OF PROMOTERS AND PROMOTER GROUP TO PARTICIPATE IN THE BUYBACK

3.1 The aggregate shareholding of the Promoters and Promoter Group of the Company who are in control of the Company as on June 1, 2018, i.e. the date of the postal ballot notice is as follows:

| Sr. No. | Name of Shareholder | No. of Equity Shares held | Percentage (%) |
|---|---|---|---|
| 1. | Jyoti Agarwal | 9,18,813 | 0.50 |
| 2. | Girish Agarwal | 82,69,321 | 4.49 |
| 3. | Ramesh Chandra Agarwal | 1,00,001 | 0.05 |
| 4. | Pawan Agarwal | 82,69,321 | 4.49 |
| 5. | Sudhir Agarwal | 82,69,321 | 4.49 |
| 6. | Kasturi Devi Agarwal | 99,795 | 0.05 |
| 7. | Namita Agarwal | 9,18,813 | 0.50 |
| 8. | Nitika Agarwal | 9,18,813 | 0.50 |
| 9. | Bhaskar Publication and Allied Industries Private Limited | 30,17,800 | 1.64 |
| 10. | Stitex Global Limited | 79,16,190 | 4.30 |
| 11. | DB Consolidated Private Limited | 8,97,91,549 | 48.79 |
| | **Total** | **12,84,89,737** | **69.81%** |

3.2 As on June 1, 2018 i.e. the date of the postal ballot notice, the aggregate shareholding of the directors of companies, which are part of the Promoters and Promoter Group of the Company is as follows:

| Sr. No. | Name of the director of Promoter Group Company | Name of the Promoter/Promoter Group Company | No. of Equity Shares held | Percentage (%) |
|---|---|---|---|---|
| 1. | Rajendra Kumar Joshi | Stitex Global Ltd | 1,760 | 0.00 |
| 2. | Rajendra Kumar Gupta | Stitex Global Ltd | 1,042 | 0.00 |
| | | **Total** | **2,802** | **0.00** |

3.3 As on June 1, 2018, i.e. the date of the postal ballot notice, the shareholding of the Directors of the Company is as follows:

| Sr. No. | Name of Directors | Designation | No. of Equity Shares held | Percentage % |
|---|---|---|---|---|
| 1 | Sudhir Agarwal | Managing Director | 82,69,321 | 4.49 |
| 2 | Girish Agarwal | Director | 82,69,321 | 4.49 |
| 3 | Pawan Agarwal | Deputy Managing Director | 82,69,321 | 4.49 |
| 4 | Ashwani Kumar Singhal | Independent Director | Nil | Nil |
| 5 | Piyush Pandey | Independent Director | Nil | Nil |
| 6 | Harish Bijoor | Independent Director | Nil | Nil |
| 7 | Anupriya Acharya | Independent Director | Nil | Nil |

3.4 No Equity Shares of the Company have been purchased/sold by any of the Promoters and the Promoter Group of the Company, directors of the Promoters and Promoter Group Companies, and the Directors of the Company during the period from six months preceding the date of the Board Meeting at which the Buyback was proposed and from the date of the Board Meeting till the date of the postal ballot notice, except for the following transactions:

| Name of Promoter / Director | No. of Equity Shares Purchased / Sold | Nature of Transaction | Maximum Price (Rs.) | Date of Maximum Price | Minimum Price (Rs.) | Date of Minimum Price |
|---|---|---|---|---|---|---|
| Rajendra Kumar Gupta | 228 | Acquisition by way of Employees Stock Option Scheme | 168 | 4 May 2018 | 168 | 4 May 2018 |

