

# Price Waterhouse Chartered Accountants LLP

## Review Report

To  
The Board of Directors  
Music Broadcast Limited  
5th floor, RNA Corporate Park,  
Off Western Express Highway, Kalanagar, Bandra (E)  
Mumbai – 400051

1. We have reviewed the unaudited financial results of Music Broadcast Limited (the “Company”) for the quarter and the half-year ended September 30, 2020 which are included in the accompanying ‘Unaudited financial results for the quarter and half year ended September 30, 2020’, the statement of assets and liabilities as on that date and the statement of cash flows for the half-year ended on that date (the “Statement”). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations, 2015”), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company’s management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw your attention to Note 6 to the financial results, which describes the management’s assessment of the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Company and the adjustments made to these financial results. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/ N500016  
Chartered Accountants



Anurag Khandelwal  
Partner  
Membership Number: 078571

UDIN: 20078571AAAACH7161  
Place: Gurugram  
Date: October 22, 2020

---

Price Waterhouse Chartered Accountants LLP, Building No. 8, 8th Floor, Tower - B, DLF Cyber City, Gurgaon - 122 002  
T: +91 (124) 4620000, 3060000, F: +91 (124) 4620620

Registered office and Head Office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi – 110002

Price Waterhouse (a Partnership Firm) Converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPINAAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

# MUSIC BROADCAST LIMITED

(CIN No. L64200MH1999PLC137729)

Regd. Office: 5th Floor, RNA Corporate Park, Off. Western Express Highway, Kalanagar, Bandra(East), Mumbai - 400051. Website : www.radiocity.in

RAG RAG MEIN  
DAUDE CITY.



## UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020

(Rs. in lakhs, except per share data)

Sr. No.	Particulars	Quarter ended September 30, 2020	Quarter ended June 30, 2020	Quarter ended September 30, 2019	Half year ended September 30, 2020	Half year ended September 30, 2019	Year ended March 31, 2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1(a)	Revenue from operations	3,008	1,436	6,253	4,445	13,231	24,782
(b)	Other Income	292	473	499	764	828	1,631
	<b>Total Income</b>	<b>3,300</b>	<b>1,909</b>	<b>6,752</b>	<b>5,209</b>	<b>14,059</b>	<b>26,413</b>
2	<b>Expenditure</b>						
(a)	License fees	462	448	491	911	995	1,968
(b)	Employee benefit expense	1,142	1,161	1,202	2,303	2,818	5,539
(c)	Finance costs	96	70	265	167	522	975
(d)	Depreciation and amortisation expense	828	851	867	1,678	1,726	3,478
(e)	Other expenses #	1,707	1,352	2,709	3,059	5,330	11,561
	<b>Total Expenditure</b>	<b>4,235</b>	<b>3,882</b>	<b>5,534</b>	<b>8,118</b>	<b>11,391</b>	<b>23,521</b>
3	<b>Profit before Exceptional items (1 - 2)</b>	<b>(935)</b>	<b>(1,973)</b>	<b>1,218</b>	<b>(2,909)</b>	<b>2,668</b>	<b>2,892</b>
4	Exceptional items	-	-	-	-	-	-
5	<b>Profit before tax (3-4)</b>	<b>(935)</b>	<b>(1,973)</b>	<b>1,218</b>	<b>(2,909)</b>	<b>2,668</b>	<b>2,892</b>
6	<b>Tax Expense</b>						
(a)	Current tax	-	-	148	-	469	617
(b)	Deferred tax	(286)	(584)	(781)	(870)	(495)	(546)
	<b>Total tax expense</b>	<b>(286)</b>	<b>(584)</b>	<b>(633)</b>	<b>(870)</b>	<b>(26)</b>	<b>71</b>
7	<b>Net Profit for the period (5-6)</b>	<b>(649)</b>	<b>(1,389)</b>	<b>1,851</b>	<b>(2,039)</b>	<b>2,694</b>	<b>2,821</b>
8	Other comprehensive income, net of income tax						
A	Items that will not be reclassified to profit or loss	151	38	-	190	-	26
B	Items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Total other comprehensive income, net of income tax</b>	<b>151</b>	<b>38</b>	<b>-</b>	<b>190</b>	<b>-</b>	<b>26</b>
9	<b>Total comprehensive income for the period (7-8)</b>	<b>(498)</b>	<b>(1,351)</b>	<b>1,851</b>	<b>(1,849)</b>	<b>2,694</b>	<b>2,847</b>
10	Paid-up equity share capital (Face Value of Rs. 2 each)	6,914	6,914	5,531	6,914	5,531	6,914
11	Paid-up debt capital	-	-	-	-	7,005	-
12	Other equity (including reserves)	-	-	-	54,416	57,495	56,265
13	Net worth	-	-	-	61,329	63,026	63,179
14	Debenture redemption reserve	-	-	-	-	1,146	-
15	Capital redemption reserve	-	-	-	-	175	-
16	Earning Per Share (EPS) (Face Value of Rs. 2 each) (not annualised)						
	-Basic	(0.19)	(0.40)	0.54	(0.59)	0.78	0.82
	-Diluted	(0.19)	(0.40)	0.54	(0.59)	0.78	0.82
17	*Debt equity ratio ##	-	-	-	-	0.15	-
18	**Debt service coverage ratio ##	-	-	-	-	3.52	5.48
19	***Interest service coverage ratio ##	-	-	-	-	7.84	5.86
	# Other expenses for the year ended March 31, 2020 includes impact of:						
(a)	Additional loss allowance on doubtful debts due to COVID 19	-	-	-	-	-	490
(b)	Loss allowance on doubtful deposits	-	-	-	-	-	280
(c)	Legal and professional fees for proposed RBNL acquisition	-	-	-	-	-	176