3.5 Intention of Promoters and Promoter Group to participate in Buyback: In terms of the Buyback Regulations, under the tender offer route, the Promoters and Promoter Group of the Company have the option to participate in the Buyback. In this regard, the Promoters and Promoter Group of the Company have vide: (i) their letters dated May 25, 2018, expressed their intention to participate in the Buyback; and (ii) their letters dated May 27, 2018, provided details regarding shares intended to be tendered by them and have offered up to an aggregate maximum of 34,00,000 Equity Shares as detailed below or any such lower number of Equity Shares in accordance with the Buyback Regulations in the following manner:

| Sr. No. | Name | No. of Equity Shares Held | Maximum number of Equity Shares intended to tender |
|---|---|---|---|
| 1. | Sudhir Agarwal | 82,69,321 | 4,13,400 |
| 2. | Girish Agarwal | 82,69,321 | 4,13,400 |
| 3. | Pawan Agarwal | 82,69,321 | 4,13,400 |
| 4. | Jyoti Agarwal | 9,18,813 | 45,900 |
| 5. | Namita Agarwal | 9,18,813 | 45,900 |
| 6. | Nitika Agarwal | 9,18,813 | 45,900 |
| 7. | DB Consolidated Pvt Ltd | 8,97,91,549 | 16,26,400 |
| 8. | Stitex Global Ltd | 79,16,190 | 3,95,700 |
| 9. | Bhaskar Publications & Allied Industries Pvt. Ltd | 30,17,800 | Nil |
| 10. | Ramesh Chandra Agarwal | 1,00,001 | Nil |
| 11. | Kasturi Devi Agarwal | 99,795 | Nil |
| | **Total** | **12,84,89,737** | **34,00,000** |

3.6 Details of the date and price of acquisition of the Equity Shares that the Promoters and Promoter Group of the Company intend to tender are set-out below:

**Sudhir Agarwal**

| Date | Number of Shares | Nominal Value (Rs.) | Issue Price / Transfer Price (Rs.) | Consideration (Rs.) | Nature of Transaction |
|---|---|---|---|---|---|
| 9 May 2011 | 4,05,922 | 10 | NIL | NIL | Gift Received |
| 6 March 2013 | 7,478 | 10 | NIL | NIL | Gift Received |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 4,13,400 |

**Girish Agarwal**

| | | | | | |
|---|---|---|---|---|---|
| 6 March 2013 | 4,13,400 | 10 | NIL | NIL | Gift Received |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 4,13,400 |

**Pawan Agarwal**

| | | | | | |
|---|---|---|---|---|---|
| 6 March 2013 | 4,13,400 | 10 | NIL | NIL | Gift Received |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 4,13,400 |

**Jyoti Agarwal**

| | | | | | |
|---|---|---|---|---|---|
| 29 Sept. 2007 | 45,900 | 10 | NIL | NIL | Bonus Issue |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 45,900 |

**Namita Agarwal**

| | | | | | |
|---|---|---|---|---|---|
| 29 Sept. 2007 | 45,900 | 10 | NIL | NIL | Bonus Issue |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 45,900 |

**Nitika Agarwal**

| | | | | | |
|---|---|---|---|---|---|
| 29 Sept. 2007 | 45,900 | 10 | NIL | NIL | Bonus Issue |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 45,900 |

**DB Consolidated Private Limited**

| | | | | | |
|---|---|---|---|---|---|
| 29 Sept. 2007 | 16,26,400 | 10 | NIL | NIL | Bonus Issue |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 16,26,400 |

**Stitex Global Limited**

| | | | | | |
|---|---|---|---|---|---|
| 29 March 2011 | 3,95,700 | 10 | 252.24 (including STT, Brokerage and other expenses) | 9,98,12,587 | Purchase |
| **Maximum number of Equity Shares intended to be tendered** | | | | | 3,95,700 |

4 The Company confirms that there are no defaults subsisting in the repayment of deposit or interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.

### 5 CONFIRMATIONS FROM THE BOARD

The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:

5.1 That immediately following the date of Board Meeting held on May 26, 2018 and the date on which the special resolution approving the Buyback is passed i.e. July 6, 2018, there will be no grounds on which the Company can be found unable to pay its debts.

5.2 That as regards the Company's prospects for the year immediately following the date of the Board Meeting held on May 26, 2018 as well as for the year immediately following the date on which the special resolution approving the Buyback is passed i.e. July 6, 2018, and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting held on May 26, 2018 and within a period of one year from the date on which the special resolution approving the Buyback is passed i.e. July 6, 2018.

5.3 In forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act, and the Insolvency and Bankruptcy Code, 2016 (to the extent notified and in force).

### 6 REPORT ADDRESSED TO THE BOARD OF DIRECTORS BY THE COMPANY'S AUDITOR ON PERMISSIBLE CAPITAL PAYMENT AND OPINION FORMED BY DIRECTORS REGARDING INSOLVENCY

The text of the report dated May 26, 2018, from Price Waterhouse Chartered Accountants LLP and M/s Gupta Mittal & Co, being the Statutory Auditors of the Company, addressed to the Board is reproduced below:

**"The Board of Directors**

**D. B. Corp Limited**

Plot no. 280 Sarkhej Gandhi Nagar Highway Near YMCA Club, Makarba Ahmedabad, Gujarat - 380051

**Auditors' Report on Buyback of Shares pursuant to the requirement of Schedule II to Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998**

1. This report is issued in accordance with our agreement dated May 25, 2018.

2. We have been engaged by D. B. Corp Limited (the "**Company**") to perform a reasonable assurance engagement on determination of the amount of permissible capital payment as detailed in the accompanying Annexure I in connection with the proposed buyback by the Company of its equity shares in pursuance of Section 68 and Section 70 of the Companies Act, 2013 (the "**Act**") and The Companies (Share Capital and Debentures) Rules, 2014 and the regulations as specified in the 'Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998' and amendments thereto (the "**Regulations**") and on the opinions expressed by the Board of Directors of the Company, as required under the Regulations. We have initialled the Annexure I for identification purposes only.

**Board of Directors Responsibility**

3. The Board of Directors of the Company is responsible for the following:

i) The amount of capital payment for the buyback is properly determined; and

ii) It has made a full inquiry into the affairs and prospects of the Company and has formed the opinion that the Company will not be rendered insolvent within a period of one year from the date of the Board Meeting ('**BM**') for buyback and from the date on which the result of the postal ballot will be declared.

**Auditor's Responsibility**

4. Pursuant to the requirement of the Regulations, it is our responsibility to obtain reasonable assurance on the following **"Reporting Criteria":**

i) whether the amount of capital payment for the buyback is within the permissible limit computed in accordance with the provisions of Section 68 of the Act; and

ii) whether the Board of Directors has formed the opinion, as specified in Clause (x) of Schedule II to the Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from the date of BM and from the date on which the result of the postal ballot will be declared.

5. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting Criteria. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated with the Reporting Criteria. Within the scope of our work, we performed the following procedures:

i) Examined authorisation for buyback from the Articles of Association of the Company;

ii) Examined that the amount of capital payment for the buyback as detailed in Annexure I is within the permissible limit computed in accordance with the provisions of Section 68 of the Act;

iii) Examined that the ratio of the debt owned by the Company, if any, is not more than twice the capital and its free reserves after such buyback;

iv) Examined that all the shares for buyback are fully paid-up;

v) Inquired into the state of affairs of the Company with reference to the audited financial statements of the Company as at and for the year ended March 31, 2018 (the "**Audited Financial Statements**") which has been prepared by the Management of the Company; and examined budgets and projections prepared by the Management;

vi) Examined minutes of the meetings of the Board of Directors;

vii) Examined Directors' declarations for the purpose of buyback and solvency of the Company; and

viii) Obtained appropriate representations from the Management of the Company.

6. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

8. The financial statements referred to in paragraph 5 (v) above, have been audited by us on which we issued an unmodified audit opinion vide our report dated May 16, 2018. Our audit of these financial statements was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audits were not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

**Opinion**

9. As a result of our performance of aforementioned procedures, we report that:

i) The amount of capital payment of Rs. 3,128 million for the shares in question, as stated in the accompanying certified extract of the minutes of the Board of Directors' meeting held on May 26, 2018, which we have initialed for identification, is within the permissible capital payment of Rs. 4,799.73 million on standalone basis and Rs. 4,787.36 million on consolidated basis, as calculated in Annexure I based on the Audited Financial Statements, which, in our opinion, is properly determined in accordance with Section 68 of the Act, and

ii) The Board of Directors in their meeting held on May 26, 2018 has formed the opinion, as specified in Clause (x) of Schedule II to the Regulations, on reasonable grounds that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of the Board Meeting for buyback and from the date on which the result of shareholders resolution by way of postal ballot will be declared.

**Restrictions on Use**

10. Our work was performed solely to assist you in meeting your responsibilities with reference to the Regulations. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.

11. This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Regulations solely to enable the Board of Directors of the Company to include in:

i) the explanatory statement to be included in the postal ballot notice to be circulated to the shareholders of the Company;

ii) Public Announcement to be made to the shareholders of the Company, which will be filed with (a) the Registrar of Companies as required by the Regulations (b) the Central Depository Services (India) Limited and National Securities Depository Limited for the purpose of extinguishment of equity shares, (c) the authorised dealer as approved by the Board of Directors or committee of the Board of Directors thereof, for the purpose of capital payment, (d) Securities and Exchange Board of India, BSE Limited and the National Stock Exchange of India;

iii) the draft letter of offer to be filed with Securities and Exchange Board of India and Stock Exchanges; and

iv) the letter of offer to be filed with Stock Exchanges and be given to the shareholders

and should not be used for any other purpose. Price Waterhouse Chartered Accountants LLP and Gupta Mittal & Co. does not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report, or the explanatory statement to be included in the postal ballot notice to be circulated to the shareholders of the Company and the Public Announcement which includes our report, is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**For Price Waterhouse Chartered Accountants LLP**
**Firm Registration Number: FRN012754N/N500016**

**Priyanshu Gundana**
**Partner**
**Membership Number: 109553**

**Mumbai**
May 26, 2018

**For Gupta Mittal & Co**
**Firm Registration Number: FRN009973C**
Chartered Accountants

**Shilpa Gupta**
**Partner**
**Membership Number: 403763**

**Mumbai**
May 26, 2018

**Annexure I**

**Statement of Permissible Capital Payment for Buyback of Equity Shares:**

**Notes:**

| Particulars | Standalone (Rs. In million) | Consolidated (Rs. In million) |
|---|---|---|
| Issued, Subscribed and Paid-up share capital as at March 31, 2018 (184,027,945 equity of Rs. 10 each) | 1,840.28 | 1,840.28 |
| Free reserves as at March 31, 2018 | | |
| - Securities Premium Account | 2,553.20 | 2,553.20 |
| - Surplus in Statement of Profit and Loss | 14,383.95 | 13,220.44 |
| - General Reserve | 421.48 | 1,535.53 |
| **Total** | **19,198.91** | **19,149.45** |
| Maximum amount permissible for the Buyback i.e. 25% of total paid-up equity capital and free reserves | 4,799.73 | 4,787.36 |

(1) Calculation in respect to buyback is done on the basis of Standalone and Consolidated Audited Financial Statements of the Company for the year ended March 31, 2018.

(2) Calculation in respect of Permissible Capital Payment for Buyback of Equity Shares is done on the basis of audited financial statements of the Company for the year ended March 31, 2018 which is not more than six months old from the proposed date of offer document.

**For and on behalf of D. B. Corp Limited**

**Pawan Agarwal**
Deputy Managing Director"

### 7 PROCESS AND METHODOLOGY TO BE ADOPTED FOR THE BUYBACK

**7.1 Process:**

(a) The Buyback offer is open to all Shareholders holding Equity Shares as on Record Date in physical form ("**Physical Shares**") and beneficial owners holding Equity Shares in dematerialised form ("**Demat Shares**") (hereinafter referred to as the "**Eligible Sellers**").