## The Company has not disclosed these ratios in current period, since there are no outstanding debentures.

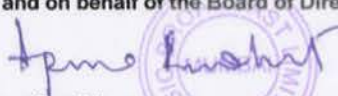

\*Debt Equity Ratio = Total Debts (including lease liabilities) / (Equity Capital + Reserves and Surplus)

\*\*Debt Service Coverage Ratio = Earnings before Depreciation, Finance costs, Other Income and Tax / (Finance costs + Principal repayment during the period).

\*\*\*Interest Service Coverage Ratio = Earnings before Depreciation, Finance costs, Other Income and Tax / Finance costs.





Notes:	
1	The above financial results for the quarter and half year ended September 30, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors on October 22, 2020.
2	The Company is engaged primarily in the business of operating private FM radio stations, which constitutes single reportable segment. Accordingly, the Company is single segment company in accordance with Indian Accounting Standard 108 "Operating Segment".
3	In financial year 2019-20 the tax laws were amended, providing an option to pay tax at 22% plus applicable surcharge and cess ("New Rate") effective April 1, 2019, with a condition that the Company will need to surrender specified deductions / incentives. Based on the assessment of future taxable profits, the Company decided to continue with the rate of 25% plus applicable surcharge and cess until the Minimum Alternate Tax (MAT) credit asset balance is utilised and opt for the New Rate thereafter. The Company re-measured its net deferred tax liability balances accordingly.
4	The Board of Directors at its meeting held on May 27, 2019 approved the proposed investment in Reliance Broadcast Network Limited ("RBNL") by way of a preferential allotment of 24% equity stake for a consideration of Rs 20,200 lakhs and on receipt of all regulatory approvals, the proposed acquisition of the entire stake held by the promoters of RBNL basis an enterprise value of Rs 105,000 lakhs after making adjustment for variation, if any, on the basis of audited accounts for the year ended March 31, 2019. Investment will be made subject to completion of Conditions Precedent (CP) which are yet to be fulfilled. RBNL is engaged in the business of FM radio broadcasting and operates radio stations across India under the brand name 'BIG FM'. Ministry of Information and Broadcasting (MIB) has not yet approved the proposed acquisition and long stop date under definitive documents has also since expired. The parties may engage in discussions for future course of action once approval from MIB is received.
5	The Board of Directors at its meeting held on October 22, 2020 approved a Scheme of Arrangement ("the Scheme") under Section 230 of the Companies Act, 2013, for issuance of Non-Convertible Non-Cumulative Redeemable Preference Shares ("NCRPS") to the non-promoter shareholders of the Company by way of bonus out of its reserves in the ratio of 1:10 i.e. one NCRPS carrying a dividend of 0.1 % having the Face Value of ₹ 10 each issued at a premium of ₹ 90 for every ten equity shares held, to be redeemed on expiry of 36 months at a premium of ₹ 20 per NCRPS, as per the terms and conditions mentioned in the Scheme. The Scheme shall become effective upon obtaining requisite approvals from regulatory authorities.
6	Estimation of uncertainties relating to the global health pandemic (COVID-19)  The Company has considered the possible effects that may result from COVID-19 in the preparation of these interim financial results for the quarter and half year ended September 30, 2020. In assessing the carrying value of its assets and liabilities, the Company has considered internal and external information including the economic forecasts available, and based on such information and assessment, no further adjustments are required to be made. The impact of the pandemic may differ from that estimated as at the date of approval of these interim financial results. The Company will continue to closely monitor any material changes to future economic conditions.
7	The Indian Parliament has approved the code on Social security, 2020 which would impact the contributions by the company towards provident fund and gratuity. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be framed. In view of this, impact if any, of the change will be assessed and accounted in period of notification of the relevant provisions.
<b>For and on behalf of the Board of Directors of Music Broadcast Limited</b>	
Place: Mumbai Dated: October 22, 2020	  Apurva Purohit Director



## Statement of Assets and Liabilities as at September 30, 2020

(Rs. in lakhs)