(b) The Buyback offer will be implemented by the Company through the Stock Exchange mechanism, as provided under the Buyback Regulations and circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, issued by SEBI and in accordance with the procedure prescribed in the Act and the Buyback Regulations and as may be determined by the Board (including the committee/persons authorized to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.

(c) For the implementation of the Buyback offer, the Company has appointed Axis Capital Limited ("**Company's Broker**") as the registered broker through whom the purchases and settlements on account of the Buyback Offer would be made by the Company. The contact details of the Company's Broker are as follows:

**AXIS CAPITAL LIMITED**

5th Floor, Axis House,
C-2 Wadia International Centre,
P. B. Marg, Worli, Mumbai - 400 025
Tel: +91 22 4325 5579 | Fax: +91 22 4325 5599

Contact Person: Mr. Ram Shinde
Email: QIB@axiscap.in
SEBI Registration No.: BSE: INB011387330;
NSE: INB231387235

(d) The Company will request BSE to provide a separate Acquisition Window to facilitate placing of sell orders by Eligible Sellers who wish to tender their Equity Shares in the Buyback. The details of the platform will be as specified by BSE from time to time. In case, the Eligible Sellers' registered stock broker is not registered with BSE, Eligible Seller may approach Company's Broker to place its bid.

(e) At the beginning of the tendering period, the order for buying Equity Shares shall be placed by the Company through the Company's Brokers. During the tendering period, the order for selling the Equity shares will be placed by the Eligible Sellers through their respective stock brokers ("**Seller Member**") during normal trading hours of the secondary market. In the tendering process, the Company's Broker may also process the orders received from the Equity Shareholders. The Seller Member can enter orders for demat as well as physical shares.

(f) The reporting requirements for Non-Resident Shareholders under Reserve Bank of India, Foreign Exchange Management Act, 1999, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Seller and/or the Seller Member through which the Equity Shareholder places the bid.

(g) Modification / cancellation of orders and multiple bids from a single Eligible Seller will be allowed during the tendering period of the Buyback offer. Multiple bids made by single Eligible Seller for selling the Equity Shares shall be clubbed and considered as "one" bid for the purposes of acceptance.

(h) The cumulative quantity tendered shall be made available on the website of BSE (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the tendering period.

**7.2 Procedure to be followed by Eligible Sellers holding Equity Shares in the dematerialized form:**

(a) Eligible Sellers who desire to tender their Equity Shares in the electronic / dematerialized form under the Buyback would have to do so through their respective Seller Member by giving the details of Equity Shares they intend to tender under the Buyback.

(b) The Seller Member would be required to place an order / bid on behalf of the Eligible Sellers who wish to tender Equity Shares in the Buyback using the Acquisition Window of BSE. Before placing the bid, the Eligible Seller would be required to transfer the tendered Equity Shares to the account of the Indian Clearing Corporation Limited (the "**Clearing Corporation**"), by using the early pay in mechanism as prescribed by BSE or the Clearing Corporation, prior to placing the bid by the Seller Member. The details of the early pay-in account will be intimated in the circular to be issued in this regard.

(c) For custodian participant orders for demat Equity Shares early pay-in is mandatory prior to confirmation of the order/bid by the custodian. The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the tendering period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.

(d) Upon placing the order, the Seller Member shall provide transaction registration slip ("**TRS**") generated by the stock exchange bidding system to the Eligible sellers. TRS will contain details of order submitted like bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.

(e) In case of non-receipt of the completed tender form and other documents, but receipt of Equity Shares in the accounts of the Clearing Corporation and a valid bid in the exchange bidding system, the bid for Buyback shall be deemed to have been accepted.