	As at September 30, 2020	As at March 31, 2020
	Unaudited	Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	7,030	7,356
Right of use asset	2,259	2,132
Intangible assets	20,378	21,424
<b>Financial assets</b>		
i. Investments	4,068	-
ii. Other financial assets	928	1,136
Deferred tax assets	1,791	999
Other non-current assets	384	403
Non current tax assets (net)	522	448
<b>Total non-current assets</b>	<b>37,360</b>	<b>33,898</b>
<b>Current assets</b>		
<b>Financial assets</b>		
i. Investments	17,800	20,836
ii. Trade receivables	7,790	10,625
iii. Cash and cash equivalents	680	761
iv. Bank balances other than (iii) above	1,494	496
v. Other financial assets	722	186
Other current assets	1,919	1,975
<b>Total current assets</b>	<b>30,405</b>	<b>34,879</b>
<b>Total assets</b>	<b>67,765</b>	<b>68,777</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	6,914	6,914
<b>Other equity</b>		
Reserves and surplus	40,218	42,067
Other reserves	14,198	14,198
<b>Total equity</b>	<b>61,330</b>	<b>63,179</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
i. Lease liabilities	1,916	1,829
Employee benefit obligations	144	376
<b>Total non-current liabilities</b>	<b>2,060</b>	<b>2,205</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
i. Trade payables		
(A) total outstanding dues of micro enterprises and small enterprises	6	35
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	2,926	2,043
ii. Lease liabilities	473	384
iii. Other financial liabilities	437	258
Employee benefit obligations	36	45
Other current liabilities	497	628
<b>Total current liabilities</b>	<b>4,375</b>	<b>3,393</b>
<b>Total liabilities</b>	<b>6,435</b>	<b>5,598</b>
<b>Total equity and liabilities</b>	<b>67,765</b>	<b>68,777</b>





## Statement of Cash Flows for the half year ended September 30, 2020

(Rs. in lakhs)

Particulars	For the half year ended September 30, 2020		For the half year ended September 30, 2019	
	Unaudited		Unaudited	
<b>Profit before tax</b>		(2,909)		2,668
<b>Adjustments for:</b>				
Depreciation and amortisation expense	1,678		1,726	
Finance costs	167		522	
Interest income	(244)		(243)	
Changes in fair value of financial assets at fair value through profit or loss	(200)		(488)	
Unwinding of discount on security deposits	(23)		(25)	
Gain on disposal of property, plant and equipment	(1)		(17)	
Gain on sale of investments	(295)		(54)	
Lease liabilities no longer required written back	(41)		-	
Loss allowance on trade receivables	-		(7)	
<b>Change in operating assets and liabilities:</b>				
- (Decrease)/increase in trade payables	853		168	
- (Decrease)/increase in other current liabilities	(131)		(211)	
- (Decrease) in other financial liabilities	178		(535)	
- (Decrease)/Increase in employee benefit obligations	(240)		(46)	
- (Increase)/Decrease in other financial assets	4		(11)	
- (Increase)/Decrease in other non-current assets	18		(2)	
- (Increase)/Decrease in other current assets	323		(520)	
- (Increase)/Decrease in trade receivables	2,835	4,880	787	1,044
<b>Cash generated from operations</b>		<b>1,971</b>		<b>3,712</b>
Income taxes paid		(74)		(940)
<b>Net cash inflow from operating activities</b>		<b>1,897</b>		<b>2,772</b>
<b>Cash flows from investing activities</b>				
Payments for purchase of property, plant and equipment*	(0)		(261)	
Payments for purchase of intangible assets	-		(39)	
Proceeds from sale of property, plant and equipment	1		17	
Proceeds from sale of investments	14,854		4,607	
Payments for purchase of investments	(15,498)		(7,350)	
(Investment in)/Proceeds from bank deposits	(1,016)		728	
Interest received	38		239	
<b>Net cash inflow/(outflow) from investing activities</b>		<b>(1,620)</b>		<b>(2,059)</b>
<b>Cash flows from financing activities</b>				
Repayment of borrowings	-		(408)	
Principal element of lease payments	(190)		(356)	
Interest and other finance cost paid	(167)		(398)	
<b>Net cash outflow from financing activities</b>		<b>(358)</b>		<b>(1,162)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(81)</b>		<b>(449)</b>
Cash and cash equivalents at the beginning of the year		761		1,482
<b>Cash and cash equivalents at the end of the year</b>		<b>680</b>		<b>1,033</b>
<b>Reconciliation of cash and cash equivalents as per the cash flow statement</b>				
Bank balances				
- in current accounts		481		1,033
- in fixed deposits (less than three months maturity)		199		-
Cash on hand*		0		0
<b>Cash and cash equivalents at the end of the year</b>		<b>680</b>		<b>1,033</b>

(\* amount less than Rs.100,000)