**7.3 Procedure to be followed by Eligible Sellers holding Equity Shares in the Physical form:**

(a) Equity Shareholders who are holding physical Equity Shares and intend to participate in the Buyback will be required to approach the Seller Member along with the complete set of documents for verification procedures to be carried out including the:

1) completed tender form and original share certificate(s);

2) valid Form SH 4 (transfer form) duly filled and signed by the Eligible Seller (in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company,

3) self-attested copy of the Eligible Seller's PAN Card, and

4) any other relevant documents such as (but not limited to):

a. Duly attested Power of Attorney if any person other than the Equity Shareholder has signed the relevant Tender Form;

b. Notarized copy of death certificate / succession certificate or probated will, if the original Equity Shareholder has deceased;

c. Necessary corporate authorisations, such as Board Resolutions etc., in case of companies

5) In addition, if the address of the Equity Shareholder has undergone a change from the address registered in the register of members of the Company, the Equity Shareholders would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.

(b) Based on these documents, the concerned Seller Member shall place a bid on behalf of the Eligible Seller holding Equity Shares in physical form and who wish to tender Equity Shares in the Buyback, using the Acquisition Window of BSE. Upon placing the bid, the Seller Member shall provide a TRS generated by the exchange bidding system to the Eligible Seller. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity Shares tendered etc.

(c) The Seller Member / Eligible Seller has to deliver the original share certificate(s) and documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post or courier or hand delivery to the Registrar to the Buyback (at the address mentioned in clause 10 below) within 2 (two) days of bidding by Seller Member. The envelope should be super scribed as "**DB Corp Buyback Offer 2018**". One copy of the TRS will be retained by Registrar and it will provide acknowledgement of the same to the Seller Member/Eligible Seller.

(d) Eligible Sellers holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the physical Equity Shares for the Buyback shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time the BSE shall display such bids as 'unconfirmed physical bids'. Once the Registrar confirms the bids, it will be treated as 'Confirmed Bids'.

(e) In case any Eligible Seller has submitted Equity Shares in physical form for dematerialization, such Eligible Seller should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buyback offer before closure of the tendering period.

**7.4 Method of settlement:**

Upon finalization of the basis of acceptance as per Buyback Regulations:

(a) The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.

(b) The Company will pay the consideration to the Company's Broker who will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank accounts as per the prescribed schedule.

(c) For Equity Shares accepted under the Buyback, the Clearing Corporation will make direct funds pay-out to respective Eligible Seller's bank account as provided by the depository system. If the Eligible Seller's bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Seller Members settlement bank account for onward transfer to the respective Eligible Seller.

(d) In case of Eligible Sellers where there are specific RBI and other regulatory requirements pertaining to funds pay-out, which do not opt to settle through custodians, the funds pay-out would be given to their respective Seller Members settlement bank account for onward transfer to the Eligible Sellers. For this purpose, the client type details would be collected from the Registrar to the Buyback.

(e) The Equity Shares bought back in demat form would be transferred directly to the demat account of the Company opened for Buyback ("**Special Demat Account**") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Special Demat Account on receipt of the Equity Shares from the Clearing Corporation.

(f) Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Sellers would be returned to them by the Clearing Corporation.

(g) Eligible Sellers tendering Equity Shares will have to ensure that they keep the depository participant ("**DP**") account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance of shares under the Buyback offer.

(h) Any excess physical Equity Shares pursuant to proportionate acceptance / rejection will be returned back to the Eligible Sellers directly by the Registrar to the Buyback. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback by Equity Shareholders holding Equity Shares in the Physical form, and return the same to the sole / first Eligible Seller (in case of joint Equity Shareholders). Share certificates in respect of unaccepted/ rejected Equity Shares and other documents, if any, will be sent by registered post / speed post at the Eligible Seller's sole risk to the sole / first Eligible Seller (in case of joint Eligible Sellers), at the address recorded with the Registrar / Company.

(i) Company's Brokers would issue a contract note to the Company for the Equity Shares accepted under the Buyback.

7.5 Eligible Sellers who intend to participate in the Buyback should consult their respective Seller Member for any cost, applicable taxes, charges and expenses (including brokerage) etc., that may be levied by the Seller Member upon the Eligible Sellers for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the Eligible Seller, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the